Child Care Voucher Programs: Provider Experiences in Five Counties

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Executive Summary

Subsidies in the form of child care vouchers that help parents pay for child care are an important support for low-income families. This assistance, much of which is funded through the federal Child Care and Development Fund (CCDF), helps parents working to become stably employed while also helping their children get what they need for healthy development. In recent years, policymakers have grown more interested in learning more about the child care providers that care for children in the voucher subsidy system.

Providers willing to accept children with vouchers, and to provide high-quality services, are a linchpin of the child care voucher system. They are essential for the success of efforts to help families become and remain employed, and for ensuring children get the care and early education they need to succeed. Yet unlike other social service systems, such as health care or education, we know relatively little about the child care providers who care for children receiving vouchers or about their experiences with the voucher system.

This report adds to the research base by looking comprehensively at the experiences of child care centers and licensed family child care homes with the voucher subsidy system in 2003–04. The research focuses on providers in five counties: Jefferson County, Alabama (Birmingham); San Diego County, California; Monterey County, California; Hudson County, New Jersey (Jersey City); and King County, Washington (Seattle). It is part of a large-scale study on child care providers and the child care voucher system that relies on a blend of quantitative data from a survey of a representative sample of providers in these communities and qualitative data from site visits that included interviews and focus groups with voucher agency staff, providers, and key experts.

This report explores the following research questions:

- What are the experiences of providers in serving children who receive vouchers and in working with voucher agencies?
- What features of the child care voucher program, policies, and implementation most affect providers?
- What policy strategies can help the voucher system better meet the needs of providers so they can best meet the needs of children and families?

The study population includes centers and family child care providers who offer full-time care to at least some children age 5 and under (not yet in school). This paper concentrates on providers who, at the time of our data collection, were serving (or had recently served) children receiving vouchers funded through the CCDF. The paper does *not* describe the experiences of providers with subsidies paid through what is commonly referred to as a contract funding mechanism. Our survey found that about 80 percent of centers in the study population in Jefferson, Hudson, and King counties were serving (or had recently served) a child with a voucher, while just over 60 percent of centers in San Diego and Monterey counties did so. Rates of voucher involvement were somewhat lower among licensed family child care homes in Jefferson, King, and San Diego counties and appeared about the same as among centers in Hudson and Monterey counties.

Selected Findings

This report describes how providers experience the child care voucher system in five very different counties across the country, and how various voucher policies and implementation practices affect providers. It also highlights the variation across these sites on almost every voucher policy parameter and administrative approach. Despite the variation, the research identifies some important consistencies across the sites in both the strengths and the weaknesses of the voucher system from the perspective of providers.

The data in the report make it clear that, in these communities, the voucher system plays a pervasive and important role in supporting low-income families and the providers who serve them. The data also underscore the many ways the system is functioning well for both providers and families. Yet, these data also reveal several areas where the system is not working as well, sometimes for providers across all the sites, and sometimes for providers within particular agency or site contexts. Some main findings in these areas are summarized below.

Key strengths of the child care voucher system from providers' perspectives

Despite their openness about challenges they faced with the child care voucher system, many child care providers clearly saw vouchers as an important service with benefits for the families they served, and for themselves. The importance of these benefits is, on a basic level, substantiated by our finding that most providers in each study county either were serving or had recently served at least one child receiving a voucher. This suggests that the system was functioning well enough for these providers to be willing to serve children with vouchers, even though they experienced challenges. Specifically, providers discussed the following four benefits:

- *Source of reliable income.* Providers across the sites reported that a primary benefit of the program was that it offered a reliable source of income. In some cases, providers reported that the voucher system was more reliable than private-paying parents, though other providers felt otherwise.

- *Filling slots and supporting the availability of care for low-income families.* Providers and other respondents described how the voucher system allowed programs to fill their slots, and allowed some programs to stay in business in communities that otherwise might not be able to support a child care program.

- *Allowing providers to serve low-income families who needed their services.* Some providers had a specific desire or mission to serve low-income families and felt that the voucher system allowed them to fulfill that goal. Others believed that the socio-economic diversity introduced by serving children with vouchers improved the quality of their services.

- *Benefiting parents and children.* Though we had specifically asked providers about the benefits to their programs, they also volunteered detailed ideas about the importance of child care vouchers in the lives of the families and children they served.

In addition to these general positive reactions, at least some providers—and in a number of cases a majority—felt that specific aspects of the voucher system were working well:

- Many providers serving children with vouchers thought the rates they received from the voucher system were comparable to what they would receive from private-paying parents, although not in all sites.
- Many providers serving children with vouchers thought it was not harder to get paid for a child with a voucher than for a private-paying child.

- Many providers serving children with vouchers did not think it was an administrative hassle to work with voucher agencies.
- Many providers reported being paid in a timely manner.
- Many providers thought caseworkers were knowledgeable about the voucher program rules.

Key challenges with the child care voucher system from providers' perspectives

Our research also suggests areas for improvement. Federal, state, and local agencies are continuously working to enhance their systems. The results from this study are designed to offer information to policymakers and advocates to help them identify some key areas in which they might focus their efforts. In particular, a number of providers—sometimes a majority, sometimes less than half but still a large proportion—seem to be experiencing challenges with negative consequences. The following five areas of concern were among those raised by providers and other respondents.

Overall payment levels

Generally, providers in focus groups believed payment levels were too low. Some believed that the market did not sustain payment levels sufficient to support good services. Others felt that the voucher reimbursement rates in their community were not sufficient, either because of the overall market level or because of how local voucher reimbursement rates related to the fees charged in the local market.

A different way to examine this issue is to assess how providers perceived the value of voucher payments relative to what they would receive from private-paying parents. Our findings from the survey on this question were mixed. While a majority of providers (56–75 percent) in most sites reported that the levels were commensurate, a considerable proportion of providers serving children with vouchers—24–30 percent in four sites, rising as high as 59 percent in one site—believed they were being paid less for children with vouchers.

Policies and practices that result in providers getting less in payment than suggested by their agreed-upon reimbursement rate

Providers had concerns related to whether they could count on getting the payment levels they expected for children receiving vouchers during the service period. Some areas of concern mentioned by providers included these three:

- *Absent days.* One key policy, usually set at the state level, is whether voucher agencies pay for days children are absent from care (for example due to illness) and how many days are covered. Providers typically require private-paying parents to pay for all days, whether or not children are in attendance. All the agencies in this study paid for some absent days, though they limited the number. While not being paid for absent days did not emerge as a primary concern in focus groups, the survey data show that roughly half or more of the providers in each site reported revenue loss for at least a few absent days each month, though patterns varied by provider type.

- *Notification about changes in authorization status.* Voucher-based subsidies are unusual in that parent eligibility and subsidy amounts (i.e., number of hours covered and copayment levels) can fluctuate over short periods. Within federal parameters, states define eligibility and set rules for adjusting subsidies in response to changes in parental circumstances. The sensitivity of these rules affects how often providers' payments change and the probability that providers will not be paid at all (i.e., when families lose vouchers completely). As a result, it is essential that providers have up-to-date information about the authorization status of families and any changes so they do not unknowingly care for children during times for which they cannot be paid.

  Providers across the five sites reported in both the survey and the focus groups that not knowing about changes in family status was a major area of concern and a source of lost revenue. Generally, between one-quarter and one-half of the providers serving families with vouchers (depending on the site) reported that in the six months preceding the survey, they experienced a problem receiving adequate notice about changes in family circumstances that affected payments. While the focus group results show that providers were most concerned about not knowing when vouchers were terminated, they also had problems knowing when families were initially authorized and when changes were made in the middle of authorization periods. According to our data, the cause of the problem is complex, with agencies, providers, and parents sharing responsibility for the communication breakdown. Overarching policy expectations from state and federal governments, in their efforts to eliminate improper payments, can also make this problem especially challenging to resolve.

- *Collecting copayments or parent fees.* The federal CCDF requires that states implement a sliding-fee scale for parents receiving vouchers, though families below the poverty level may be exempted. Accordingly, states usually require at least some parents receiving vouchers to contribute something toward the cost of care. This contribution is referred to as a copayment in most states (though is called a parent fee in California).[1] Generally, providers are supposed to collect these copayments or fees directly from parents, and agencies have policies requiring providers to do so.

  The survey and focus group data, however, show that providers vary greatly in their attitude toward these fees and in whether they collect them—and agencies vary in their enforcement of this policy. In the survey, a subset of providers reported they did not always try to collect fees (meaning they forgo the copayment revenue), and our focus groups identified several reasons behind this decision. We also found that a majority of providers serving children with vouchers in the survey felt that there was no difference in the difficulty of collecting required fees from parents receiving vouchers compared with unsubsidized parents. However, some providers felt differently. Depending on the site, 17–38 percent of centers and 14–26 percent of family child care homes serving children with vouchers reported that it was harder to collect copayments from families receiving vouchers.

Policies that can affect cash flow and timing of payments

Some providers serving children with vouchers reported delays in initial and ongoing payments. The causes varied: sometimes they were related to delays on the part of the agency, and other times they were related to providers overlooking information that they had been given or not providing accurate, timely, or complete attendance data. Providers also discussed problems with resolving payment disputes. Provider concerns in these areas include the following:

- *Timing of payments.* The retrospective nature of most child care voucher payments contrasts with the policies providers have for private-paying parents, who typically must pay for care in advance. Because providers are already being paid later than usual, they consider the timeliness of voucher payments critical. This study finds that a majority of providers did not have major concerns with late payments. However, again, a subgroup of providers—ranging from 22 to 28 percent depending on the site—reported problems with late payments and that at least one of their last six payments arrived late.

- *Accuracy of payments.* A majority of providers in the survey reported they had received the amount they had expected from the voucher agency in their last payment. Yet, usually at least some providers did not have this experience. According to the data from focus groups and interviews, the most common sources of discrepancies appeared to stem from not knowing of a change in a parent's status, not understanding what the checks covered, and mistakes in attendance paperwork.

- *Resolving payment disputes.* A notable proportion of providers (32–57 percent of centers and 10–38 percent of family child care homes serving children with vouchers) reported difficulty resolving a payment dispute in the six months preceding the interview. This difficulty, in turn, likely contributed to delays in receiving full payment. Most providers in our sample that experienced difficulty resolving payment disputes reported that their last dispute took longer than a month to resolve, though this timing varied across counties.

Voucher agency policies and practices that can be costly in time and effort

We also talked with providers about the relative ease or difficulty of their interactions with the subsidy agency. Some things they discussed fell into these three categories:

- *General perspective on working with voucher agencies.* Providers across our sites had different opinions about how easy or difficult they thought it was to work with voucher agencies, though some providers experienced challenges in every county. For example, while many providers reported it was not difficult, depending on the site, between 28 and 56 percent of providers serving children receiving vouchers agreed that it was an administrative hassle to work with voucher agencies.

- *Working with multiple agencies or programs.* Three of the five study sites had more than one local voucher agency or program. Because providers in those communities could serve families from any agency, a number of providers were working with more than one agency or program. Providers in focus groups in these multi-agency or multi-program sites discussed the challenges they faced because of inconsistent policies and practices between agencies or programs, including recording and reporting attendance, other required paperwork, payment timing, payment rules, and approaches to agency staffing and problem resolution.

- *Experiences with agency staff and getting in touch with workers.* Providers in the focus groups and the survey shared information on their experiences with voucher agency staff in several key areas, including impressions of different administrative structures and problem resolution systems, interactions with caseworkers, and getting in touch with workers. While there were providers with concerns in each area in every site, the most pressing issue for providers across counties was getting in touch with agency staff. A vast majority—three-quarters or more—of providers in all five sites reported they were in contact with the voucher agency at least once during the preceding month, and a large subset of providers (28–41 percent in most places, reaching 70 percent in one site) reported difficulty reaching workers.

Families and children receiving vouchers that need extra support or financial help

Beyond their usual services, providers described additional assistance they sometimes offered to families in the voucher system. Some of this assistance was direct financial help, some was in the form of extra time and support for children and parents, and some involved absorbing certain inconveniences that can occur when working with low-income families in transition.

- *Helping families navigate the voucher system.* It appeared to be relatively common for providers to help families navigate the voucher system—sometimes by referring them to the program initially, and sometimes by helping them comply with initial or ongoing agency requirements. A majority of providers—between 69 and 86 percent—reported helping families in this manner. This effort was usually motivated by a combination of concern about families and a desire to keep children enrolled and retain the revenue. While both providers and agencies talked about the importance of this role, in some situations providers expressed concern that agencies were asking them to be caseworkers and were handing off too much responsibility.

- *Reducing or waiving fees.* It was also common for providers to discuss other ways they helped families afford care, either by waiving or reducing copayments or continuing to serve children for free or at a reduced rate when families lost their vouchers. The survey reveals that a subset of providers (13–36 percent, depending on the site) reported often or always doing this when families lost their vouchers.

- *Other forms of support.* Providers also described other types of assistance they sometimes offered to children and families receiving vouchers. Some of this support, such as providing food or diapers that were ordinarily supplied by parents, involved direct costs to the providers. Other forms of support, such as mentoring parents or offering extra time or attention to children with challenging behaviors, involved indirect costs in the form of staff time.

- *Other challenges.* Finally, although reluctant to discuss these issues, providers touched on certain characteristics they associated with some families in the voucher system that made it somewhat more challenging to serve them. These included higher turnover rates, fluctuating work—and therefore child care use—patterns, and parents who did not seem to understand the rules or expectations of the care arrangement (such as picking children up on time and communicating with providers about absences or late or early arrivals and departures). While most of these issues did not involve direct costs or loss of revenue, they did take time and cause stress for some providers.

Although providers may offer some of or all these types of support to any of the families in their care, families with vouchers may be more likely to need this additional assistance. Further, some providers emphasized that their motivation for serving families included a desire to serve those with greater needs, so meeting these challenges was simply part of their mission. At the same time, these activities may represent hidden costs in meeting the needs of children and families receiving vouchers.

Conclusions and Policy Suggestions

The findings of this study point to several areas in which voucher programs could be further improved to more effectively support providers, and therefore children and families. Although child care vouchers are designed as assistance to parents, providers are a key partner in delivering this assistance. The subsidy system depends on providers who are willing to serve children receiving vouchers. Choices made at the federal, state, and local level can affect which providers are willing to accept vouchers as payment and the extent to which providers can deliver high-quality services to low-income children and families. Consequently, a range of policies could be implemented to better support providers. Further, in looking across the findings and possible policy solutions, a number of underlying themes emerge; these are discussed below before the policy suggestions.

Underlying themes

Although the presentation of findings focused on the technical details of voucher policies and implementation practices, and how they are experienced by providers, several key themes were at work in the background. Because these themes shape policies and attitudes toward providers in the voucher system, taking them into account can help deepen our understanding of problems, pinpoint their sources, and lead to more creative, effective solutions.

- *All stakeholders have a role in solutions.* The successes and shortcomings of the voucher system as experienced by providers stem from all levels of governance and involvement. These include

    - the federal level—where resources, rules and policy guidance provide an overarching framework within which states operate;
    - the state level—where additional decisions are made about resources and many policies and regulations that guide local service delivery are set;
    - the local agency level—where implementation of policies affects provider experiences daily;
    - parents—whose level of effort in maintaining vouchers and communicating with providers can also affect providers' experiences with voucher programs; and
    - individual providers themselves—whose personal motivations, decisions, resources, and skills, as well as the local markets within which they operate, affect their experiences with the system and their abilities to meet the needs of children and families.

    Policymakers interested in improving the system for providers will benefit by working to identify solutions at all levels.

- *Understanding root causes is often as important as understanding symptoms.* Focus group discussions with providers and agency staff revealed that, frequently, the primary cause of a challenge was not the most obvious one. The timeliness of payments is one example; our data suggest that, in these sites, "late" payments are often not the result of agency failures to process attendance paperwork and issue checks on time, but are instead the result of other factors, including providers missing deadlines for submitting attendance paperwork, providers submitting incomplete or incorrect forms, agency procedures for addressing these problems, or agencies waiting to receive complete information from parents before authorizing payments. Some of these problems, in turn, can be linked to agency policies and practices, such as complex paperwork requirements and timelines for submission of attendance forms. Understanding these root causes is a key element in finding effective solutions.

- *Ambiguity in the voucher agency–provider relationship can be a barrier.* As we discussed these issues with agency staff and providers, it appeared that some policy positions and implementation decisions stemmed from respondents' perspectives on a more basic question. Specifically, what *is* the nature of the obligation of voucher programs to child care providers? The clearest relationship in the voucher system is between parents and voucher agencies, as parents are the recipients of assistance. Yet, voucher agencies enter into either explicit or implicit payment agreements with child care providers on behalf of children receiving vouchers. These agreements seem to suggest that both voucher agencies and providers have certain rights and obligations to each other.

  While we did not ask this question directly, our conversations with agency staff and administrators suggested a wide range of perspectives on this issue. Some agencies and respondents apparently believed that, because vouchers represent assistance to parents, parents bear most of the responsibility for establishing and maintaining the terms of the relationship with providers. Other agencies, in contrast, took more responsibility for the relationship with providers, seeing it as a three-way partnership among voucher agencies, parents, and providers. While not overt, there appears to be a continuum along which different agencies, workers, and administrators fall, and this continuum influences policy and implementation practices. As a consequence, this issue is worth further explicit discussion in the child care field. It is also an area that might benefit from analyzing the attitudes of other public systems that pay for services selected by clients—such as Medicaid and housing vouchers.

- *Small policy details matter.* Provider experiences with vouchers are clearly affected by laws, regulations, more informal policies, and local implementation practices. This suggests that policymakers should not only pay attention to large policy parameters (such as maximum payment ceilings), but also focus on many of these other, somewhat more subtle issues. For example, two of the largest concerns for providers were notification about changes in status and being able to contact staff—two areas that are sometimes neglected as a primary focus of policy discussions.

- *Fiscal stringency may unintentionally shift costs to providers.* Local agencies' efforts to act responsibly toward providers can be constrained by federal and state rules designed to limit improper voucher payments. For example, some rules may make it impossible to give providers advance notice when vouchers are being terminated unless voucher agencies also know in advance. The outcome of this conundrum is that providers end up bearing some of the financial risk involved in supporting families in transition. States and local agencies could benefit if the federal government identified additional ways to support states in their efforts to be fiscally responsible, while maximizing state flexibility to establish voucher policies that reflect private-paying practices and other standard provider business policies. It is also important, however, to recognize that some states may choose not to take advantage of the flexibility as they face difficult tradeoffs in deciding how to allocate inadequate resources. (At the time of our visits, four of the five sites had waiting lists of families needing assistance.)

- *TANF realities add special challenges.* Providers occasionally commented on how their experiences with voucher programs were different for families receiving Temporary Assistance for Needy Families (TANF). Consequently, several TANF-related themes emerged from the focus group discussions and interviews. Depending on the site, these included the following four issues:

  - shorter authorization periods, which are related to higher turnover rates that can increase the financial and emotional costs to providers;
  - more frequent changes in authorization and eligibility status, which amplify notification challenges and increase the potential for lost revenue because of not knowing parents' statuses;
  - additional staff involved in approving initial authorizations and ongoing payments, which creates communication challenges and can lead to delays in payment and problem resolution; and
  - serving families with particularly challenging needs, an issue that may grow increasingly pervasive as states work to bring more "hard to serve" parents into the welfare-to-work system as required under the Deficit Reduction Act of 2006.

- *Customer service matters.* Customer service and human relationship issues can make a critical difference in how providers perceive voucher agencies. How providers are treated and the responsiveness of the agencies appears to result from not only state and local policies and implementation practices, but also local agency leadership. While sometimes overlooked in the policy debate, these issues can play an important role in whether providers see themselves as working with the voucher agency to support families or as having a more adversarial relationship. Further, these factors influence providers' overall willingness to accommodate some of the other challenges involved in working with the voucher system.

- *Agency procedures must address both the routine and nonroutine.* Voucher agencies had a remarkable number of clear procedures in place for carrying out routine activities. They had fewer mechanisms in place, however, for when the routine process broke down or was not applicable. Many problems we observed seemed to occur around activities that fell outside the normal routine. For example, notification procedures appeared to work well when parents completed the recertification process in a timely way; they did not appear to work well when parents recertified at the last minute or had complex cases. This suggests that agencies may benefit from examining their backup mechanisms for those times when the process is unusual.

- *What improves the system for parents may also help providers.* Some strategies that states are developing to support providers complement or overlap creative strategies states are using to improve services for parents (Adams, Snyder, and Banghart 2008). These include simplifying paperwork, minimizing changes in subsidy amounts or terms between redetermination periods, linking data systems, automating processing, improving customer service, and so forth. While these strategies are often developed for parents, many have promising implications for providers as well.

- *Managing vouchers can be complex for providers.* The voucher system is, in some ways, inherently more complicated for providers than for parents, given that providers must manage multiple vouchers and must interact with a number of different caseworkers and (in some cases) different agencies or programs. Further, some child care providers may have relatively little experience in financial and administrative management, making it more difficult to manage their involvement with the voucher program. It appears from our focus groups that less experienced providers may have the greatest difficulty managing vouchers effectively. Agencies should consider these provider constraints in designing policies and implementation practices, and in developing related technical assistance for providers.

Possible policy strategies to address provider concerns

Several policy strategies may prove effective in addressing some of the provider-related issues raised in this report. While some strategies may require trade-offs among competing state priorities or significant funding to implement, many seem likely to benefit providers, agencies and parents. Further, some strategies are not very costly, some have costs that would be partially offset by savings in other areas, and some that incur costs for agencies end up reducing costs for providers.

The policy strategies that are discussed in greater depth in this paper are summarized below. However, because we have not conducted a systematic review of policies throughout the United States, and because these strategies have not been formally evaluated, they should be seen as a starting point for further discussion, rather than as a definitive or comprehensive list of recommendations. For additional information about the suggestions, see conclusions section of the full report.

Strategies to ensure payment levels are similar to what providers charge private-paying parents

A core principle of the voucher subsidy program is that reimbursement rates should be set at a level that allows families with vouchers to access care similar to the care used by parents who pay the full fee. Consequently, the federal government suggests—and states typically attempt to offer—reimbursement rates that are similar to the fees providers charge private-paying parents. However, this study identified several ways that payment levels may be below what providers charge private-paying parents. Strategies to address ways that reimbursement rates can be undercut by voucher policies and implementation practices include these three:

- Ensure maximum reimbursement rates reflect federal guidelines, which suggest that reimbursement rates will generally meet the criteria for offering sufficient access if they cover 75 percent of the fees currently charged in the market.

- Reexamine reasons for limiting payment for absent days, and consider additional steps that could be taken to make these policies even more similar to those providers have in place for private-paying parents.

- Consider mechanisms to maximize the likelihood providers collect parent fees or copayments, including helping providers overcome obstacles to collection and revisiting parent fee/copayment policies.

Strategies to minimize revenue loss because providers do not know about changes in family eligibility or authorization status

Confusion about when payments for specific children were authorized to begin, when voucher authorizations changed, and when vouchers were terminated appeared to be a major source of revenue loss and concern for providers. Strategies to improve the notification process overall, as well as those that improve notification at specific times the voucher terms can change (i.e., initial authorization, interim employment or earnings changes, and termination) are described below.

Improving the notification process generally

Voucher agencies might explore strategies to make it more likely that providers will be aware of the latest authorization level and eligibility status of the families they serve:

- Consider automated mechanisms to allow providers to access information about client authorization and eligibility status without talking to a caseworker.

- Call providers directly about authorization changes that are effective before written notification will be received.

- Fine-tune systems for mailed notifications of changes in authorization status, both to ensure that notifications are mailed and that providers can identify and comprehend them.

- Provide technical assistance to providers to help them better identify, track, and manage voucher information.

Minimizing risks to providers during the initial authorization

Policy strategies to improve notification during the initial authorization process include those that

- expedite the approval process for parents to minimize the length of time providers are at risk of serving families without being paid;

- explore presumptive eligibility, allowing payments to begin immediately and continue while documentation is gathered and verified for families whose initial application suggests they are highly likely to be eligible. This presumptive eligibility can be temporary, and be terminated if the family is ultimately not authorized to receive vouchers over a longer period;

- ensure coordination between TANF and child care caseworkers to minimize situations where providers lose revenue as a result of insufficient communication and unclear lines of authority; and

- allow for backdating to allow for payments to begin at the time of initial application for parents whose eligibility is approved.

Minimizing risks to providers during interim changes in authorization status

Strategies that could minimize how often providers experience unexpected payment changes between voucher reauthorizations include the following:

- Only adjust vouchers with major changes in parental circumstances before redetermination.

- Create broad authorization categories so relatively minor changes in work schedules do not require a change in authorization.

- Reconsider length of authorizations for TANF families to minimize unnecessary changes in authorization status.

- Do not reduce payments until providers have been notified of changes.

Minimizing risks to providers when families' vouchers are terminated

Strategies that could improve notification of providers when vouchers are terminated include the following:

- Provide advance notification of redetermination timelines so providers can monitor whether the parent is terminated.

- Do not make termination of payments effective until providers have been notified.

- Explore the pros and cons of deadlines for parents to submit paperwork that precede the actual termination date, to allow time for advance notification of providers.

Strategies to improve payment timing

Providers in at least some sites raised concerns about long time frames for reimbursement and delays in payment, which can cause financial stress. Such delays can occur in both ongoing payments or in initial payments for children with new vouchers. Possible strategies to deal with each problem area, and payment timing more generally, are described below.

Reducing delays in initial payment

Specific steps voucher agencies might take to reduce the time it takes to issue initial payments include the following:

- Examine or simplify enrollment process for parents to reduce parent-related delays in initial payment.

- Examine agency processes and staffing structures for initial authorization to identify steps that could be expedited, streamlined, or more clearly articulated.

Improving timing of ongoing payments

The cause of timing problems in ongoing payments seemed to differ by provider, agency, and county. Some strategies that seem worth exploring to address the various causes include the following:

- Identify strategies to simplify attendance reporting, reduce the time required to complete and submit attendance information, and minimize the possibility (and impact) of reporting errors. Strategies that could minimize the likelihood of delays from these problems are to

- simplify paperwork and attendance accounting to both speed up reporting and minimize errors (and therefore minimize resulting delays),

- focus on preventing paperwork errors and explore steps that could be taken to minimize payment delays that result from paperwork errors, and

- consider automated systems for submitting attendance information.

- Identify strategies to help agencies issue ongoing payments more quickly. Strategies to help ongoing payments be processed and issued efficiently include

  - create systems to issue payments as soon after the end of the service period as is feasible,

  - minimize steps and workers involved in approving payments (particularly for TANF clients), and

  - consider direct deposit.

Minimizing the length of payment delays

While occasional payment delays are inevitable, agencies varied in the policies and implementation practices they had in place to minimize the length of delays. Strategies that can expedite the processing and delivery of payments, including those that are outside the regular payment cycle (such as when a provider makes a paperwork mistake or when there is a disputed payment amount), include the following:

- Designate staff to process payments that fall out of the routine payment procedure.

- Establish the capacity to issue checks more frequently (e.g., outside a monthly or bimonthly batch process).

- Itemize payments to help both providers and caseworkers more easily identify the source of payment discrepancies.

Strategies to make it easier to work with voucher agencies

Providers described a number of different concerns around working with voucher agencies. They ranged from challenges in working with multiple agencies or programs that had different policies and practices, difficulties in contacting or working with staff, challenges around enrolling additional children or accepting children from different agencies, and paperwork concerns. Strategies to address these issues are detailed below.

- Stress coordination when multiple agencies and programs serve a single community.
- Identify and try to address limitations of the chosen staffing approach.
  - In agencies with specialized roles for workers, clarify responsibility and lines of authority, and strengthen internal communication,
  - In agencies assigning multiple responsibilities to a single caseworker, ensure manageable caseloads and well-trained staff.
- Make it as easy as possible for providers to contact staff and obtain the information they need. Strategies to consider include the following:
  - Conduct internal evaluations of provider satisfaction to identify areas where systems are not working well.
  - Provide incentives for good customer service.
  - Establish systems that help providers contact the "right" person when trying to get information or resolve payment problems.
  - Explore mechanisms—such as automated or web-based strategies—that could reduce the burden on caseworkers for addressing provider questions.
  - Assess caseworker attitudes toward providers to ensure supportive interactions.
- Simplify the steps providers must take to be initially approved to receive payments, to receive payments for additional children after initial approval, and to work with new agencies when families are transferred.
- Simplify paperwork requirements to reduce not only payment errors and delays (as discussed above) but also provider administrative and managerial burden.
- Work with providers to help them understand the rationale behind particular policies to improve acceptance of, and compliance with, the policies.
- Create an ombudsperson for providers who can focus on how the voucher system works from the providers' perspective and be a point person for provider concerns.

Strategies to help providers delivering extra supports to subsidized parents and children

Finally, providers discussed a number of issues about working with subsidized parents that suggest at least some providers think subsidized families occasionally require extra effort or resources. These findings suggest policy strategies in the following areas:

- Limit how often providers are asked to take on caseworker roles.
- Help families receiving vouchers better understand their obligations.
- Offer special assistance to families that frequently change their child care arrangements.
- Consider ways to compensate providers for the costs associated with meeting extra family needs.
- Make family support services available to help providers who serve families with especially challenging circumstances.

Conclusion

While the voucher subsidy system appears to be functioning well for child care providers in many ways, there also appear to be challenges. While the costs of these challenges are clearly not sufficient to deter a significant number of providers from serving children with vouchers, they appear to lead some providers to limit the number of children they serve. Further, these costs have implications for providers' financial well-being and the quality of care they can offer (Adams and Rohacek forthcoming). Fortunately, a range of practical policy strategies could be effective in addressing these challenges.

Introduction and Study Design

Child care assistance that defrays some of or all the costs of child care is critical in supporting two important social policy goals: helping low-income families find and maintain stable employment, and helping their children prepare to succeed in school. Child care subsidies funded through the Child Care and Development Fund (CCDF) are the primary way that the federal and state governments help low-income families pay for care. In 2005, the CCDF, plus related spending from Temporary Assistance for Needy Families (TANF), served an estimated 2.2 million children at an estimated total funding level of $11.9 billion (Matthews and Ewen 2006).

In recent years, policy experts and researchers have grown more interested in providers that serve low-income families in the child care subsidy system. This interest has been motivated by the realization that despite child care providers' key role, relatively little is known about the providers upon whom the subsidy system depends. In other areas of social policy, such as education and health, provider studies are common. In child care, less is known, though a body of research is emerging in this area. (See appendix A for a list of related studies.)

One issue that is especially important for policymakers is better understanding how child care subsidy programs affect providers. Numerous policies and implementation practices can affect which providers accept subsidies and the quality of the care they are able to offer. This paper adds to the research base on child care subsidies by looking comprehensively at how child care providers experience the subsidy voucher system, what aspects of the system work or do not work for them, and the strategies and policies that might best meet their needs.

The research focuses on the child care voucher system, rather than other mechanisms for subsidizing child care, because vouchers are the approach most commonly used in funding child care assistance for low-income working families. Since voucher programs are clearly designed as assistance for parents, rather than as assistance for providers, there are diverse views on how much responsibility voucher programs have for ensuring they work effectively with child care providers. The premise of this research, however, is that to successfully support families and children, voucher programs must address the important role and the needs of providers in the voucher system.

This report is part of a larger Urban Institute (UI) study—*Child Care Providers and the Child Care Voucher System* (described more below and in appendix B)—which includes a blend of quantitative and qualitative data collected from five sites. The sites included Jefferson County, Alabama (Birmingham); San Diego County, California; Monterey County, California; Hudson County, New Jersey (Jersey City); and King County Washington (Seattle). The quantitative data are from a survey of a representative sample of child care centers and licensed family child care homes in five sites. The qualitative data were collected in the same sites through focus groups and interviews with center directors and family child care providers, subsidy agency staff, and other key informants.

Overview of Child Care Vouchers

This study specifically focuses on subsidies administered through the child care voucher programs funded by the CCDF and related TANF funds. In this system, the federal government sets the basic parameters for the program and provides the core funding. States provide additional funding, set many specific policies (within the federal parameters), and administer the programs. Local agencies are typically charged with delivering vouchers to families. Eligible parents are given a voucher which they can use to purchase care from any legally operating child care provider who will accept the voucher as payment.

Once parents choose providers, providers usually enter into an agreement with the voucher agency whereby providers are directly reimbursed for caring for the child(ren) during the days and hours that are authorized under the voucher. While private-paying parents pay prospectively, most voucher agencies pay providers at the end of the service period, after providers report children's attendance to the agency. In addition, under federal regulations, states are required to have a sliding-fee scale in place, whereby parents pay some of the cost of care (usually called a copayment or parent fee), though some parents are exempt from this requirement.

Voucher programs primarily serve low-income families that meet state eligibility requirements and need child care in order to work or attend school.[2] Some families are eligible for child care vouchers because they are receiving TANF and need child care to participate in required work-related activities. Other research by the Urban Institute shows that states and localities vary widely in how they administer child care vouchers for TANF families; some have programs or policies that differ from those for low-income working families that are not receiving welfare (Adams et al. 2006). In this paper, we highlight situations in which providers experience the program differently for TANF families. (Appendix C contains a more complete overview of the child care voucher system and key policies.)

Vouchers are the most common child care subsidy payment mechanism used by states administering CCDF and related TANF funds. In 2006, for example, vouchers or certificates were used to pay for 83 percent of children participating in the CCDF, with the rest subsidized through contracts and grants made directly to providers (11 percent) or cash paid directly to parents (6 percent). These proportions, however, varied across states: in our study states, the proportion of children subsidized through vouchers ranged from 100 percent in Alabama to 81 percent in both New Jersey and Washington State to 63 percent in California.[3]

The importance of vouchers in these sites is underscored by the fact that, at the time of our survey, a majority of centers and homes in all five counties either were currently serving a child with a voucher or had done so within the preceding six months. Specifically, about 60–80 percent of centers in the study population were serving (or had recently served) a child with a CCDF-funded voucher. Rates of voucher receipt were slightly lower among licensed family child care homes in some counties and about the same in others.

As a result, understanding more about how voucher programs function, and how they are experienced by providers, is critical for assessing policies that affect large numbers of child care providers—and the children they serve—across the country and in our study states. The federal government, states, and local agencies are working hard to continuously improve these systems. This report is designed to give information to the policymakers, state and local administrators, and advocates who are crafting voucher systems to better meet the needs of providers. Improving the voucher system for providers, in turn, can help ensure that parents and children have better child care options and, ultimately, better outcomes.

Study History

The Urban Institute first focused on issues affecting child care providers in the voucher system with a study released in 2003 that was based on a qualitative study of voucher implementation in 17 sites in 12 states (Adams and Snyder 2003). This study highlighted the complexity of voucher policies and practices that could affect providers, outlined the range of state and local approaches on key policy parameters, and provided provider perspectives on these policies and practices. It provided insights into specific policy areas worth further investigation, such as policies and practices that could inadvertently undercut whether providers received the rates that they would charge private-paying parents, as well as challenges that providers faced in interacting with agencies. This study also asked about whether these policies may affect such issues as who was willing to accept vouchers and the care that they could offer, though it was unable to explore this question in depth.

This initial study identified important research questions that needed to be explored further. For example, it underscored the importance of measuring some of these issues quantitatively to understand how often the issues raised in focus groups were problems for the larger population of providers, as well as to better understand which providers were and were not involved with the voucher system and why. It also was clear that further work was needed to understand how providers experienced key policies, the policy and implementation contexts they were in, and the implications that these experiences might have for whether providers would serve children with vouchers. As a result, the UI research team designed a follow-up study, *Child Care Providers and the Child Care Voucher System,* to begin to address these next questions. Appendix B provides an overview of this larger study and the various reports coming from it.

Research Design

This is one of several reports from the follow-up study which was conducted in five sites in 2003–04. The sites were Jefferson County, Alabama (Birmingham); San Diego County, California; Monterey County, California; Hudson County, New Jersey (Jersey City); and King County, Washington (Seattle). This report addresses the following research questions:

- What are the experiences of providers working with the voucher system and serving children with vouchers?
- What characteristics of the child care voucher program, policies, and implementation practices most affect providers?
- What policy strategies can help the system better meet the needs of providers?

The five study counties were purposefully selected. Four of the five counties were selected from 17 sites that were part of the Urban Institute's 1999 child care subsidy case studies, which allowed us to build upon our in-depth understanding of the voucher systems in these sites. Monterey County was selected from a set of additional counties in California that were of interest to a project funder. All five counties were selected to ensure variation in early childhood system characteristics such as voucher reimbursement rates, types of agencies administering voucher programs and their implementation practices, availability of prekindergarten programs, use of contract funding mechanisms for subsidies, stringency of licensing regulations, and the proportion of subsidized families relying on different types of care. Beyond varying according to early childhood system characteristics, the counties also differed on certain demographic characteristics such as population size, income, and poverty rates.

This report focuses on child care centers and licensed family child care homes that were participating in the voucher system at the time of our study (i.e., were serving any children with a voucher from a program funded by CCDF), or had participated within the preceding six months. It concentrates in particular on policies and experiences with voucher-based subsidies; we did not ask about the contract system in those sites (i.e., California and New Jersey) that also had a contract payment mechanism in place.

Data Sources and Sample

The data for *Child Care Providers and the Child Care Voucher System* were designed to examine the child care market and the effect of voucher-based subsidies on child care providers in the five study sites. The research design is a mixed-method approach, relying on both quantitative and qualitative data to provide a uniquely multidimensional perspective on these issues. Each of these data sources is described briefly below.

- *Quantitative data* on provider characteristics and their perceptions and experiences of the voucher system are from a telephone survey conducted between April and September 2003 with a representative sample of 407 child care centers and 534 licensed family child care providers.[4] The sampling population included centers and licensed homes that served preschool-age children (age 5 and under, not yet in school); offered services to preschool-age children for at least 40 hours a week; and were funded through parent fees, state child care voucher programs, the Abbott Preschool Program in New Jersey, and/or General Child Care/State Preschool funding in California.

- *Qualitative data* on voucher policies and practices, and on how they were experienced by providers, come from site visits and interviews conducted in spring 2004. The site visits included interviews with state and local voucher administrators and other experts, as well as focus groups with caseworkers (who work with providers) and with providers themselves. Focus group participants were identified from the survey sample described above, which allowed us to group providers by their voucher status and to avoid some of the drawbacks to using local agencies for recruitment. We usually held separate focus groups for providers who were heavily reliant on clients receiving vouchers, somewhat reliant, had cared for children receiving vouchers in the past, and those who had never served children with vouchers. In total, we conducted individual or small group interviews with about 55 respondents (administrators, experts, staff, and some individual providers), as well as about 45 focus groups, which included approximately 300 participants. Where possible we attribute findings to specific subgroups (e.g., agency staff, providers, etc.), though in some cases we are less specific—either to protect the confidentiality of the respondent or because the findings cut across different respondent types.

Although there was a short time lag between the survey and the site visits, we specifically asked administrators and agency staff about any policy changes that may have occurred between the survey and the site visit. For the most part, there were no or only minor policy changes; in the few instances where such changes occurred, they were taken into account (and are discussed) in the analysis.

Analytic and Reporting Approach

As mentioned, this report contains a blend of quantitative and qualitative data. The analytic and reporting approach used for each are described below.

Quantitative findings in this report are generally limited to providers who reported serving at least one child with a CCDF-funded voucher either at the time of the survey or within the preceding six months. The survey findings are presented for providers in each of the five study counties individually. This is because results vary across the five study counties and because the counties do not collectively represent a useful geographic or conceptual group. Survey responses are weighted to account for the probability of selection into the sample and for survey (instrument) nonresponse. Analysis was conducted using Stata survey commands. These survey commands incorporate information about the sample design (including weights, stratification, and a finite population correction factor) into the calculation of point estimates, standard errors, and related confidence intervals and tests for significant differences.

Results are generally presented for centers and homes combined (described as "providers"). When the results for providers overall are not a good representation of centers or homes, however, we either report a range of results that include both center and home values or we follow up the county-level estimate for all providers with separate estimates for centers and homes.

Because this is an exploratory study in which the goal is to understand the full range of possible differences within and across counties, we use a threshold of $p < .10$ for tests for significant differences. Compared with the more typically used thresholds (such as $p < .05$ or $p < .01$), $p < .10$ reduces the risk of *not* finding difference when a difference actually exists in the population.[5] For most measures, three tests were used to identify significant differences.[6] First, we conducted joint tests for *any* significant differences across the five counties. Second, we conducted pairwise tests of differences to identify the counties between which there were differences. Third, we conducted tests to identify significant differences between centers and homes in each county. Finally, sample sizes in some cases were too small to conduct significance tests. In those circumstances, we rely on confidence interval estimates to gauge the likelihood of significant differences. To simplify reporting of results, the text of the report omits as many statistical details as possible. Complete tabular results with statistical details can be found in appendix D, and additional information about the analytic methods can be found in appendix E.

Despite the rich variation in characteristics across our sites, it is important to note that the survey data are only representative of the counties from which they were collected. Although the survey results presented in this report can be generalized to the population of centers meeting the sampling criteria in each county, there is a relatively large amount of statistical uncertainty around some estimates. This uncertainty should be considered when generalizing from the sample estimates presented in the report to the population of providers in each county. The amount of statistical uncertainty is quantified by the confidence intervals shown in each figure and table. The intervals indicate the range within which we can be relatively certain the true population value falls and are set at a 90 percent confidence level to correspond with the threshold used for tests of significant differences.[7]

Qualitative findings provide a rich way to explore particular issues in more depth and to capture the perspectives and experiences of providers, agency staff, and other key informants. As is always the case with qualitative data, however, these findings reflect the experiences of those individuals with whom we spoke and are not representative of all providers or administrators. In fact, the juxtaposition of the qualitative and quantitative data in some situations provides a useful illustration of this reality: in some cases, the focus group findings closely track the survey findings, in other situations they do not.

We took advantage of the unique mixed-method research design and used the survey to identify and stratify focus group respondents. This approach allowed us to lessen the bias that can be created by the recruitment process, though of course the final respondent group should still not be considered representative of all providers.

Because of the small number of focus group participants and the nature of the focus group discussion format (in which not every participant responds to every question or probe), this report does not make any effort to quantify respondent answers. Instead, our analysis of the focus group responses is designed to gather the details about participant's experiences working with the voucher system and their reasons for being involved in the program that are not easily captured through a survey. For the most part, the themes discussed in this report represent issues raised across most, if not all, sites. Issues that appear more site-specific are noted as such. Finally, given the variation in program structure and implementation across localities, the findings presented in this report should not be viewed as representative of the states included in this study or the nation as a whole.

Despite the limitations inherent to qualitative data, they offer important details and insights into the experiences and feelings that providers have about working with the voucher system and about particular policies within it. And they allow us to understand the policy and implementation context shaping the provider's experiences that were expressed in the focus groups and survey.

What Is in This Report

The report's findings look in depth at providers' experiences with the voucher system. We present the data in the following sections:

- *The Administrative Context of Voucher Programs in the Study Sites* provides an overview of key administrative decisions made by the five sites, including the number of state and local agencies and voucher programs involved, as well as how different agencies allocated provider-related responsibilities across staff and agencies.

- *Provider Perspectives on Payment Issues* highlights the policies and practices that providers discussed most often as affecting their payments. This section includes a discussion of key policies such as payment levels, absent day policies, how providers are notified about changes in parent status, collecting copayments (or parent fees), the timing and stability of funding, and payment accuracy and resolving payment disputes.

- *Provider Experiences Working with Voucher Agencies* highlights several issues that providers said were most important in shaping their experiences with voucher agencies, including their overarching perspective on working with the voucher agency, the number of agencies and programs they had to deal with, experiences in working with caseworkers and staff, what is required to become and remain authorized to receive payment, paperwork requirements, and understanding the voucher rules.

- *Working with Subsidized Parents and Children* describes issues providers raised about working with families in the voucher system, including helping families navigate the system, and whether providers felt that subsidized parents or children had particular characteristics that made it easier or harder to work with them.

- *Benefits of Working with the Child Care Voucher System* provides insights from providers on the good points of working with the voucher program overall, including the reliability of the income, helping providers maintain enrollment, allowing providers to fulfill their mission to serve low-income families, and other benefits.

- *Conclusions, Themes, and Policy Strategies* lays out some key themes emerging from the findings and describes several policies that seem likely to better support providers.

- Finally, the appendices include other background materials and the supporting tables. Note in particular that all the data tables are provided in appendix D.

Throughout the paper, we intertwine the qualitative and quantitative data wherever possible. With this approach, we are able to explore the frequency of any particular issue for the larger community of providers, as well as to get in-depth details and perspectives on these issues from the qualitative information obtained through the interviews and focus groups.

The Administrative Context of Voucher Programs in the Study Sites

The voucher systems in our study sites differed along several administrative and programmatic dimensions. This section highlights some dimensions that emerged as most important in shaping provider experiences, such as the number of state and local voucher agencies in each site, the number of programs these agencies administered, and the populations they served. This section also describes how individual voucher agencies set up and managed the different administrative functions associated with providers, and how they allocated these responsibilities across staff and levels within the agency. Each of these issues can have major implications for providers because it affects the number of workers providers must contact, the information to which workers are likely to have access, the number of different workers involved in activities that affect providers, the speed of the payment, and so forth. These aspects of the voucher system are an important context for understanding how providers experienced voucher programs in their communities.

Administrative Organization of Voucher Programs

The counties in this study varied in how their CCDF voucher subsidies were set up and administered. In some sites, there were multiple voucher programs; in other sites, there was only one voucher program. Consequently, as can be seen in table 1, the five study sites varied along the dimensions discussed below.

Number of state agencies

In three study sites, only one state agency had primary administrative responsibility for CCDF-funded vouchers; these sites were Alabama (Jefferson County), Washington (King County), and New Jersey (Hudson County). In California (San Diego and Monterey counties), two state agencies had administrative responsibility for different voucher programs.

Number of local agencies

The sites differed in the number of local agencies administering voucher programs:

- There was one local agency in Jefferson County (Child Care Resources, or CCR), King County (the regional agency of the state Department of Social and Health Services, or DSHS), and Hudson County (The Urban League).
- There were two local agencies in Monterey County (the county Department of Social Services, or DSS, and Children Services International, or CSI).
- There were three local agencies in San Diego County (the county Health and Human Services Agency, or HHSA, the YMCA Childcare Resource Service, or YMCA-CRS, and Child Development Associates, or CDA).

In addition, some local agencies had more than one office across the county. So, even within local agencies, implementation practices could vary from one office to another.

Type of local agency

Locally, voucher programs in this study were operated by governmental organizations or through contracts awarded to nongovernmental community-based organizations. County departments of social or human services ran some of the voucher programs in Monterey and San Diego counties; the regional office of a state human services agency ran the program in King County; and community-based nonprofit organizations (including child care resource and referral agencies) ran programs in Jefferson, Hudson, Monterey, and San Diego counties. Both Monterey and San Diego counties had a mixture of agency types at the local level.

Number of voucher programs and their target populations

Some sites had multiple voucher programs that served different populations, had different names, and sometimes had different policies:

- Jefferson and King counties each had a single program serving both families receiving TANF and non-TANF families. King County also had a separate, locally funded subsidy program in Seattle serving families with incomes above the eligibility limit for the state program.[8]

TABLE 1. CCDF-Funded Voucher Programs and Agencies in the Study Sites, 2003

County	Local agency	Agency type	Voucher program name	Target population	State funding agency
Jefferson County, Alabama	Child Care Resources[a]	NGO/ CCR&R		TANF and non-TANF	Department of Human Resources
Hudson County, New Jersey	The Urban League	NGO/ CCR&R	Work First New Jersey	TANF	Department of Human Services
			New Jersey Cares for Kids	Non-TANF	
King County, Washington	Region IV Community Services Offices	Local offices of state agency		TANF and non-TANF	Department of Social and Health Services
Monterey County, California	County Department of Social Services (DSS)	County government	CalWORKS Stage 1	TANF (not stably employed)	Department of Social Services
	Children's Services International	NGO/ CCR&R	CalWORKS Stage 2	TANF (employed > 6 months)	Department of Education
			CalWORKS Stage 3	Recent TANF leavers	
			Alternative Payment	Non-TANF	
San Diego County, California[b]	County Health and Human Services Agency (HHSA)	County government	CalWORKS Stage 1	same as Monterey County	
			CalWORKS Stage 2	same as Monterey County	
			CalWORKS Stage 3	same as Monterey County	
			Alternative Payment	same as Monterey County	
	Child Development Associates	NGO	CalWORKS Stage 2	same as Monterey County	
			CalWORKS Stage 3	same as Monterey County	
			Alternative Payment	same as Monterey County	
	YMCA Childcare Resource Service	NGO/ CCR&R	CalWORKS Stage 2	same as Monterey County	
			CalWORKS Stage 3	same as Monterey County	
			Alternative Payment	same as Monterey County	

Source: The Urban Institute, 2008.
CCDF = Child Care and Development Fund
TANF = Temporary Assistance for Needy Families
NGO = nongovernmental organization
CCR&R = child care resource and referral organization

[a] Agency no longer administers voucher program.

[b] The three agencies operating in San Diego County shared a centralized eligibility list to jointly administer CalWORKS Stages 2 and 3 and the Alternative Payment program. Families received services from whichever agency had available funding. In other words, caseloads were not divided across agencies by geographic region, reason for eligibility, or other criteria.

- There were two programs in Hudson County: Work First New Jersey (WFNJ), which provided child care subsidies to TANF clients, and New Jersey Cares for Kids (NJCK), which provided subsidies for low-income working families not on TANF.

- There were four programs in the California sites: CalWORKS Stage 1 (for TANF families needing child care to participate in work training programs), CalWORKS Stage 2 (for TANF families employed for more than six months), CalWORKS Stage 3 (for families that had recently left TANF), and the state Alternative Payment (AP) program (for low-income families that had not recently received TANF). Although the state provided these four programs to local agencies as separate funding streams, some programs were sometimes jointly administered. In San Diego County, for example, CalWORKS stages 2 and 3 and the AP program were essentially operated as a single program even though the funding for each was separately tracked and, behind the scenes, families were assigned to funding streams based on their eligibility and the availability of funding.

How target populations were allocated across local agencies

This issue is only relevant for the two California sites, which had multiple agencies and programs. Specifically, Monterey County divided the different programs between their two agencies (with DSS serving families in CalWORKS Stage 1 and CSI serving all other families), while the three voucher agencies in San Diego County overlapped in both the programs they administered and the target populations they served.[9]

Division of Labor across Provider Functions

Local voucher agencies are responsible for numerous provider-related administrative functions, including

- approving or registering providers chosen by parents receiving vouchers;
- setting the payment level providers receive for children with vouchers;
- generating monthly payments, which involves
  - processing attendance forms;
  - approving payment; and
  - cutting checks; and
- communicating with providers regarding
  - parents' eligibility status and changes in copayments; and
  - provider questions about payments or other issues.

In addition, agencies have a number of similar functions related to working with parents, including intake and eligibility determination, authorizing voucher payments, managing ongoing eligibility, and so forth.

The voucher programs in these study sites differed in which of these activities were handled at the state versus the local level. Further, the local voucher agencies in this study took different approaches to allocating these provider functions across staff and in combining or separating provider- and parent-related tasks. Agencies administering multiple programs sometimes allocated these functions across staff differently for each program. These administrative decisions are usually left to local agencies' discretion and are not mandated by the state. Some of the variations are described below.

Are there separate staff for parents and providers?

Some local agencies (such as CCR in Jefferson County) had staff who were responsible for handling parent case management and many provider-related tasks (such as entering attendance information or processing payments). Other agencies had separate staff, with some designated to work with parents and some designated to work with providers (such as the WFNJ program in Hudson County, the CSI agency in Monterey County, and CDA and YMCA-CRS in San Diego County). In some cases, there were also separate TANF caseworkers who were involved child care vouchers programs for TANF families. The approach local agencies take to these staffing questions affects the number of workers that providers must contact, as well as how agencies set up coordination and communication across the different workers.

Are provider functions handled by more than one type of worker?

Some agencies further broke down provider functions across different workers. For example, in some agencies, certain staff were assigned to interact with providers while others were assigned to issue payments. Other agencies had further divisions; for example, within the area of issuing payments, YMCA-CRS in San Diego County had one set of workers responsible for reviewing and entering data from attendance forms, and another responsible for approving providers for payment and entering the rates into the computer.

Are there different staffing or administrative approaches for TANF clients?

TANF caseworkers often play a role in the voucher process for TANF clients receiving child care assistance. This is because they are usually responsible for monitoring welfare-to-work activities that form the basis for subsidy eligibility. Some sites have tried to streamline the process by also allocating certain child care functions to the TANF caseworker (Adams et al. 2006).

In the study sites with separate voucher programs for TANF families (Hudson, Monterey, and San Diego counties), these programs sometimes had special or different administrative and staffing structures. For example, at the DSS in Monterey County, the TANF caseworkers (known as CalWORKS Employment Services, or CWES, workers) were responsible for establishing parent eligibility and co-approving payment paperwork for Stage 1 child care vouchers, while the child care caseworkers were responsible for the provider side of the picture.[10] There were similar differences in Hudson and San Diego counties, where local agencies administered both a program for TANF and a program for non-TANF clients.[11] Even sites with unified programs for TANF and non-TANF families sometimes had different administrative approaches for these two groups of clients. In Jefferson County, which operated a single program for both TANF and non-TANF families, TANF caseworkers (in an entirely different agency) were responsible for initial authorizations for child care vouchers for TANF clients—though child care caseworkers in the voucher agency had to approve the authorization before it could take effect.

As will be seen throughout the paper, the approach taken by local agencies for TANF parents affects which workers providers must contact to resolve different issues, as well as the number of workers involved in approving authorizations and payments for TANF parents.

Who is responsible for resolving provider problems?

Sites had various administrative structures or systems for addressing provider questions or problems. For example, a few years before our site visits, King County had implemented a call center system to make it easier for parents and providers to contact the agency. Call centers assign specific staff to take phone calls each day, rather than having each caseworker handle inquiries for his or her caseload. Agencies in San Diego had different approaches. For example, one agency had provider specialists who were responsible for resolving provider problems; another agency had providers directly contact the relevant staff (e.g., caseworker or payment specialist) about the problem; and another agency had set up a call-center-like structure, the Child Care Information Center, which designated specific workers as the first stop for problem resolution. See the section on provider experiences with voucher agencies for more information on how providers experienced these different administrative approaches.

Who issues the checks?

Although local voucher agencies typically had some role in the payment process, voucher programs differed in terms of whether local agencies actually issued checks to providers. Sometimes it varied by program within agencies or sites:

- The local voucher agency issued checks for the single program in Jefferson County.
- The local voucher agency in Hudson County issued checks for NJCK, but the state agency issued checks for WFNJ.
- In San Diego, the YMCA corporate office (which was a relatively separate entity from the agency running the voucher program) was responsible for issuing checks for the programs run by the YMCA-CRS, while the other two San Diego County agencies issued checks through their fiscal offices.

The question of who issues the checks can affect the level of control agencies have over payment timing and their ability to respond quickly to payment problems. For example, one agency cited the fact that they did not issue the checks from their agency as the reason they were not able to write interim checks as often as other agencies (i.e., those that issued checks from their local office).

Implications

The information in this section illustrates that, even when looking at just five sites, there is a remarkable amount of variation on almost every imaginable administrative and staffing issue. Sites differed in the number of agencies, the number of programs and how they were allocated across agencies, how the basic child care functions were divided across staff within agencies, the number and kinds of workers involved in the process, and so forth. In addition to offering examples of differing approaches, this information has several implications for the findings discussed in the rest of this report.

First, while this study did not attempt to evaluate administrative approaches, the comments from local administrators and providers suggest that each approach has strengths and weaknesses, and there does not appear to be a "best" approach. However, when problems are identified, agencies may want to examine how their administrative approach contributes to the problem. Further, when choosing an approach, it is important to identify ways to address the weaknesses specific to that approach. For example, issuing checks from another office may reduce total administrative costs and decrease the possibility of internal fraud. When implementing this approach, however, it is important to consider how to minimize the possible collateral consequences of less flexibility in timing of payments and increased difficulty in resolving payment questions.

Second, the question of how to allocate functions across different caseworkers is particularly complex. This is not only because diverse provider-related functions require somewhat different skill sets, but also because resolving some provider questions can require consultation with parent caseworkers. Consequently, providers who care for large numbers of children with vouchers may have to interact with many parent caseworkers. This is an issue even when parent and provider functions are assigned to a single worker, as that worker is unlikely to be responsible for all the parents a provider serves. Regardless of the staffing approach, providers are likely to need to interact with numerous caseworkers at any given moment and over time. This reality highlights the importance of clearly articulated, consistent, and well-implemented policies, as well as the importance of clear lines of communication across the different staff involved with matters affecting providers.

Third, all these issues are shaped by caseloads and staffing levels. For example, respondents in Jefferson County reported that staffing cutbacks and high caseloads created challenges for their given division of labor.[12] Because individual caseworkers were responsible for both parent and provider functions, counselors reported having to stop work in other areas when it was time to input attendance information (which usually took about three days), leading to delays in parent intake and case management. This suggests that in evaluating different staffing patterns, agencies must also consider how the flow of workloads over time interacts with caseloads to affect the ability of staff to successfully manage multiple responsibilities.

Fourth, the number of individuals, agencies, and levels within agencies that are involved in the payment process for providers can influence many topics discussed later in this report, including communication about changes in eligibility, the timeliness of payments, and the ease with which payment disputes are resolved. Each layer of staff can add to the time it takes to get things done, unless the agency takes steps to avoid this problem. As will be shown throughout the paper, this appears to be of particular importance in thinking about the role of TANF caseworkers in the process.

Finally, in three of the five sites, many providers had experiences with (or perceptions of) more than one program or agency. As a result, in the rest of this paper, findings from Hudson, Monterey and San Diego counties may represent a blend of experiences across the programs or agencies in that site, though occasionally providers were explicit about which program or agency they were discussing. Therefore it is important to remember that in these more complex sites, is not always possible to draw conclusions between findings about provider experiences and specific policies or practices found in a particular agency or program. This is less true in Jefferson and King counties. In Jefferson County, there was a single program administered by a single agency. In King County, we mostly concentrated the discussion on the state-run CCDF voucher program (rather than the City of Seattle program).

Provider Perspectives on Payment Issues

Receiving payments for providing services to families with vouchers is the core element of the relationship between child care providers and the voucher agency. As a result, the amount that providers are paid, and the reliability of those payments, is a critical part of their experience with voucher programs. In this section, we examine provider perspectives and experiences with payments and with those policies and administrative practices that most directly affect payments. We focus on the issues that emerged as most important from providers' perspectives.

This section of the paper includes providers' perspectives on

- payment levels generally;
- absent day policies and payment practices;
- effectiveness of notification of changes in parents' status that affect payments;
- collecting parent fees or copayments;
- timing of payments; and
- payment accuracy and resolving disputes.

The payment experiences of providers serving families with vouchers are affected by many factors. These include, for example, laws, regulations, and other policies at set at the federal, state, and local levels,[13] local agency implementation practices, and the characteristics and actions of the providers themselves. Provider sentiments about payments are also influenced by many issues discussed in this report's next section, which focuses on providers' experiences working with voucher agencies. For example, both paperwork and how easy it is for providers to contact staff can affect whether and how much providers are paid and how easy it is to resolve payment disputes.

General Perspectives on Payment Levels

Understanding the link between policies affecting payment levels and provider perspectives on these payment levels can be somewhat challenging. In particular, numerous laws, regulations, and other policies shape how much providers are paid. Foremost among them is the reimbursement rate ceiling, set by each state as the maximum amount the state will pay for a specific type of care (box 1). The amount a state will pay a particular provider is either the amount that provider charges private-paying families or the state's maximum rate for that type of care, whichever is lower. Numerous additional policies and factors, however, affect the amount providers are paid, including whether providers are paid for absent days, whether they receive payment for the full time of service, and so forth.

We collected information about providers' general perspectives on how much they receive in payment in two ways. First, we asked them their opinion about payment levels overall. Second, we asked how they perceive the total value of payments (from the subsidy and the parent) for children receiving vouchers relative to payment levels for children whose parents pay the full fee. Responses to both questions are likely to reflect not just opinions about the maximum reimbursement rates but a generalized view of the net effect of all relevant policies and implementation factors on provider payment levels.

Overall payment levels

When asked for their perceptions of the overall payment level, focus group respondents generally believed providers were being paid too little, though some providers typically were satisfied with the payment amounts. The perception that payments were too low was fairly consistent across a range of respondent types, including providers that were and were not serving children who received vouchers, and, in some cases, also including agency staff and outside experts. This opinion about overall payment levels seemed to stem from a number of different concerns, such as the four noted below:

- A number of respondents believed that child care providers overall (subsidized and nonsubsidized) are paid too little, reflecting a problem in the overall market rather than problems specific to the voucher program.

- In three sites (Hudson, King, and Jefferson counties), respondents felt strongly that the voucher rate ceilings were too low and discussed this issue at length. Respondents in Hudson County seemed to feel that the rate in their area was too low because the state had a single set of rates for all geographic areas, which created problems for regions such as Hudson County that had higher costs of living.

- Respondents were somewhat more—though not entirely—satisfied with rate ceilings in the California sites, where maximum reimbursement rates were at higher levels (relative to the fees charged in the market) than the other sites. The main exception to this was among some respondents who were upset about a recent change in the rate policy for evening and weekend care.

- Providers also mentioned other policies that could affect whether vouchers covered what they would charge private-paying parents. Those policies are discussed in later sections of this report.

Finally, as is discussed in Adams and Rohacek (forthcoming), many providers in both focus groups and the survey cited concerns about payment levels as affecting their willingness to be involved with the voucher system or the number of children they were willing to serve.

Box 1. Policies That Shape Individual Payment Levels

CCDF regulations require states to set rates that are "sufficient to ensure equal access, for eligible families in the area served by the [subsidy agency], to child care services comparable to those provided to families not eligible to receive CCDF assistance" (U.S. Department of Health and Human Services, Administration on Children and Families 1998; section 98.43) States implement this by setting a ceiling on the amount they will pay for care. The federal regulations recommend, but do not mandate, that rate ceilings be set at the 75th percentile of the fees charged by providers in the local market—in other words, the level that generally allows parents to access 75 percent of the providers in the market. The amount actually paid to individual providers is the amount they charge private-paying families or the maximum rate for that type of care, whichever is lower. States usually set different maximum rates for different types of providers (e.g., homes versus centers), for children of different ages, and for different geographic regions of the state. States also often have different rates for full-time or part-time care.

States usually determine the voucher rate ceilings based on results of a survey of fees charged in the local market. According to CCDF regulations, states are required to conduct a market-rate survey every two years but are not required to adjust rates according to these surveys. At the time of the data collection, three of the four study states (AL, NJ, and WA), had conducted a market-rate survey within two years, but the reimbursement rates had not been updated to reflect these rates. As a result, rates were estimated to generally fall below the 75th percentile of fees charged in the market. Specifically, the lowest rates were in Washington, where rates were set below the 75th percentile for 2000, while New Jersey's were below the 75th percentile of 2002 rates and Alabama's were below the 75th percentile for 2003. The only state with rates set at recommended levels was California, whose rates were above the 75th percentile for 2002 (Schulman and Blank 2004).

Differential rates and bonuses: In some situations, states may agree to pay a higher amount for particular kinds of care that is in short supply. For example, in our sites,

- New Jersey had a 5 percent higher maximum reimbursement rate for accredited care.
- Washington had an infant bonus, a one-time payment for accepting an infant into care.
- California had differential rate for evening or weekend hours.

How voucher payments compare with payments from private-paying parents

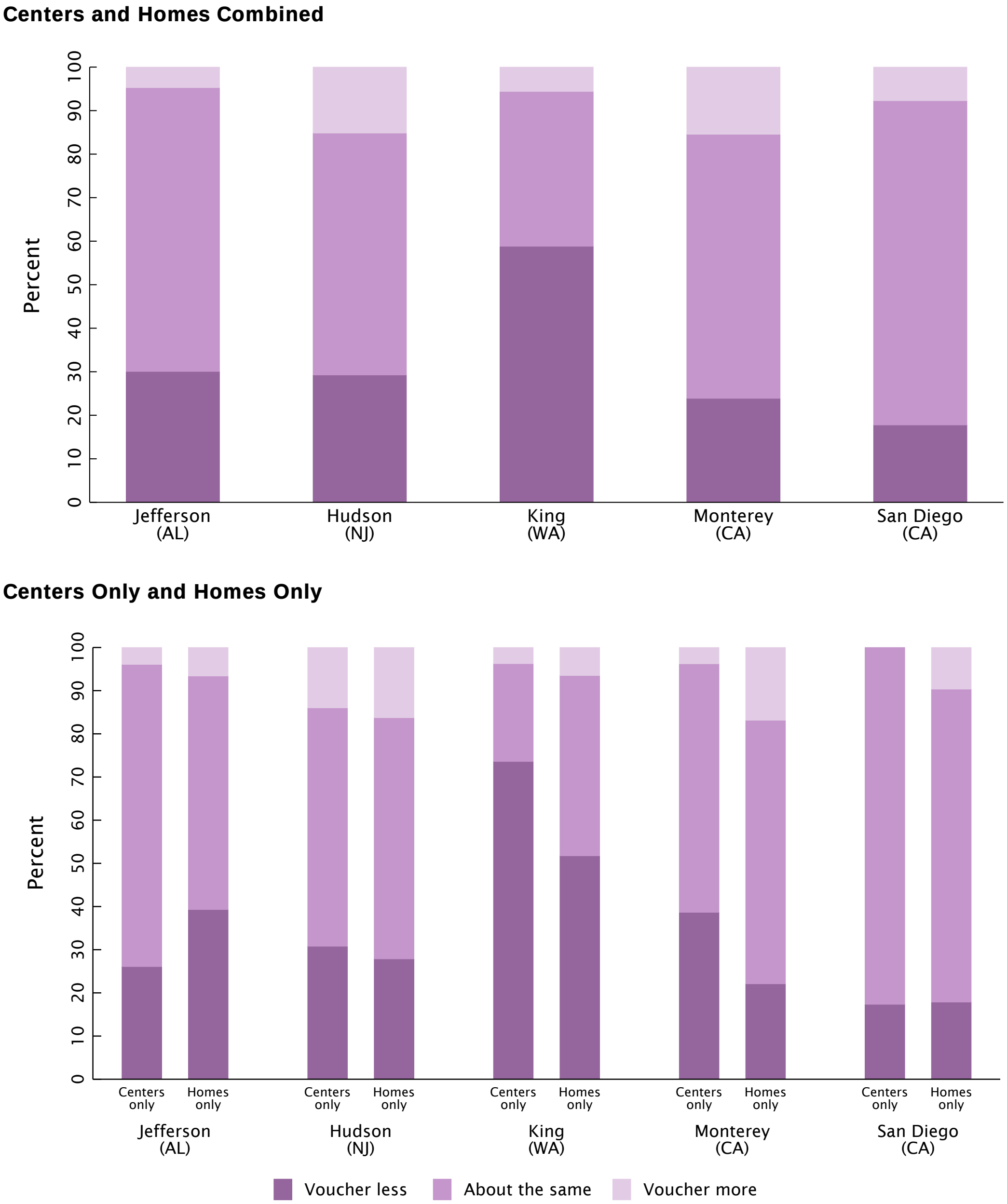
We also asked providers how total voucher payments (the agency-paid amount plus the copayment or family fee) compared to what they received from private-paying parents. Looking first at the qualitative focus group and interview data, we found mixed responses, with a range of respondents (including those serving children receiving vouchers and those who were not, as well as administrators and key respondents) saying that the total voucher payments were less than the fees paid by private-paying parents. However, some providers in focus groups in each site usually said that voucher reimbursement levels were similar to what they charged private-paying families. Again, this was heard both from providers who did and did not serve children who had vouchers.

The *survey* responses among providers serving children with vouchers offer a slightly different perspective on this question. Similar to the focus groups, we found a range of opinions, both within and across sites. In most sites, a majority of providers serving children with vouchers believed that voucher payments were comparable to payments from privately paying parents, though a nontrivial proportion disagreed. For example, as illustrated in figure 1 and in detailed appendix table D1:

- In all sites except King County, more than half of providers serving children with vouchers believed that the total amount received through vouchers was *about the same as* what they received from private-paying parents. Specifically, the proportion that thought the amounts were similar was 75 percent of providers in San Diego County, and between 56 and 65 percent for Jefferson, Hudson, and Monterey counties, falling to 36 percent in King County. (The patterns differed slightly between centers and homes. Differences were largest in King County where homes were almost twice as likely as centers to believe payments were equivalent, and in Jefferson County where homes were less likely to report that payments for children with vouchers and other children were about the same.)

- Generally, a notable subset of providers believed that the total payment they received for children with vouchers was *less* than what they received from private-paying parents. Specifically, when looking at centers and homes together, this subset ranged from 18 percent of providers in San Diego County to 24–30 percent in Jefferson, Hudson, and Monterey counties. In contrast, a majority of providers in King County (59 percent) felt that they received a smaller payment for a child with a voucher. (Homes in King and Monterey counties were less likely than centers to report that payments were less for families with vouchers. In Jefferson County, homes were somewhat more likely to report that payments for children with vouchers were lower, though it is unclear whether that finding results from sampling error.)

FIGURE 1. Subsidized Providers Reporting the Voucher Payment Amount was Less than, About the Same as, or More than the Amount Received from Parents Paying Full Fee, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D1 for tabular results and additional statistical details, including confidence intervals that express the amount of statistical uncertainty (due to possible sampling error) around each estimate. Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

- Generally, relatively fewer providers in each site believed that the total amount they received for children with vouchers was *greater* than the amount received from private-paying parents. Specifically, 5–8 percent of providers serving children with vouchers in Jefferson, King, and San Diego counties, and 15–16 percent of providers in Hudson and Monterey counties, thought they received higher payments from the voucher system than from private-paying parents. (Family child care homes in Monterey County were more likely to report this belief than were centers.)

These findings highlight a few different issues. First, it is expected that some proportion of providers would report that voucher reimbursement rates were at or above their private-paying rates, as the voucher rate structure is designed so the voucher payments cover what is charged by many, but not necessarily all, providers in the market.

Second, it is noteworthy that a majority of survey respondents in King County (including both centers and homes) felt that providers received less for children in the voucher system than they did for the children of private-paying parents. This opinion was particularly frequent among centers; 74 percent of center directors caring for children with vouchers had this perception. This pattern of difference in King County may well be result from the fact that at the time of our site visits and survey, King County's reimbursement ceiling was set at the lowest percentile of fees charged in the private market of the five sites.

Finally, these data underscore the importance of looking beyond maximum reimbursement levels to other policies and practices to better understand provider experiences. The differences in provider perceptions of payment levels between San Diego and Monterey counties underscore this point. Given that these sites have the same overarching policy context setting their rates, one might expect provider perceptions to be more similar. It appears, however, that differences in implementation across the counties may have influenced provider opinions about rate levels.

Absent Day Policies and Agency Practices

One key issue affecting payment raised by providers in earlier research is whether states pay for days that children are absent from care (Adams and Snyder 2003). This issue arises because providers typically require parents to pay prospectively (for example, weekly or monthly) and to pay whether their child attends or not. Most voucher programs, however, pay retrospectively and limit the number of absent days they will cover. States have discretion in this area as there is no federal guidance on this issue. The federal CCDF regulations simply say that states should pay for care for families while they are working or in school; it is up to states to determine how to handle days when the child is absent.

Although local agencies varied somewhat in their policies, all the agencies examined in this study paid for at least some absent days:[14]

- The King County agency covered up to five absent days a month.

- The Hudson County agency covered absent days as long as the child attended for 80 percent of the service period.

- The Jefferson County agency reimbursed providers for up to 10 days of absence a month if the child had a physical or mental condition that caused the absence and documentation of that condition was provided.

- Policies seemed to differ across local agencies in the California sites. In San Diego County, at least one agency covered up to two consecutive weeks of absence a month as long as the provider notified the voucher agency after three consecutive absent days. This policy has since been changed in response to further clarification of allowable payments for absent days from the state agency. This policy was interesting, however, as it appeared to offer more flexibility for both providers and parents, while the three-day reporting requirement helped prevent ongoing use of care by families whose situation had changed, which helped reduce the possibility of improper payments.

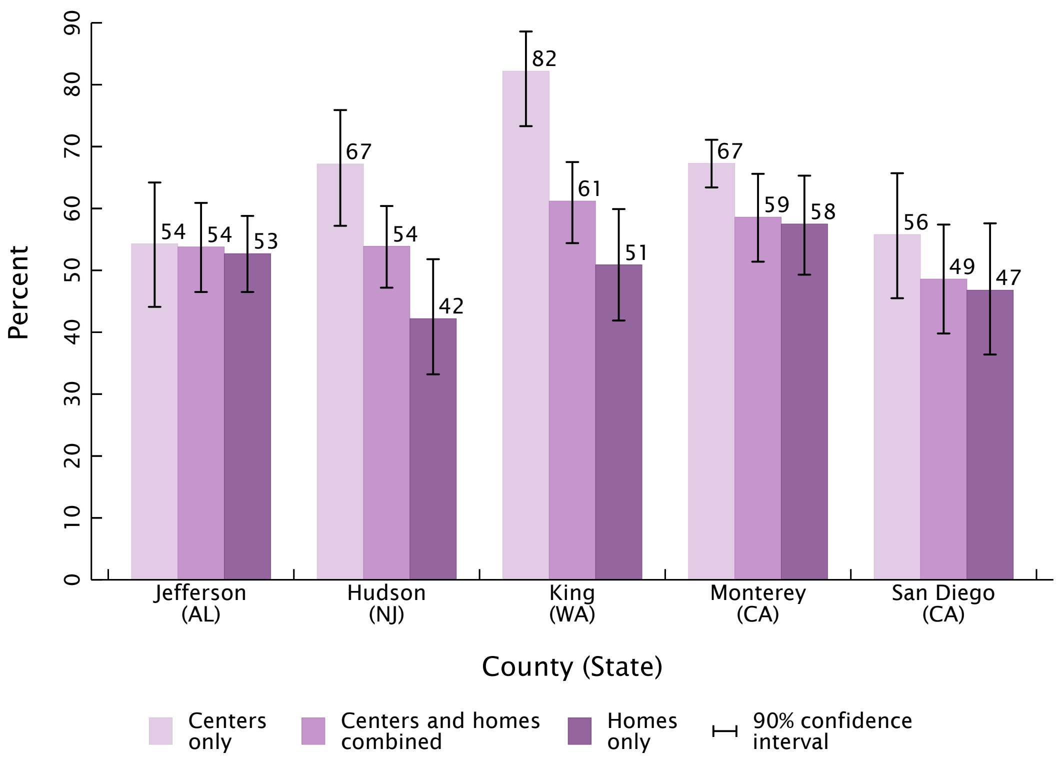
- Site visitors in Monterey County received conflicting information from different agency staff, as well as from providers, about the policies in the Monterey agencies.[15] This may have been because some local absent day policies had recently been superseded by new state guidance.[16] Although staff in both agencies reported paying for absent days, providers reported that DSS (which served families on TANF) was much less likely to pay when children were absent, and site visitors were told that TANF workers had a role in deciding whether to pay for these days.

Although providers in the focus groups discussed nonpayment for absent days, it did not generally surface as one of their biggest concerns. However, the survey data suggest that losing at least some revenue from absent days is relatively common. The data also suggest that, in at least some sites, centers are more likely to report such problems, which is not surprising given that they serve more children:

- Roughly half of providers serving children with vouchers in every site, from 49 percent in San Diego County to 61 percent in King County, reported sometimes not receiving full payment when a voucher child was absent (see appendix table D2 and figure 2). While the overall rate is similar across sites, it masks cross-site variation in centers as well as differences between centers and homes. Centers, except in Jefferson County, were more likely to report such problems. The difference between centers and homes was largest in King (82 percent versus 51 percent) and Hudson

(67 percent versus 42 percent) counties. In Monterey County, the difference was smaller (67 percent versus 58 percent); in San Diego County, the difference was not statistically significant.

FIGURE 2. Subsidized Providers Reporting They Sometimes Received Partial Payments Because a Child with a Voucher Had Been Absent, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D2 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

- Including those who reported typically losing zero days, the average number of child-days per month that providers were not reimbursed because of absences ranged from 1.7 in San Diego to 4.3 in King County. (See appendix table D3.) Again, centers tended to report more unreimbursed child-days for absences than homes, and the variation across sites was greater among centers than among homes. Differences between centers and homes were statistically significant in King (9.5 versus 2.0 days), Monterey (8.3 versus 2.5 days), and Hudson (5.0 versus 1.1 days) counties. Differences between centers and homes in Jefferson (2.9 versus 2.4) and San Diego (1.8 versus 1.7) were relatively small and not statistically significant.

- Another way to examine the issue is to determine how many providers losing some revenue from absent days lost six or more child-days in a typical month. When examined this way, we find that, among providers losing some revenue, the share who reported losing at least six days ranged widely. Specifically, this problem was reported by 35 percent of providers who lost revenue in King County, 29 percent in Jefferson County, 23 percent in Hudson County, 17 percent in Monterey County, and 7 percent in San Diego County (see appendix table D4). (Not all the between-site differences were statistically significant.) Again, proportions were higher in centers than in homes in King and Hudson counties, and the variation across sites was greater among centers than among homes. The proportion of those centers losing revenue that reported typically losing at least six days ranged from 58 percent of centers in King County to 9 percent of centers in San Diego County, while the range for family child care homes was from 35 percent in Jefferson County to 6 percent in San Diego County.

In addition to these general findings, a few site-specific patterns around absent days are important to note. First, while it is not possible to definitively link the patterns to any particular policy, providers consistently reported lower incidence of problems in San Diego County, where at least one voucher agency appeared to have one of the most generous absent day policies among the five sites.

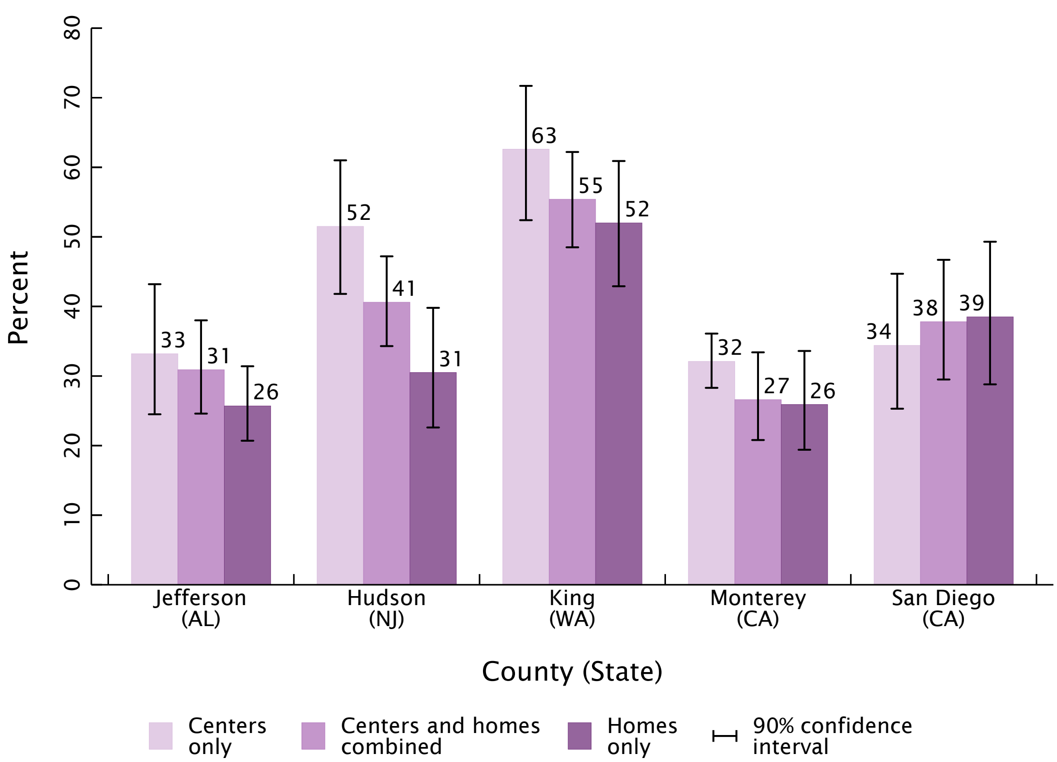
Second, across every measure, providers in King County were consistently the most likely to report problems around absent days. This is particularly interesting given that Jefferson County and King County's absent day policies were similar but providers' experiences as reported on the survey differed across the two sites. There are a number of possible explanations for this; one explanation, in particular, emerged from the site visits. In King County, the process used to calculate and claim the number of days for payment was somewhat complex, so providers may not be claiming days properly and thus not being paid for absent days.

Whether Providers Know about Changes in Authorization Status

One of the most commonly discussed payment-related problems for providers is whether they have accurate and up-to-date information about children's voucher authorizations—such as the dates when payments can begin, changes in authorized terms of the voucher (e.g., days or hours covered, or parent copayment amount), when the voucher is terminated, and if a family with a voucher is leaving their care. How often and how quickly voucher agencies adjust subsidies in response to changes in parent circumstances, and how they notify providers about such changes, are largely up to state or local discretion (within allowable federal parameters). Previous research suggests that these policies and notification practices are critical to providers. Specifically, miscommunication about changes in the terms of families' vouchers can result in providers losing revenue, as they may serve children during periods of ineligibility, provide more services than are covered by the vouchers, or not realize parents are responsible for a greater copayment (Adams and Snyder 2003).[17] As a result, providers have a financial stake in communicating well with voucher agencies about family eligibility and other details of each family's voucher authorization.

Providers serving children with vouchers indicated in both focus groups and through their survey responses that receiving notification about changes in status was a major area of concern. Generally, between a quarter and a half (27 percent in Monterey County up to 55 percent in King County) of survey respondents reported a problem (in the six months before the survey) receiving adequate notice about changes in family circumstances that could affect payments (appendix table D5 and figure 3). While centers in every site except San Diego County were somewhat more likely than homes to report

FIGURE 3. Subsidized Providers Reporting a Problem in the Six Months before the Interview with Receiving Adequate Notice about Changes in Family Circumstances that Affected the Voucher Payment, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D5 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

such problems, the difference between centers and homes was only large and statistically significant in Hudson County.

There are several reasons that notification about changes in family circumstances is especially pivotal for providers accepting child care vouchers. First, many families must start care immediately to start or keep a job, which means that speedy eligibility processing and timely and clear communication about when payments can start is important. Second, families receiving vouchers—particularly TANF families—can experience frequent changes in their employment and personal circumstances that can change voucher terms or result in loss of eligibility.[18] Some research indicates that, on average, families receive vouchers for relatively short periods (one five-state study found average spells of three to seven months) with even shorter spells for TANF families (Meyers et al. 2002).[19]

Because of these short spells of voucher receipt, providers are likely to experience many "stops and starts" and changes in the level of subsidy for children receiving vouchers. If providers are not notified about these developments, they risk providing services during times children are not eligible, usually without reimbursement. This problem is further amplified by the retrospective nature of voucher payments, as the advance payment typically required of private-paying families protects providers somewhat against serving children for any length of time without being recompensed for it.

In this section we provide information on a number of key issues around notification. Specifically, we discuss these four issues:

- the primary points when providers need notification;
- special concerns related to families receiving TANF;
- agency notification policies and administrative practices; and
- the complex interaction of factors that makes notifications challenging.

Key points at which provider notification matters

There are several points at which providers need information about the status of an individual family's voucher or plans to continue in care. We collected information about providers' experiences with notifications when vouchers were initially authorized, when there was a change in a continuing authorization, when a family's voucher was terminated, and when a family with a voucher was leaving care.

Initial authorization

Our previous research found that providers sometimes did not know precisely when payments for children receiving vouchers were authorized to begin (Adams and Snyder 2003). As a result, they sometimes served children only to later find out—when a reimbursement request was refused or partially paid—that a subsidy had not been authorized for part or all of the period. The survey data suggest that this issue affects a subset of providers (see appendix table D6). Between 18 percent (Jefferson County) and 38 percent (Hudson and King counties) of providers serving children with vouchers reported they were not always paid for a new voucher child's first days, and in three sites (Hudson, King, and San Diego counties), more then one-third of providers reported this problem.[20] Estimates between centers and homes did not differ substantially, except in King County, where centers were significantly more likely to report this problem (56 percent) than homes (30 percent).

Although not a dominant concern, providers in focus groups across the study sites discussed caring for children before the voucher authorization was officially finalized, sometimes knowingly and sometimes unknowingly. Whether taking authorizations over the phone from caseworkers or trusting parents who say their authorization is final, some providers are taking on a financial risk by serving families before receiving written confirmation the families are eligible for a voucher. Agency respondents in some sites reported that it is common for providers to start caring for children before final approval, as most parents need to start care before providers can receive formal notification that a voucher has been issued. As one worker said,

> *Almost everything we're doing is always after the fact. So if a parent calls me today, I have five days to issue a notice. But the parent's already begun care, and [then] we follow up with a notice. Almost all of our parents start with providers before that notice of action can go out.*

Respondents (both agency staff and providers) said that, in some cases, providers who were new to the voucher system, or who really needed children with vouchers to fill their slots, were the most likely to take these risks. Conversely, other providers said they consciously took on the risk because they had access to other resources to absorb the costs if the days were not paid.

The question of whether providers should be permitted—or encouraged—to start serving children before receiving written confirmation of a voucher is challenging for a number of reasons. Everyone (parents, providers, and the voucher system) has strong interest in getting services to families as soon as they are needed. As an agency respondent in San Diego commented, "We don't want the parents to lose their job or anything because we're telling the provider, 'No, don't do it, you don't have an attendance sheet [signifying final authorization].'" Nevertheless, there are some logistical realities. By definition, the time needed to process paperwork and move applications through the approval process means there will be a delay between the initial application and the final determination of eligibility. In some sites, providers reported this process could be lengthy. For example, providers in Monterey County said it could take a few weeks to a month between a parent's initial application and final written voucher authorization. In other sites, the process seemed to move more quickly.

Agencies had different approaches to this issue. Some agencies allowed verbal notification by caseworkers to function as formal authorization or allowed caseworkers to fax notification if providers otherwise refused to begin delivering services. Other agencies had policies requiring providers to wait for written confirmation. Yet, even in agencies with this policy, agency respondents said they sometimes called providers with verbal authorization. One agency respondent described the reasons for providing verbal authorization:

> *A lot of times I do it only because my customer has to start [work] tomorrow, but I don't have the paperwork. I can see that the worker authorized that child care, so I feel comfortable saying it is verbal, I have that it's authorized. But if the client doesn't follow through or [the provider] doesn't follow through, [the authorization] doesn't mean anything. It's authorized but we still need to follow up on all the paperwork.*

In this situation, in which the final authorization depends on additional steps on the part of the parent, the provider is being asked to assume the risk on behalf of the parent. One agency respondent explicitly told providers it was their own choice to decide whether to take the risk, and described the situation as "a catch-22", which was very "frustrating."

Changes to a continuing authorization

How and when providers find out that parents' continuing authorizations have changed was another area of concern. Typical changes for which providers might need notification include moving from full-time to part-time status, changes in the days of the week or times that care is authorized, or adjustments in the required parent copayment. Such changes can be especially frequent for families with fluctuating work schedules, which are common for low-wage workers, as well as for families receiving TANF that may be in changing and short-term work-related activities.

Though we did not ask about this issue in the survey, providers in the focus groups in some sites (i.e., San Diego, Jefferson, and Monterey counties) discussed not knowing of changes in families' voucher authorizations. For example, in San Diego County, two of the three agencies had a policy to notify providers two weeks in advance about changes in authorized hours or copayment amounts. Yet all the providers in one San Diego focus group reported receiving written notification about changes in family authorization levels *after* the changes were put into effect, in some cases two to three weeks later. When probed, focus groups participants said this happened with all three of the local voucher agencies. One provider described her experience as follows:

> *I had one family that went from 87 hours a week to 50 hours a week. I don't get a notice, the child's still coming that 87 hours a week. When I called [the agency], they said 'Oh, the worker doesn't have to put [the changes] into the computer for five days so I can't tell you now.' So you have to wait five days to find out if they*

got cut. Their system is set up so they have time to [implement the change], but we're the ones that are out.

Some of these provider concerns were about changes from a full-time to a part-time voucher authorization. The issue here is twofold. First, providers expressed concern about only finding out about the change after receiving a payment that was less than they expected. Second, among those who did not offer part-time slots, changes in authorizations from full-time to part-time forced them to either accept a loss of revenue or to tell families they had to leave the program.[21] Many of these providers wished the voucher agency did more to help parents understand that they would have to approach the provider to discuss the options for moving to part-time care when the authorization changed.

Termination of vouchers

Receiving notice when children's vouchers are terminated has proved a major concern for providers (Adams and Snyder 2003). As a result, this study explored provider experiences around termination in various ways. In focus groups, providers were asked about their experiences with being notified when families lost their vouchers. Usually, the response was mixed. In most groups, at least some providers indicated that they generally did not know in advance, while others indicated that they did know. The survey data corroborate this mixed picture (see appendix table D7). Specifically, respondents were asked whether they lost revenue because of not knowing when families were terminated from the voucher program. We found that between one-quarter and one-half of providers reported it was *often* or *always* true that they lost revenue when a family lost its voucher because they continued to serve the child(ren) without knowing that the voucher had been terminated including 27 percent in Jefferson County; around 35 percent in Hudson, Monterey, and San Diego counties; and 47 percent in King County. Centers in Hudson County were much more likely than homes to report this problem (49 percent versus 28 percent), while centers in Monterey County were somewhat less likely than homes to report this problem (27 percent versus 36 percent).

Families leaving care

Providers were also frustrated about not receiving adequate notice when parents with vouchers left their care, although this issue is slightly different because it is more clearly parents' responsibility to provide notice. This is a particularly important issue because, combined with the retrospective payment approach, not receiving adequate notice that a family is leaving care means providers have a smaller chance of getting paid during the time they are trying to fill the slot. It is also a common occurrence; research suggests that some families frequently change providers even while retaining their vouchers (Adams and Snyder 2003; Weber 2005). Some agencies have tried to address this issue by requiring parents to give providers two weeks notice before changing providers and not paying the new provider until this period was over (which is close to what providers require of private-paying parents). Voucher agencies typically waived the advance notification requirements for parents changing providers because of concerns about the child's safety.

On this issue, we asked survey respondents how often they received adequate notice when families with vouchers were leaving their care. This question is broad, as it could capture both whether providers are notified that parents' eligibility for vouchers has been terminated as well as whether parents with vouchers notify providers when they choose to leave that care setting (even if they retain their voucher). Again, our data suggest that this is a common problem for providers (see appendix table D8). Across all sites, between one-quarter and one-half (28–52 percent) of providers reported *rarely or never* receiving adequate notice when a child with a voucher left care. In three sites (Jefferson, Monterey, and San Diego counties), the share was between one-quarter and one-third; in the other two sites it, was around 50 percent. Generally, the rates among the center and home samples in each site were similar and without statistically significant differences, except in Hudson County, where 40 percent of family child care providers reported this problem compared with 66 percent of centers.

Special concerns related to families receiving TANF

Most providers did not directly link the TANF status of the client with their discussions about problems with notification, and the survey did not address this issue. However, it is interesting to note that many notification issues and concerns discussed above came up specifically for providers working with agencies or programs serving substantial numbers of TANF clients (specifically, the WFNJ program in Hudson County, DSS serving Stage 1 CalWORKS clients in Monterey County, and CalWORKS Stage 1 in San Diego). This may be related (at least in part) to the fact that TANF clients are more likely to have shorter authorization periods and may experience more frequent changes in status then do low-income families who are employed.

One example of this is the WFNJ program in Hudson County, which tied the length of the voucher authorization period to the length of the parent's work activity. As a result, WFNJ clients could have voucher authorizations for periods as short as two to four weeks, and even clients with longer authorizations (e.g., three months) could have vouchers terminated midstream if they failed to participate in their work activity. As a result, one agency respondent noted that some providers received notices of termination "constantly" and that it could be hard for them to keep track of whether families were approved for payments. Another agency respondent said she received calls from providers saying "What's going on here?" after they received a termination notice one day, and then a notice saying that the parent had been approved for a new activity the next day. As she said, it would "probably drive you crazy if you were the provider."

A few providers in focus groups talked directly about the challenges of serving TANF families because of their shorter authorizations and shorter spells in care. For example, one provider in Jefferson County noted that the length of time a family would likely be enrolled in her program depended on whether they were part of JOBS (the Alabama TANF program). This provider indicated she would like to know in advance if a family only had a six-week authorization, as she would prefer to enroll children who would be in her care for a longer period.

Agency notification policies and administrative practices

Despite the problems noted by providers, the local voucher agencies in this study usually had clear policies around notification, and, in some cases, agencies reported notifying providers in multiple ways.

- *Information in initial contract.* Most agencies said providers were informed about the length of the authorization in the initial contract they were given for the client. While this outreach could not address changes in authorization levels (including terminations) that occurred in the middle of the authorization period, it did give providers (at least those who kept track of such dates) advance warning of the reauthorization date, which is a common time for families to lose their vouchers.

- *Information on monthly attendance forms.* Some agencies, including CCR in Jefferson County and CSI in Monterey County, also put the redetermination date as well as details about the authorization level (such as the hours covered and the copayment amount) on the monthly attendance forms. This approach gave providers regular updates on the status of their clients and advance warning of redetermination.

- *Written notification.* Almost all the agencies said they sent providers written notification when there were changes in families' voucher status, including changes in hours and terminations. In most cases, agencies felt their procedures fairly effectively ensured that notifications were mailed to providers. Some providers in the focus groups agreed. For example, a number of providers in one Hudson County focus group verified that they were notified of changes in writing and that they received the information they needed from those notices.

  There were two exceptions. First, respondents for the DSS in Monterey reported that they tried to call providers about terminations. It was not clear from the interviews whether these calls were instead of, or in addition to, mailed notifications. Second, in King County, we received somewhat conflicting information from different respondents. In this site, while some respondents said that 10-day advance notice was given for terminations, other respondents suggested providers were not always notified. For example, one respondent said that caseworkers were not obligated to send the notices to both parents and providers, and sometimes only parents received them. Also, some respondents in King County described glitches with the Work First (TANF) computer system that resulted in providers with TANF clients sometimes not receiving termination notices. These qualitative findings may help explain the survey finding that King County had the highest reported incidence of problems with termination notices.

- *Timing of change notifications.* Although agencies typically had procedures in place for notifying providers of important changes, they varied in whether they sent change notifications in advance. Advance notice was more commonly reported for possible terminations than for other types of changes. For example, respondents in both Jefferson and King counties reported 10-day advance notice (though not always to the provider in King County, as noted above); the San Diego agencies also reported two-week advance notice; and Hudson County respondents reported that they provided 5-day advance notice once the agency had been notified.[22]

  In some cases, however, this advance notice was not provided for TANF clients (e.g., in Hudson County) or for unlicensed family, friend, and neighbor caregivers (e.g., by one agency in San Diego). Also, as discussed below, what "advance notice" really means can vary depending on the circumstances. In some cases, "advance notice about termination" appeared to mean the agency notified providers in advance that recertification dates were approaching and that voucher payments would end if families did not recertify or were no longer eligible; it did not always mean that the provider was notified in advance of the recertification date that a parent's voucher would actually be continued or terminated.

- *Calling providers.* Finally, in some cases, agencies said they called providers, though this usually seemed to be at caseworkers' discretion rather than agency policy. Both HHSA and YMCA in San Diego County said they called providers in cases of termination. In Jefferson County, respondents described calling providers when they could not give advance notice, such as when a parent was found to have been ineligible for some time and was terminated immediately, or for JOBS (TANF) clients for whom no advance notice was given by the JOBS agency. In Monterey County, some agency respondents said they called providers when families' vouchers were terminated, but it was not clear whether this was agency policy or caseworker discretion. Also, in a number of situations, agencies reported their staff were available by phone for providers who called with questions about last-minute changes in authorization status; this may not have always been effective, though, as providers often had trouble reaching agency staff. (Reaching agency staff is discussed in a later section of this report.)

The challenge of notification, a complex set of factors

Although most sites had specific policies for notifying providers, and both the qualitative and survey data suggest that these strategies were effective at least some of the time, both types of data also make it clear that it was relatively common for providers to not know when families were terminated or when the terms of families' vouchers changed. Understanding and disentangling the causes of these notification problems is complicated. In fact, as is laid out below, the interviews and focus groups in these five sites suggest that the severity of the problem for any particular provider is the result of a complex interaction between what triggers a change in status, the timing of the change, when the agency finds out, when the agency terminates payments, when the provider finds out, whether the provider notices the notice, how well parents communicate with providers, and whether the provider can recoup the payments from either the parent or the voucher agency.

What triggers a change in status?

Whether notification is needed at all depends, in large part, on how tightly states calibrate the voucher terms to family circumstances and on the specificity of the authorization. For example, in San Diego County, some agencies authorized a very specific number of hours, and only for specific times of the day, with the result that minor changes in parents' schedules could trigger changes in the authorization. Providers described not being aware, for example, that they would not get paid for 7:00–8:00 a.m. because those hours were no longer part of the authorization. In sites that authorize care in full-time or part-time terms, or even as a total number of hours a week, the same changes may not trigger a change in the voucher authorization and may not require notification or lead to a potential loss of revenue for the provider.

Similarly, in some sites, vouchers seemed to be much more tightly calibrated to parental circumstances for TANF clients than for non-TANF clients. DSS in Monterey, for example, sometimes did not pay providers for days that had been authorized if the parents had not participated in their work activity, though this policy changed.[23] And, as noted earlier, TANF clients in Hudson County often had very short authorizations, which resulted in more frequent changes in status.

Other research by the Urban Institute suggests that a number of states are modifying the threshold at which changes in authorization are triggered (Adams et al. 2008; Snyder et al. 2006). For example, some states are only adjusting authorization levels in response to *major* changes in family circumstance, limiting changes that occur before reauthorization, and so forth. These revisions to policy, if done thoughtfully, can adhere to the letter and spirit of the CCDF regulations and guidance around eligibility while also decreasing the burden for parents, providers, and caseworkers.

When does the agency find out the parent's status has changed?

The second issue is whether there is a time lag between a parent's change in status and when the agency finds out about it. For example, as illustrated in some examples below, the consequences for providers are often different when a caseworker finds out that a parent became ineligible for vouchers within a week of that event than if the caseworker finds out a month or two (or more) later.

When does a change in, or end of, payment become effective?

Another factor to consider is how quickly agencies stop payments, or modify payment amounts, once they learn about changes in parents' circumstances. Federal rules require that payments only be made for families who are "eligible," and the federal government has the authority to impose improper payment penalties on states that pay for care for ineligible families. But, states have some latitude, which they use to balance their interest in using limited funding to serve the neediest families with their interest in maintaining a responsible and respectful business partnership with providers. Further, some state policies leave room for local agency interpretation of what is permitted. Consequently, agencies took various approaches in determining when payments would stop after families became ineligible for child care vouchers, including one, or a combination, of the following.

"Backstopping" or retroactively terminating, payments

Some agencies (i.e., in Hudson, Monterey, and King counties) had a policy of retroactive terminations under some circumstances, also known as "backstopping" the payment. In these situations, the termination was retroactively set to the date that the parent first failed to meet the eligibility criteria.

For both Hudson and Monterey counties, this was most commonly discussed for TANF recipients that had not complied with their work activity. For example, if the voucher agency found out on February 1 that the parent had not engaged in their required work activity at all in January, the agency could retroactively stop making voucher payments as of January 1. Respondents did not mention situations in which retroactive termination of payment was applied to a period for which the provider had already been reimbursed.

Another type of retroactive termination took place in King County, where the agency gave parents a two-week grace period after the required redetermination date to submit the paperwork to continue receiving vouchers. But when parents did not complete the recertification process by the end of the grace period, payments to providers stopped as of the redetermination date. As a result, when vouchers were discontinued but parents continued to use child care, providers were not paid for at least those two weeks, plus whatever additional period it took to receive notice of the termination. As a provider in King County said:

The problem is that DSHS will not make a decision about whether [the family] is covered until the end of their term... So you could be in that limbo where parent has done everything but they haven't been approved yet… So then do you keep the child for the first ten days? Well you want to, but if you're not going to get paid, can you really afford to do that? … It's kind of a crapshoot.

Even if agencies notify providers as soon as they make a decision, retroactive termination usually results in revenue loss for providers, since they have already served children during periods for which the children were later deemed ineligible for subsidies. It would be useful to examine this policy further, including when it is used, how often, under what circumstances, and what recourse providers have, as it seems problematic to penalize providers for serving children during a time that, as far as the provider knew, the children were authorized to receive subsidies. Because having providers continue to serve families while eligibility is under reconsideration can be of some benefit to voucher agencies (as it simplifies the administrative burden of restarting vouchers when parents are able to resolve the problem), limiting the financial risks to providers could be helpful in ensuring that providers are willing to serve families during these times.

Immediate termination of payments

Some agencies terminated vouchers immediately, effective on the date agencies found out parents did not meet the eligibility criteria, or when parents failed to reauthorize, or (in sites with grace periods for reauthorization) had exhausted their grace period for reauthorization. In agencies with these policies, payments were terminated as of the date the caseworker found out the parent's status had changed—whether the caseworker found out on January 5, January 30, or February 30. In this case, whether the provider loses revenue, and how much, depends on how quickly it finds out about the change in status.

Allowing two weeks of payment after parents lose eligibility

In a few cases, agencies discussed providing advance notice. For example, one local agency in San Diego reported that it paid providers for two weeks after the parent became ineligible. These two weeks were added to the date of the actual change in the parent's status (not the day the agency found out). So, in the preceding example in which a parent became ineligible on January 1, the provider could be paid for services through January 14. Whether this functioned as "advance notice" for the provider, however, depended on whether the agency found out about this change before the end of the two-week grace period and was able to notify the provider in time. If the agency did not find out until the end of January, the provider would receive two more weeks of payment than it would have without this policy, but the provider still would not be paid for the period between January 14 and the date it was notified. However, this appeared to reflect local agency interpretation of state guidance on this issue, which required agencies to give two weeks' notice. Some agencies seem to have interpreted this to mean notice had to be provided as of the date the parent became ineligible, while others interpreted it to mean as of the time the agency was notified.

Continuing payments for some period after the agency learns of a change in eligibility

A few agencies appeared to provide advance notice from the time the agency was notified, regardless of when the change in eligibility occurred. HHSA in San Diego County reported that its policy was to give providers serving Stage 2 CalWORKS families (and some Stage 1 families) the amount of notice specified in each provider's policy for private-paying parents.

Caseworkers for the Hudson County voucher program for TANF parents (WFNJ) noted that on the day they find out a TANF parent's case has closed, they are required to send providers a notice that payments will end after five days. It appears that providers were allowed to dispute situations in which they were not given this five-day notice, and the Urban League had to show proof that it mailed a notification letter. For example, if a parent stopped work on January 1, but the Urban League was not notified until January 30, it would not be able to stop payment to the provider until five days after it had mailed a letter to that provider.

How this worked in conjunction with the backstopping issue described above, however, is somewhat unclear. One agency respondent reported that if a parent's voucher authorization was backstopped but the provider cared for a child and was not notified, "We're going to have to pay them." However, other respondents described not being able to make payments as long as a TANF case was closed. As a result, although agency policy indicated providers must be paid until the five-day notice requirement was met, it appeared the agency could not readily make the payments until the parent's case was reopened. It was unclear whether and how the agency could pay a provider if a parent left the system and the case was never reopened—it seemed as though the agency might be able make these payments in some circumstances. Also, while some providers in Hudson County were aware of their right to dispute nonpayment when they were not notified, all providers did not appear aware of this policy.

Why does "advance notice" not always mean that providers are notified before payments stop?

As we have touched on, one difficulty facing voucher agencies in providing advance notification is that they often do not know in advance that a parent's voucher will need to be terminated. Termination typically occurs in one of two ways.

First, agencies terminate vouchers in the middle of an authorization period if they find out that a change in a family's situation has made it ineligible for a voucher. In this case, providers only receive advance notice if the agencies have provisions in place for allowing payments to continue for some period after family circumstances change or if parents notify agencies of the changes (such as to income or hours of employment) before they happen. Providers could be notified on the day payments will end if the agency called them, as was reportedly done in Jefferson County in these circumstances.

Second, agencies may terminate vouchers at the end of the authorization period, either because families are no longer eligible or because they do not take the necessary steps to continue the voucher. In cases where agencies inform providers about parents' redetermination dates (either by including it on routine case documentation or by sending a letter in advance of the date, as described above), providers can be aware that parents' vouchers might be terminated and can more closely monitor the situation. In other cases, when parents complete the necessary steps for reauthorization well in advance of the deadline, agencies have time to notify providers that the voucher will, or will not, continue. These strategies only partially address the problem, however, as parents can reauthorize at the last minute and the provider may still not know for sure whether the voucher payments will continue.

In many situations, providers either have to trust the word of parents or try to reach the agency to verify parents' continuing eligibility. Providers in all sites talked about the problem of last-minute reauthorizations, with some likening it to repeated false alarms and others describing a dilemma in deciding whether to trust parental assurances that the voucher will be continued. A provider in Jefferson County described a common experience. On the day after the recertification deadline, a parent said she had turned in all the materials to her caseworker and that the worker said everything was all right. Yet, the provider had not received formal notification. When the provider called the agency to find out the child's status, she was not able to reach the caseworker,

> *so you've got a child standing out there. And you've got a parent standing out there mad with you because you can't get so-and-so on the phone. So that creates a problem too.*

This example highlights the interaction of these timing challenges with an issue described later, the difficulty that providers face in contacting caseworkers, which can result in further delays in getting the necessary information. Some providers working with DSS in Monterey County faced an additional barrier because the agency only released information about parents' status to providers if parents had signed a release form authorizing them to do so. While most parents signed this form, when they did not sign it, providers had difficulty finding out the status of some parents' vouchers.

Do providers receive (and notice) the notices?

As described above, written notification is the primary way agencies notify providers about changes in the status of families' vouchers, a policy that most agencies felt worked fairly well. However, providers were mixed in how well they felt this approach worked.

Some providers reported receiving notifications in a timely way, some reported receiving them late, and others reported not receiving them at all.

While it is difficult to know exactly why some providers are not receiving notices, it seems likely that sometimes the agency did not send the information. In some sites, this was because the agencies did not have a policy of always notifying providers of changes in writing. In other cases, agencies might not be following through on their policy of sending written notification, though our data do not allow us to determine how often this happened.

There were also indications that, in some cases, agencies sent out notices but providers overlooked them. For example, agency staff in a few sites described tracking whether notifications were sent (and returned mail), saying,

> *We mail [notifications] off to the same address—the attendance sheets got there, and the payments got there, everything else got there. Our computer system shows us the notice of action and shows if it was printed or not. So… unless we received returned mail from that address, [the notification] should have got there [too].*

A number of possible explanations emerged from the site visits. For example, both agency staff and providers said that providers could receive a large quantity of mail from voucher agencies and simply overlook the notices. For example, when discussing why providers said they did not receive notices, one agency respondent said that some providers received notices "all the time" and another said "we are sending out a lot of notices." This may be particularly true for TANF families because they are more likely to have shorter authorization periods.

Staff in some sites thought that some providers were not reading the notices, or were missing key information by not reading them completely, despite agency efforts to emphasize the most important information. For example, one agency respondent illustrated a common frustration:

> *We get a lot of "I get so much mail from you, and I didn't realize there was anything changing." I recently had someone look at the very top of the [notice of action] and didn't read the rest of the action information at the bottom and just threw it aside, and it was actually termination. If they had read it, we probably could have avoided termination. That's probably the more frustrating part of it.*

Other staff described asking providers to double check their files, at which point providers discovered that they not only had received checks but also had cashed them. Another issue raised by some staff was that some providers had trouble reading the notices owing to language barriers.

Agency staff and other respondents also noted that some providers may not have adequate administrative capacity or management systems to track all the dates and changes in status. As one worker noted, providers do not all have the same "sophistication in terms of being able to utilize that information and maybe having … an internal system to track it." Another agency respondent noted that

> *our providers are all over the place. You'll have one on one corner who is a really savvy business person who got their food costs down to the lowest they possibly can, and you've got another one two blocks away who has no clue about what they are making or not making. There's such a diversity of savvy in terms of the business side of it … [It] is both the bane and blessing of the subsidy program. There's some that would have never started up and who would have never served … children … but for that subsidy payment every month.*

Regardless of the cause, however, the challenge for providers is that if they do not receive, read, or understand a formal notification from the voucher agency, they may continue to serve families until they discover a payment has been denied or they have not been paid. As one provider in Jefferson County noted, "Sometimes you don't know… until they write you [after the attendance form was submitted, saying] 'this child's not currently enrolled'… you've lost a month." In cases in which providers rely on payment amounts to identify children who have been terminated, they could lose four to eight weeks of revenue. Further, if providers are unable to determine *why* payments are not at the anticipated level, or have difficulty reaching caseworkers to figure out the problem, or the agency does not share such information over the phone, it could take even more time for providers to realize a voucher has been terminated.

How well do parents communicate with providers?

Some issues around notification arise because agencies often expect parents will communicate with providers about changes in their circumstances. Agency and provider respondents had a range of opinions about how much responsibility for communication should rest with parents and how much should rest with the voucher agency. Some agencies clearly felt responsible for directly communicating with providers, while others believed that the parents should be primarily responsible for letting providers know about changes in circumstances. On the provider side, some providers were clearly communicating with parents and receiving information about family circumstances that could affect vouchers, other providers wanted to communicate more with parents but found it difficult, and other providers did not realize that some notification problems might be solved through better communication with parents.

Coaching parents and providers to work more closely with each other could be one solution to several problems around notification. One fundamental challenge in this area, however, is that it may often be against the parents' interest to notify providers about status changes as it can result in the loss of care. Consequently, some notification from agencies will always be necessary so providers have accurate information about agency actions that affect payments.

Providers also discussed unhappiness when they were responsible for telling parents that they had lost their voucher (or the covered hours had been reduced) and that children could no longer attend. Some focus group participants wanted the voucher agency to take greater responsibility for making sure parents knew when vouchers were terminated and that parents had to pay or stop using care. When the hours covered by the voucher were reduced, some providers wanted agencies to encourage parents to talk to providers about accepting children part time. While, again, it is unclear whose responsibility this should be, it was clearly a distressing issue for providers and an area in which providers and parents could benefit from additional coaching and support.

Can providers recoup lost funds?

Finally, there is some question whether providers are able to recoup any payment when they are not notified of the voucher termination in advance of delivering services. A few providers in a few sites (including Hudson and Jefferson counties) said they managed to get some money back from the agency because they had not been notified appropriately about a parent's change in circumstance. Further, some agencies noted that parents are informed it is their responsibility to pay for services they use that are not covered by the voucher, and some agencies said they helped providers try to collect those funds from parents. We did not, however, collect additional details about how providers could use these methods to recoup funds, under what circumstances, or how common it was for providers to successfully recoup funds. It did not appear to happen consistently, even within sites (some providers said they had managed to get paid, some said they had tried but had been refused).

Looking at all these logistical realities, it is clear that a key source of the problem is that agencies themselves often do not have any advance warning of changes in parents' circumstances. So, unless caseworkers immediately drop everything and call providers, there will necessarily be a time lag between changes in voucher status and when the provider can be notified. Further, depending on their own laws and regulations, states are at risk of incurring federal improper payment penalties if they pay vouchers during times parents are not eligible under state definitions. As a result, state and local agencies face the difficult challenge of reconciling improper payment concerns with the need to pay providers for services they delivered in good faith to families they believed were receiving subsidies.

Whether Providers Collect Copayments

Federal CCDF regulations require state agencies to set sliding-fee scales under which parents contribute something toward the cost of the care, though states can waive these fees for families with incomes at or below the poverty level (U.S. Department of Health and Human Services, Administration for Children and Families 1998, section 98.42). As a result, voucher programs usually require at least some families to pay a copayment (or "parent fee" in California). This parent copayment is added to the amount paid by the agency to reach the total authorized payment amount. Parent copayments have multiple functions, but they are primarily designed to help families contribute toward the cost of care and become accustomed to the responsibility of making regular payments for child care. Further, the sliding-fee scale (where the payment increases as parent income rises) is designed, at least in theory, not only to reflect parents' greater ability to pay as their income rises, but also to gradually help parents pay more for child care and minimize the impact of losing vouchers when their income level makes them ineligible.

The parent copayment, and which families are exempt, is usually set at the state level. Therefore, it differs across the five study sites. For example, in the three non-California sites in 2004, these fees were \$50–\$70 a month for families at the poverty level, while families at this income level had no fee in the two California sites.[24] For families with incomes at 150 percent of the poverty level, fees were \$44 in the two California sites and ranged from \$133 to \$184 in the other sites (Schulman and Blank 2004). As permitted by federal regulations, some sites exempt some families from these fees. For example, non-working TANF clients were exempt from copayments in Hudson County, as were families at the lowest income levels in California. Thus, the size of the parent fee depends on the state's policies and an individual family's income and eligibility status.

Generally, providers in our sites were expected to collect parent fees directly from families. The only exception to this pattern was CSI in Monterey County, which collected parent fees at the time of our site visit. The agency was ending this policy (as of December 2004), however, because of the challenges it faced in collecting the payments. Agency staff in this site reported that, in their estimation, about half the families had trouble paying fees, and they had to send out "a lot" of termination notices related to this problem. As a result, the agency was instead going to have providers collect directly from families as other agencies and sites did. (An agency in San Diego reported having had a similar policy previously and making the same decision.)

The issue of collecting parent fees was a difficult one. Providers in our study expressed ambivalence about collecting the fees, and providers who collected them discussed practical challenges in doing so. A number of providers strongly disliked collecting the fees, and some providers who would not care for subsidized children named copayments as one of the reasons. As a provider in San Diego noted:

> *It's very stressful. You're taking care of children, and taking care of children is stressful. Then on top of that you've got the stress of having to ask someone for money, and often the person will say, "Oh, I'll have to get the money from my mother or my boyfriend or whoever. I'll give it to you on Friday." Now you have the child all week and you haven't got the money, and you're stressing. You're*

not getting paid, yet here's this child taking up a spot. You feel horrible, and then the parent will come and say "I only have part of it." So they give you part, and then you feel like they really tried and you'll wait 'til next week to get it [payment] from somebody else. And it goes on and on and on till the day … you have to say "I'm sorry, I'll have to terminate you, or I can't take the child. If you come back and pay me, I'll take the child back." And they never come back. It's not like it's impersonal. It's very personal…. I think it takes away from [the] quality of care, because it's not what you want to be dealing with. You don't wanna be on the phone with the agencies, you don't wanna be talking to the parents about that. You want to be talking about the child. That's what our focus is, but so much of it gets pulled away. And then I feel guilty, I shouldn't be worrying about the money, there's this child.

As a result, providers in a number of sites commented that they felt it was inappropriate for providers to have to collect the fees and the agency should collect them. As mentioned earlier, however, voucher agencies that were collecting fees or had done so in the past also had challenges trying to collect fees and clearly did not feel that this was the appropriate role for the agency.

To what extent do providers collect fees?

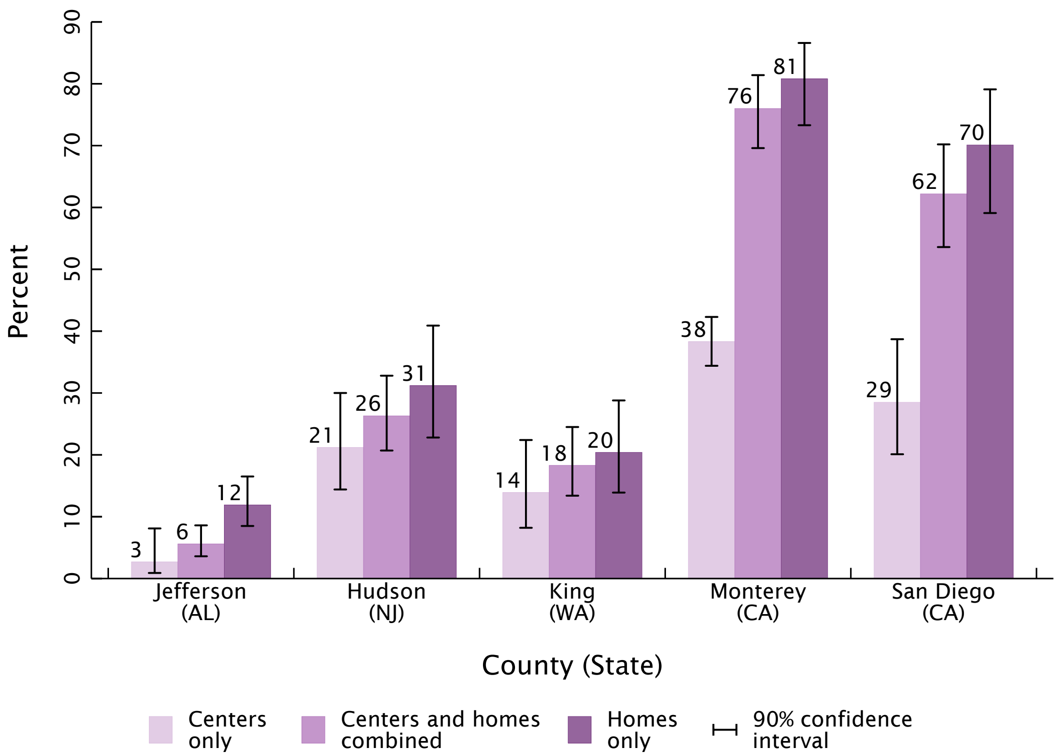
As was found in our earlier research (Adams and Snyder 2003), providers in our site visits were mixed in whether they reported usually trying to collect parent fees. Some providers always collected such fees and had little problem with them, but quite a few other providers reported sometimes (or often) forgoing them.

The survey data corroborate this variation (see appendix table D9 and figure 4). Specifically, when providers serving children with vouchers were asked whether they *usually* tried to collect payments from all, many, some, or none of the subsidized families who had a fee, responses varied widely across sites and program types:

- Relatively small proportions of center-based programs in Jefferson and King counties that participated in the voucher program reported they did not usually try to collect fees from all families with a copayment (3 percent and 14 percent, respectively). In the remaining three counties, at least one in five center directors reported the program did not usually try to collect fees from all families with a fee (ranging from 21 percent in Hudson County to 38 percent in Monterey County).

- Family child care homes serving families with vouchers varied even more widely across sites on this measure; the proportion reporting that they did not usually try to collect fees from all families ranged from 12 percent in Jefferson County to 20–31 percent in King and Hudson counties to 70–81 percent in San Diego and Monterey counties. In three sites, the proportion of family child care homes that did not usually collect fees from all families appeared significantly higher than the proportion of centers (Jefferson, Monterey, and San Diego counties).[25]

FIGURE 4. Subsidized Providers Reporting They Did Not Usually Try to Collect Parent Fees or Copayments from All Parents Receiving Vouchers, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D9 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Results in Monterey County may reflect the fact that, at the time of the interviews, one voucher agency in the county was collecting the parent fees rather than delegating responsibility for parent fee collection to providers.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

Reasons providers waive parent fees

In the focus groups, providers discussed several different reasons for not collecting parent fees.

Concern about the financial and general well-being of the family

One of the most common reasons that providers did not collect fees was a concern about whether the family could afford to pay. For example, a provider in King County noted "I have … more compassion for my one family that's on DSHS … they're a young family and barely scraping by, so I am probably too lenient." A provider in San Diego noted

> *Remember these people are very needy, they're just barely scraping by, or they wouldn't be on these programs and subsidies. When you're really trying to provide good child care and you're supposed to be supportive of the family because we're family oriented, you're not going to take food out of their mouths, because that's basically what [collecting the copayment] would do.*

In focus groups, family child care providers sometimes appeared to struggle with these issues more often than center-based providers. For example, one family child care provider in Monterey said that when she worked at a center she had not had any problem telling parents they had to pay the copayment, but in "home day care, I feel that I cannot say that to them … it's like we have such a good relationship in the home day care that it's really hard for me, so I usually end up just giving them three weeks sometimes." Another family child care provider, however, gave the opposite perspective, noting that "the difference is that it's your income, which is worse than if you're working for somebody else."

The survey data show that between 26 and 38 percent of providers in four sites, though as few as 19 percent in Jefferson County, reported that they often or always waived the parent copayment if parents had difficulty paying (appendix table D10). In most sites, the point estimates were slightly higher among family child care homes, but the difference was only statistically significant in Monterey County.

Concerns about losing the family and not being able to fill the slot

Beyond being concerned about the copayment forcing families to leave and the implications for child well-being, some providers were concerned about the effect that such turnover would have on their program. While turnover is an issue in general, it can be especially problematic for providers serving low-income communities with few private-paying parents, and for communities that have waiting lists for vouchers (as was the case in all our sites except for King County). In those places, it can be more difficult to find another child with a voucher. As a respondent in King County noted, "Everyone's been in a scarcity mode … so they eat the copayment … because the market is so bad." Interestingly, this issue seemed particularly challenging for providers in King County where copayments were quite high. Providers in that site discussed families that ended up owing so much that they simply left the program to avoid paying. The high copayment levels in King County also meant that providers were losing substantial sums of money when they failed to collect.

A related reason reported by some providers was that they believed that not collecting the parent fees made them more attractive to families. For example, one respondent noted that some providers used not collecting copayments to provide them a "competitive edge" to attract families.

The provider's financial condition

The provider's financial condition also seemed to affect whether they collected copayments, though in varying ways. For example, some providers discussed how the fact that they had a waiting list of families wanting to enroll allowed them to be tougher about collecting fees, as they knew that they could fill the slot if the parent left. On the other hand, other providers noted they could afford to waive the fees for one or two families because they only had a few receiving vouchers. For example, one provider in King County said, "I do have a whole center of children that are paying on time regularly." Another focus group respondent pointed out that for large providers with large numbers of subsidized children, "you have to collect those copays." However, for providers with only a few children receiving vouchers, not collecting copayments "doesn't make a big difference, you absorb it." Other providers discussed being able to "eat" the costs of lower rates or missing copayments because they had other sources of support—for example, one faith-based provider said that sometimes the church would "pick up half of what we lose."

The copayment being too high or to low to collect

Some providers noted that sometimes the copayment levels were too low to be worth collecting, but that they made a greater effort in cases where the payment was worth more. Other providers reported the opposite practice, where they did not collect higher copayments (either because they did not think a family should be burdened with the high payment or because they were just more challenging to collect) but collected the smaller ones. Interestingly, at the request of the Washington State voucher agency, the survey did ask respondents in King County whether they always, usually, sometimes, or never collected from families with copayments of $15 per month, and from families with copayments of $50 per month. Those findings supported the mixed responses from the focus groups across the counties. Most providers in King County reported collecting lower copayments as often as they collected higher copayments; however, some providers reported being less likely to collect the $15 copayments while others reported being less likely to collect the $50 copayments.

Provider's attitude toward their business and clients

Whether providers collected copayments also seemed to be affected by their attitudes toward parents and copayments overall:

- Some providers felt strongly that it was in the best interests of the family to collect the copayment. These providers perceived the copayment as important not because of the money but because they felt that paying something toward the cost of care gave parents a greater "stake" in the care of their child and because it helped families get used to paying for care. As such, collecting copayments helped families toward self-sufficiency.

- Some providers articulated that they were professionals, and that they had to run a business with a defined budget and needed to make sure that their books balanced so they could meet the needs of families. As part of this, they needed to have professional expectations of parents. These providers were far more likely to report that they asked parents to leave if they did not pay fees.

- Other providers seemed to perceive their services as more of a social or family support, where they were working to help the family and the child. These providers seemed to see the issue of collecting parent fees in this larger context, which sometimes led them to be more likely to waive fees (to help the family out) or to collect the fees (to help the family become more invested).

It was also clear that providers could have many of these motivations simultaneously, and that they struggled with where to draw the line. As a provider in King County noted,

> *Unfortunately we're all in the same position where we have to be business minded but we're all nurturers and we all are in this field because we love and cherish people and children and families, and so we're torn between the two.*

How does collecting payments compare between subsidized and unsubsidized parents?

It is also useful to examine how providers compare collecting copayments from voucher families with collecting payments from private-paying parents. This comparison allows us to assess whether these issues are simply a normal cost of doing business or are a cost of working with the voucher system.

Interestingly, providers did not agree about whether it was harder to collect from parents receiving vouchers than from unsubsidized parents. Looking first at the findings from the focus groups, a number of providers reported that it was harder, saying parents with vouchers do not take the program "seriously" or invest themselves into the program. However, some providers felt otherwise and thought it depended much more on the individual family than upon voucher status. As one respondent from King County noted, it varied from family to family; some families were "great about it" and other families the provider had to "chase down the driveway every night" to collect fees.

These varying opinions were corroborated by the survey data (see appendix table D11 and figure 5). When asked whether it was harder to collect payments from parents with vouchers or private-paying parents, or whether there was no difference, providers fell into the following three groups:

- A majority of providers serving children with vouchers reported that there was no difference between collecting payments from parents receiving vouchers and private-paying parents, ranging from 54 percent of providers in Monterey to 70 percent of providers in Hudson County. There did not appear to be a significant difference between centers and homes.

- In some sites, however, as many as a third of providers serving children with vouchers reported that it was harder to collect payments from parents receiving vouchers. The proportions ranged from 17 percent of subsidized centers in Hudson County to 34–38 percent in Jefferson and Monterey counties, and from 14 percent of family child care homes in Hudson County to 26 percent in King County. Family child care providers in Monterey County appeared less likely than centers to report that it was harder to collect fees from unsubsidized parents.

- Some providers reported that it was harder to collect from private-paying parents—usually under 20 percent, except for family child care homes in the California sites (Monterey and San Diego), where 26–29 percent reported it was more difficult to collect payments from unsubsidized parents.

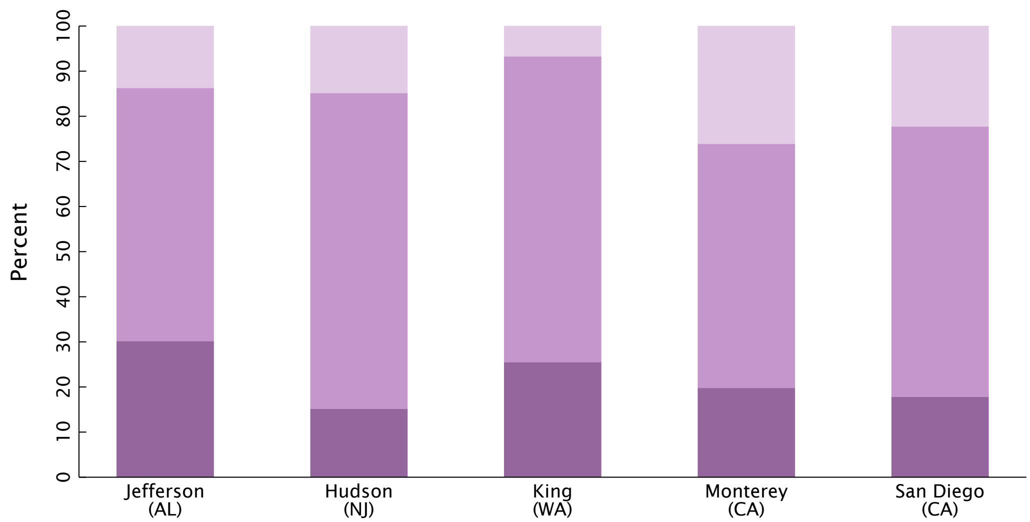
Agency policies regarding collection of copayments

In all our sites, agency policies stated that providers had to collect copayments. Some sites—such as Hudson and San Diego counties—asked providers to verify collection of copayments on attendance forms. A number of agencies asked providers to report if the parent did not pay so the agency could take action, potentially including termination. The voucher agency in Jefferson County seemed to have some of the strongest policies in this area. It required providers to certify that parents had a zero copayment balance before allowing parents to change providers. It also had a policy allowing providers to be penalized if they did not collect outstanding balances. While there was no indication that these penalties had ever been used, it appeared that the agency had the authority to serve providers who did not collect fees with a noncompliance notice. After three noncompliance notices, providers could lose voucher payments for three months and be charged for an overpayment. Although actual enforcement was unclear, it is interesting to note that Jefferson County had the lowest incidence of providers reporting that they did not usually try to collect fees from all parents. It is impossible to say, however, whether this is related to this particular policy or to other factors.

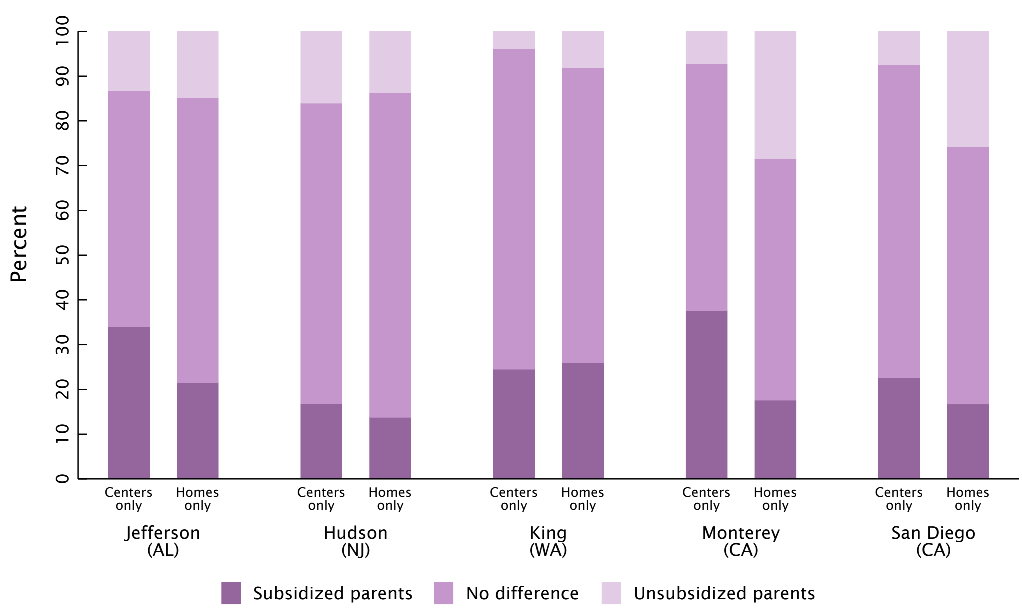
Interestingly, while providers complained about the challenge of collecting parent fees, they appeared reluctant to notify agencies about noncompliance. The explanation

FIGURE 5. Subsidized Providers Reporting It Was Harder to Collect Fees from Subsidized Parents, No Difference, or It Was Harder to Collect Fees from Unsubsidized Parents, by Provider Type, 2003

Centers and Homes Combined



Centers Only and Homes Only



Source: The Urban Institute, 2008.

Notes: See appendix table D11 for tabular results and additional statistical details, including confidence intervals that express the amount of statistical uncertainty (due to possible sampling error) around each estimate. Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

for this disparity is likely the same reason providers do not collect in the first place—compassion for the family or not being willing to lose the payment or have an empty slot. There was, however, one exception to this rule. Respondents noted that providers did contact agencies about nonpayment of copayments when the parent wanted to change caregivers; changing caregivers rendered many previous reasons for not reporting the family (i.e., compassion for the family or fear of losing the payment) irrelevant.

These results suggest that collecting parent fees is one of the most challenging policy questions in the area of vouchers and providers. Sometimes, providers seemed to be "voluntarily" forgoing revenues from parent fees or copayments. Yet, it also appears this issue was equally difficult for voucher agencies; staff often found themselves terminating families because they did not pay parent fees, and frequently terminating subsidies was clearly not a desirable outcome from the agencies' perspective. While not consciously designed for this purpose, the decision to turn the issue over to providers effectively shifts the cost, emotional burden, and financial risk to the child care provider. The problem is, of course, that failure to collect copayments results in fewer resources for providers, and child care providers as a service sector are already financially struggling. (See Rohacek and Kisker forthcoming and Adams and Rohacek forthcoming for more information on the proportion of programs in the survey reporting financial difficulties.) And while increased resources do not inevitably produce increased quality, it is clearly harder to provide quality care with fewer resources.

While the policy options are not clear, this area seems worth further exploration by both policymakers and researchers. In particular, it would be helpful to gather more information about strategies states use to encourage the collection of copayments and the effect of those strategies, as well as to assess whether higher enforcement of copayment collection is associated with higher rates of termination. It would also be useful to examine the circumstances under which providers collect copayments and whether provider characteristics and policy factors (such as copayment levels, rates, and so on) play a role.

Timing of Payments

Previous research suggests that the timing of payments is as important to providers as the reliability of payments, especially for providers whose revenue largely depends on voucher payments (Adams and Snyder 2003). Because many child care providers are small businesses, they may not have sufficient cash flow to absorb substantial delays in voucher payments. Thus, delays in payment can create significant financial hardship.

To appreciate the findings around timeliness of payments in these sites, it is useful to have some context about site policies on the timing of payments. As shown in table 2, most voucher agencies paid providers retrospectively, either monthly or every four weeks. The only exceptions were the two voucher programs in Hudson County—WFNJ, which paid retrospectively every two weeks, and NJCK, which paid prospectively.

TABLE 2. Site Policies: Timing of Attendance Submission and Payment

County	Agency or program	How often paid?	Prospective or retrospective payment?	How long after service period must attendance be submitted to be paid on time?	When is payment issued?	If miss deadline for submission, how quickly can payment be issued?
Jefferson County, AL	CCR	monthly	retrospective	3–5 business days	By the 15th of the month	Next month's cycle
Hudson County, NJ	WFNJ	biweekly	retrospective	3–4 business days	By Friday of the week following submission	Friday of the week following submission
	NJCK	monthly	prospective	3rd of month	15th of month	Following week
King County, WA	CSO	monthly	retrospective	Can report by phone anytime	5–7 days	Next semi-monthly cycle (two runs, one on the 1st, and one on the 16th)
Monterey County, CA	DSS	monthly	retrospective	By 5th business day in the month	By the 20th	Daily
	CSI	monthly	retrospective	3rd business day	15th of the month	Next month's cycle
San Diego County, CA	HHSA	monthly	retrospective	Stage 1: 1–15th or 15th to end of month Stage 2: anytime during month[a]	10 days from invoice receipt by voucher agency	Within 10 days
	CDA	4 weeks	retrospective	2 business days	10 days	Daily
	YMCA	4 weeks	retrospective	2 business days	Friday of week following submission	Friday of week following submission

Source: The Urban Institute, 2008.

[a] HHSA in San Diego divided providers seeking reimbursement for Stage 1 parents into two groups; one group submitted attendance forms in the first half of the month and the other group in the second half of the month. Each group would be paid within 10 days of submission.

Sites with retrospective payments generally had two stages to the payment process. First, providers submitted attendance paperwork within 2 to 5 working days after the end of the service period. Second, agencies processed attendance paperwork and took other necessary steps to issue payments, usually within 8 to 10 working days after providers submitted attendance forms. As a result, in most study sites, agency policy was that providers would be paid between two and three weeks after the end of the service period. For example, for a service period of January 1 to January 31, agency policies indicated providers would be paid by the second or third week of February (except providers working with two of the voucher programs in San Diego).[26]

Because there can be a difference between stated policy and actual practice around the timing of payments, we asked providers about the timing of payments in both our survey and our focus groups. Some questions explored the timeliness of payments in general, and others specifically focused on the timing of the first payment for a newly enrolling child with a voucher. Each of these topics is discussed below.

General timeliness of payments

The information from both the survey and the focus groups offers a rich picture of how many providers generally had problems with the timing of payments and the reasons for payment delays.

Looking first at the survey results, we asked providers about their experiences with the timeliness of payments in several different ways, each of which offers a slightly different insight into whether providers view the timeliness of payments as problematic. First, we asked providers if they agreed or disagreed that they could count on getting payments in a timely manner. Second, we asked providers if they had a problem with late payments during the six months before the survey. Finally, among providers who reported a problem, we asked how many of the previous six payments were late, and how late those payments were. Below we discuss responses to these questions.

- *"Can you count on getting payments from the agency in a timely manner?"* The survey data show that while most providers felt that they could count on timely payments, a minority of providers felt otherwise (see appendix table D12). The proportion of providers serving children with vouchers who *disagreed* with the statement that they can count on getting payments from the voucher agency in a timely manner ranged from 15 percent (Jefferson County) to 28 percent (King County). In some counties (Jefferson and Hudson), the perceptions were more negative among centers then among homes; in other counties (King), the pattern was reversed.

- *"Did you experience a problem with late payments and have at least one late payment out of the previous six?"* Again, most providers did not report having a problem and actually receiving at least one late payment of the previous six (see appendix table D13), though some did have such problems. Rates across sites were remarkably similar: between 22 and 28 percent of all providers serving children with vouchers reported this problem. The pattern of differences between centers and family child care homes was inconsistent across the sites. In three sites, the reported incidence of a problem with late payments and at least one late payment out of the last six was similar between centers and family child care homes (King, Monterey, and San Diego counties). Family child care homes were almost twice as likely as centers to report this problem in Jefferson County, and centers were more than twice as likely to report this problem in Hudson County.

Further, the proportion of providers reporting a problem and at least one of the previous six payments being *over two weeks* late was between 7 percent (Jefferson and San Diego counties) and 16–17 percent (King and Monterey counties), suggesting that among providers experiencing any delays, a subset had relatively long delays (see appendix table D14).

- *"Did you experience a problem with late payments in the preceding six months?"* Finally, some providers who did not report receiving late payments among the last six (or did not report the number of payments that were late) *did* say they had had a problem with late payments in the preceding six months (see appendix table D15). This measure offers an upper-bound estimate of how many providers generally find the timeliness of payments problematic. In addition to reflecting a higher incidence of reported problems, these results show slightly greater variation across sites. Specifically, the proportion of providers reporting a problem with late payments ranged from 33 percent (Jefferson County) to 49 percent (King County). Subsidized centers in Hudson County were significantly more likely than homes to report a problem (57 percent versus 35 percent). Responses to this question likely reflect the incidence of a broader range of problems or frustration around the timeliness of payments, perhaps also related to receiving the *full* payment on time. For example, while providers in the King County focus groups said they received checks relatively promptly, they also described difficulty resolving payment disputes, which likely resulted in late payments from their perspective because they did not receive the full payment on time.

The interviews and focus groups with providers and other respondents offered further insights into these survey findings. Below we discuss four issues that providers mentioned in focus groups when we asked what they thought about the timing of payments. First, providers generally felt that retrospective payments could be difficult—especially waiting for the initial payment, a problem compounded by the notification problems discussed above. In Hudson County, where one of the two programs paid prospectively, providers were able to directly compare both approaches and clearly preferred prospective payment. While expressing a preference for prospective payments, most providers working with the voucher programs also expressed resignation to the retrospective nature of voucher payments.

Second, some providers in Jefferson, King, and Hudson counties highlighted specific aspects of the payment process that they appreciated. For example, a number of providers in King County liked that they could report attendance by phone, noting they were usually paid within seven days of reporting attendance. One provider in King County said it was “almost quicker than getting it from parents sometimes.” (King County providers could also receive payments through direct deposit, which may have contributed to expedited payment receipt. See box 2 for more information.) Similarly, providers in Jefferson County said that CCR was “very prompt in sending it [the payment] when they say they will send it” and “they’ll do what they say they’ll do.” Jefferson County providers also discussed one instance in which payments were late; in that case, CCR called or sent providers a letter apologizing, explaining that there had been a computer problem, and offering to let providers pick up checks from the office as soon as they were ready.

Box 2. Provider Opinions about Direct Deposit

At the time of our study, the voucher agency in King County and one agency in San Diego gave providers the option of receiving payments via direct deposit. We asked providers serving children with vouchers in all counties except King whether they would prefer to receive their payment through direct deposit or through a paper check. Overall, between 47 (Hudson County) and 63 percent (Monterey County) of providers reported they would prefer to have direct deposits (appendix table D16). In both Jefferson and Hudson counties, there was little difference in the responses between centers and homes, but in both Monterey and San Diego counties, there was significantly more interest in direct deposit among family child care homes. Only 29 percent of centers in San Diego County, and 35 percent of centers in Monterey County reported preferring direct deposit, while the proportions rose to 59 percent and 66 percent, respectively, for family child care homes. Agency respondents in San Diego described how larger center providers—particularly those with multiple centers—did not like direct deposit as it made it difficult to track which payments were made for each center. Also, implementation issues matter. For example, while some providers in King County liked direct deposit, others did not because they thought it took longer to get the payment.

Third, providers in the Monterey and San Diego county focus groups appeared less satisfied with payment timeliness—though again, it is important to note that in both sites some providers felt the system worked well and paid in a timely way. For those providers who had problems with payment timeliness, the reasons behind the delays differed across these two sites. In Monterey County, these providers mostly seemed to talk about delays in payment from DSS, which served TANF families. They suggested that these delays had various causes, including parents failing to submit documentation of work activity hours, time required for welfare caseworkers to verify work activity participation, and agency staffing shortages.

In San Diego County, although agencies reported strict internal procedures and always issuing checks on time, providers in the focus groups commonly reported delays. Some providers described delayed payments in general, with one provider reporting so many payment delays for families with vouchers through CalWORKS Stage 1 that she was now refusing to care for these families. Some respondents felt that delays resulted from one agency's policy of mailing back attendance forms with checklists of errors to be corrected, no matter how minor the errors. In other cases, the focus group data suggested that some delays might have resulted from substantial errors in the paperwork submitted by providers and that once providers submitted complete and correct paperwork, payments were issued relatively quickly.

Finally, as mentioned above, some problems in San Diego and Monterey counties were related to the added complexity of involving TANF caseworkers in approving monthly payments. This issue was also discussed in Jefferson and Hudson counties, where providers also had another layer of workers with whom they had to interact and that could cause delays at various stages in the process. The issue was summarized best by a provider in Monterey County who said, "Sometimes, there's two or three workers that have to approve the paperwork depending on which kind of program the parent is involved in." She noted that the child care caseworker had to fax the paperwork to the TANF caseworker, and there had to be

> *all these things approved before they can issue payment … I hear all the time when I call "Oh, I faxed it to [the TANF caseworker], I just haven't got it back," and its like a month later and nobody's following up to find out where it went …. Then finally after you call a few times and keep talking and if they answer, then you finally make some progress and they'll find the paperwork and get it taken care of. But it takes a long time.*

Regardless of county, providers experiencing payment delays talked extensively about the consequences. Some providers described significant financial hardships that delays caused. For example, one family child care provider described only being able to afford subsistence-type food, another provider reported having trouble paying her mortgage, several providers talked about having difficulty meeting payroll, and still others decided to stop accepting, or to limit the number of, children with vouchers because of these problems.

First payment

We also specifically looked at the timing of the first payment for children with new vouchers. Compared with ongoing payments, the incidence and source of problems, and their solutions, may differ for initial payments. Our findings indicate that these delays in first payments are often related to the time needed to collect, submit, and process paperwork before finalizing new voucher authorizations.

In this study, additional delays in the first payment were common across most of our sites. In fact, the survey data show that in all but one site (Jefferson County), more than half of providers reported that the first payment for a newly enrolling child with a voucher took longer to receive then other payments from the voucher agency (see appendix table D17). Specifically, 58–59 percent of providers reported this problem in Monterey and King counties, and 69 percent reported it in Hudson and San Diego counties. In contrast, only 27 percent of providers in Jefferson County reported this problem. Further, of those providers reporting the first payment took longer to receive, between 52 percent (Monterey County) and 85 percent (Hudson County) reported that it took at least a month longer to receive the first payment than the others (see appendix table D18). Interestingly, delayed first payments were more commonly reported by family child care providers than by centers in all sites except King County. Between 37 and 77 percent of family child care providers reported the first payment took longer to receive, contrasted with between 23 and 60 percent of centers.

The site visits provide some additional insights into these issues. Despite the prevalence of this problem in the survey, focus group participants in only a few sites raised the issue of delayed first payments, specifically Monterey and San Diego counties and providers working with the TANF program (WFNJ) in Hudson County. Our data also suggest that while this problem is apparently common in some places, it did not rise to the same level of concern in at least some sites as did some other issues (such as notification). This may be because first voucher payments occur somewhat less frequently than ongoing payments.

In the sites where providers discussed delayed initial payments, the sources of these delays varied slightly. According to the agencies and some providers, most of the problem was related to ensuring that parents fully completed application paperwork and submitted all the necessary documentation. However, there were additional procedural burdens for parents and agencies in some sites, typically for TANF clients in child care voucher programs that required the added involvement of TANF caseworkers:

- Respondents working with WFNJ (TANF) in Hudson County discussed initial payments that took 4–6 weeks longer to receive than ongoing payments, and they suggested that this problem stemmed from the procedure for authorizing payments for WFNJ clients. In particular, it appeared that there were extra steps in the authorization process for these clients. To issue an initial payment, the voucher agency had to enter parent information into the data system; wait for the parent to enroll in a work activity; receive confirmation of the work activity from the WFNJ caseworker; send the information to the state WFNJ agency in Trenton, which was responsible for generating the voucher (payment); sort the payments received from the state agency; and mail the payment to the providers. Any problem at any of these stages could slow things down, and the number of people involved increased the time needed to communicate and resolve problems. In some cases, the process was further delayed because parents had to make another visit to the WFNJ case manager or contracts had to be rewritten before the authorization could be finalized.

- Similarly, San Diego respondents described delays because parents did not complete paperwork. They also noted that delays were most common for CalWORKS (TANF) cases because the child care voucher staff had to coordinate with employment case managers.

Whether Providers Received What They Expected in Payment, and Resolving Payment Disputes

Another payment-related issue affecting providers in our sites was whether they received what they expected in payments each month, the incidence of payment disputes, and the ease or difficulty with which payment disputes were resolved.

Receiving payment amount expected

Looking first at the survey results, we asked providers serving children with vouchers whether they had received the full amount they expected from the agency for their last reimbursement (see appendix table D19). The proportion of center-based providers reporting that they received the full amount they had expected in their last payment ranged from about 65 percent of centers in Monterey County, to 76–82 percent of centers in Hudson, King, and Jefferson counties, to 90 percent in San Diego County. The proportion of family child care providers reporting this ranged from 81–83 percent in Monterey and San Diego counties to 92 percent in King County and 94–98 percent in Jefferson and Hudson counties. Except in San Diego County, family child care providers appeared significantly more likely than homes to report that they received the amount expected in their last payment from the voucher agency.

Providers might not receive the amount they expect from the voucher agency for numerous reasons. Among other things, data from the site visits indicated that providers may sometimes not receive the payment amount expected because of

- unanticipated reductions in the authorized payment amount;
- lack of understanding or information about what is covered by the check; or
- mistakes in attendance paperwork, especially related to properly recording absent days, or paperwork problems that caused delays in payments.

Additional details from the focus groups on these issues are provided below.

Unanticipated reductions in the authorized payment amount

Respondents in our focus groups noted that they sometimes received less than they anticipated for a child. The reductions were most often related to the issues around notifications discussed earlier, but they were also because of other issues. Some providers said that agencies gave them back-payments if they had not received appropriate notification of changes in family circumstance. However, such payments did not seem consistent across or within sites; usually, some providers noted that some such requests had been denied or did not know back-payments were possible.

In addition, providers serving families on TANF in Monterey County described a particular problem with DSS caseworkers choosing to not pay for particular days since the parent was not participating in his or her work activity (though this policy has changed).[27] For example, a provider in Monterey discussed how she was not going to serve any more voucher children from this agency:

> *Because…you provide the full month's service, and then they're going to look at it and decide, "Oh, mom didn't go to school, mom didn't go to work" [and then won't pay for that care] … and we have no way of knowing … and then if you have a holiday they're not going to pay. And you know, on the other hand, I have an obligation to the teachers. They have to be paid. They've already put the work in, and I can't look at them and say "Well, let's just wait and see," because that just isn't the way it's run.*

One consequence of this larger problem is that providers described not having reliable cash flow. As one provider said,

> *I don't know until I get my check how much I got paid. When it's a nonsubsidized child, I charge a certain rate and my parents pay that rate. But with a subsidized [child], I don't know 'til I get my check what I'm getting paid. That's what I find very frustrating.*

Understanding the payment received

In addition, providers working with one San Diego agency had difficulty figuring out what the checks were covering (i.e., whether they were covering registration fees, the months of service covered, and how much they were paid for each child) and deciphering why they were paid less than they thought they should be. They noted such issues as the payments not being itemized by child or including the period covered by the check. For example, as a San Diego provider commented,

> *I wish they would mark on the payment bill the time period they're paying for. 'Cause it comes so late. They should just write on the check of the stub, it should say this is for these weeks.*

Because their payments were not itemized, providers found it very challenging to figure out why payments were different and to resolve the problem with the agency. Other providers noted that sometimes they were paid different amounts by different local agencies or workers: “Some [agencies] pay you more, some pay you less. Sometimes within the same [agency], some social workers pay you more than another one. Why don’t you pay me the same? It’s the same [program].”

These issues are likely to be somewhat more problematic for providers that serve more children. One agency we talked with was considering itemized payments. This strategy seems likely to benefit both providers and agencies, as it would simplify identifying and resolving possible payment disputes for both parties.

Mistakes in attendance paperwork

Finally, providers in our focus groups discussed the effect that mistakes in the attendance paperwork had on whether they received what they expected in payment. One provider in Jefferson County talked about a situation in which she forgot to put in “a” for absent and therefore did not get paid for those days. Completing the paperwork correctly in order to receive reimbursement for absent days also appeared challenging in King County. Similarly, respondents reported that one source of problems in San Diego was an agency with a policy of mailing back attendance forms with a checklist of what needed to be fixed, regardless of the kind of problem involved. Providers in the focus groups expressed their frustration with this approach; one provided said

> *I had a couple of incidents … that were pretty pathetic where the paperwork was sent in and at the top there’s a tiny section where you’re supposed to write in the month …. Well apparently I forgot to write in the month, but instead of them filling in the month because it’s obvious it’s the month [in the date at the bottom], they send the paperwork back to you. So now your paperwork’s late…. Do you think they could write in the month? No! That’s pathetic.*

Some agencies worked to try to prevent these types of problems. For example, respondents in San Diego also described how another agency was proactive in addressing problems with attendance paperwork that could otherwise lead to late payments. Respondents reported the agency identified problems on forms as they were submitted and called the provider immediately to try to fix the problem. If the staff determined the form needed to be sent back to the provider, a second staff person double-checked to make sure it could not be handled by phone. In addition, if the payment staff could not handle the problem immediately, the issue was handed over to a provider specialist who followed up and helped expedite payment processing once the paperwork was corrected. This division of labor was also designed to ensure that the payment staff could focus on getting out the straightforward payments in a timely way. Respondents in Jefferson County discussed how the agency offered training to providers on how to submit the paperwork correctly (unfortunately, the workshops were reportedly poorly attended).

Disputing payment amount

Payment disputes were another challenging area for at least some providers in each site. In fact, more than a third of providers in three sites (Hudson, San Diego, and King counties), and more than a quarter of providers in all five, reported a problem resolving a payment dispute with the voucher agency in the six months preceding the survey (see appendix table D20). Centers were significantly more likely to report this problem than were family child care homes except in San Diego County, where centers and homes were similar. The proportion of centers reporting a problem resolving a payment dispute ranged from 32–35 percent (San Diego and Jefferson counties) to 57 percent (Monterey County), while the proportion of family child care homes ranged from 10 percent in Jefferson County to 38 percent in King County.

Providers also experienced wide variation in how quickly payment disputes were resolved (appendix table D21). When asked how long it took to resolve the most recent challenging payment dispute, between 32 percent (Jefferson County) and 45 percent (Monterey County) of those with a payment dispute problem said that it was resolved in less than a month. A significant proportion of providers reported that it took longer, however, with 26 percent (Monterey County) to 41 percent (Jefferson County) reporting that it took one to three months to resolve the payment dispute. San Diego County providers in our sample were an exception, with 61 percent of providers reporting their problem was resolved in less than a month and 16 percent reporting it took one to three months. Relatively smaller proportions—less than 16 percent—reported it took more than three months, and between 15 percent of providers in Hudson County and 24 percent in San Diego County reported that the dispute was never resolved. There were relatively few significant differences between centers and homes, though small sample sizes on this measure make it difficult to reach confident conclusions specifically for centers or homes.

Information gathered from the site visits suggested several factors were related to the speed with which agencies resolved payment disputes:

- *How quickly agencies could issue checks.* One issue is whether agencies could issue checks on a rolling basis or any time between regular payments, or only during the regular payment cycle. This affected how quickly the provider could receive payment once a payment problem was resolved. For example, one San Diego agency could issue checks daily, but others could only issue them every week or less often. There was some indication that issuing the check quickly was more challenging for agencies that relied upon a central or state office to do so.

- *The agency's internal administrative structure for resolving problems.* As described in the introduction, local agencies had different approaches to how they approached staffing for provider problem resolution. However, there appeared to be no "perfect" approach, as who providers needed to talk with to resolve any particular problem seemed to depend on the particular problem they had at hand. This is illustrated, for example, by looking at provider reactions to the three different approaches taken by the three agencies in San Diego. Specifically, the CDA used provider specialists to resolve problems, which worked well in some cases. Yet, in some situations, providers needed to be able to talk with the parent's case manager and did not like having to wait for the specialist to contact the parent's case manager in their stead. Yet with the YMCA, where providers directly contacted the parent's case manager, some providers noted that they did not get responses to their questions as quickly as they did from the CDA, where caseworkers were assigned specifically to work with providers. Similarly, the county HHSA set up a call center that was designed to answer some of the simpler provider questions, yet some providers did not use it because they would rather talk directly to the payment technician or caseworker.

- *The ease or difficulty of contacting staff.* This issue is described in depth in the next section, but obviously being able to get in touch with staff plays a key role in how quickly providers can resolve problems. Providers in King County noted that while they had major problems contacting staff to get problems resolved, the process moved fairly quickly once they made contact.

- *Provider ingenuity.* Finally, individual provider's own perseverance, relationships with caseworkers, and creativity in approaching voucher agencies seemed to also be important. In many focus group discussions, it was clear that providers came up with strategies that effectively dealt with problems. For example, some providers in Jefferson County noted it helped to keep a detailed log of every interaction with caseworkers. Other providers identified particular people they called because they knew those people could be helpful (not necessarily the person they were supposed to call). Other providers relied on parents to work with the voucher agency to resolve the problem.

Provider Experiences Working with Voucher Agencies

In addition to policies and practices affecting payment, our earlier research highlighted the importance of considering factors that affect the ease or difficulty of interacting with the voucher agency and staff. These factors can either work well or create barriers for providers. In this section, we examine several key issues that were raised by providers in our study:

- overarching perspectives on working with voucher agencies
- working with multiple agencies or programs
- working with staff
- requirements to become and remain approved to receive payments
- paperwork requirements
- understanding the rules

While some issues examined in this section may appear to be "hassles" rather than major problems, they are not trivial to providers. In fact, the question of whether these aspects of the system work well can directly affect the ability (and willingness) of providers to care for children receiving vouchers (see Adams and Rohacek forthcoming). Further, in addition to affecting the transaction costs associated with serving families with vouchers, these issues can directly affect the financial well-being of providers because they can exacerbate or mitigate the payment issues discussed in the preceding section.

It is important to consider the findings in this section jointly with the benefits that providers accrue when they care for children receiving vouchers (discussed in a later section). The fact that a majority of providers in all sites were working with the voucher system suggests that, for many providers—though not all of them—the overall benefits outweigh the costs identified in this section. Nonetheless, the costs are cause for concern because they can drive providers with a choice away from the voucher program (either by refusing to serve families with vouchers, or by serving fewer of them). For providers who do not have a choice, the costs can affect the human resources available for delivering services to children and families.

Overarching Perspectives on Working with Agencies

Before focusing on specific aspects, it is useful to place those details into a broader context by examining providers' overarching perspectives on working with voucher agencies. To this end, we look at the answers that providers gave to two survey questions designed to explore providers' general feelings about working with the voucher system.

First, providers were asked whether they agreed or disagreed with the statement that "working with voucher programs is an administrative hassle" (appendix table D22 and figure 6). The proportion of providers serving children with vouchers who agreed or strongly agreed with this statement varied from 28–29 percent in Jefferson and Hudson counties to 39 percent in San Diego County and 55–56 percent in King and Monterey counties. Looking at the trends across counties for centers and homes separately, they were similar to the trends for the groups combined, except that Monterey centers fell to the middle of the group. Only 38 percent of center directors in Monterey County agreed that working with voucher programs was an administrative hassle.

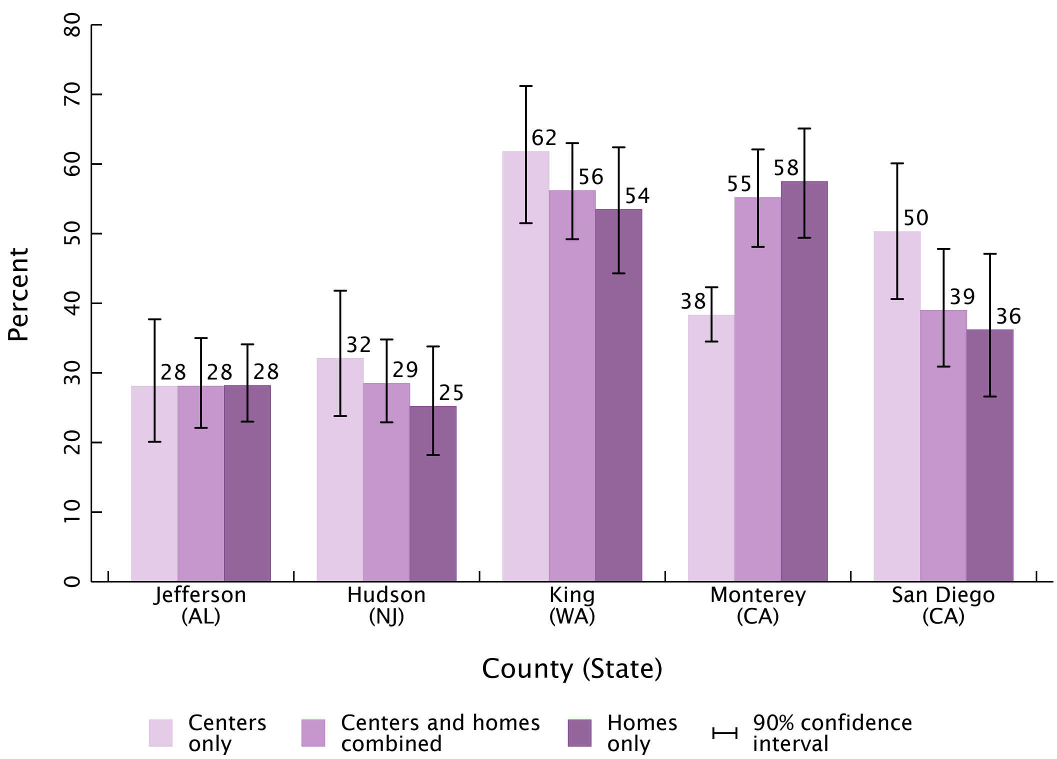
A second way of capturing the overall transaction costs of working with agencies is to ask providers whether it generally requires more effort to get paid for a child whose parent pays the full fee, more effort to get paid for a child receiving vouchers, or whether the level of effort is about the same. When providers were asked this (appendix table D23 and figure 7), we found the following:

- A majority of programs—55 to 61 percent of centers serving children with vouchers, and 55 to 79 percent of homes—reported that the level of effort was about the same. The proportion of homes reporting this appeared higher than centers in every site except San Diego County.

- A considerable minority of child care centers (ranging from 21 percent in Jefferson County to 37 percent in King County) and of family child care homes (ranging from 8–10 percent in Jefferson and Hudson counties to 20–24 percent in King, Monterey, and San Diego counties) serving children with vouchers reported that it took *more* effort to get paid for children receiving vouchers than for children whose parents paid for the care.

- Finally, a small group of providers serving children with vouchers felt that vouchers required *less* effort than serving private-paying children. Between 5–11 percent of subsidized centers in San Diego, King, and Monterey counties and 17–24 percent of centers in Hudson and Jefferson counties, as well as 7 percent of the homes in King County, 13–14 percent of the homes in Jefferson, Monterey, and Hudson counties, and 21 percent of the homes in San Diego, reported this opinion. (Only the most extreme of these differences appeared statistically significant.)

FIGURE 6. Subsidized Providers Agreeing with the Statement "Working with Voucher Programs Is an Administrative Hassle for Child Care Providers," by Provider Type, 2003

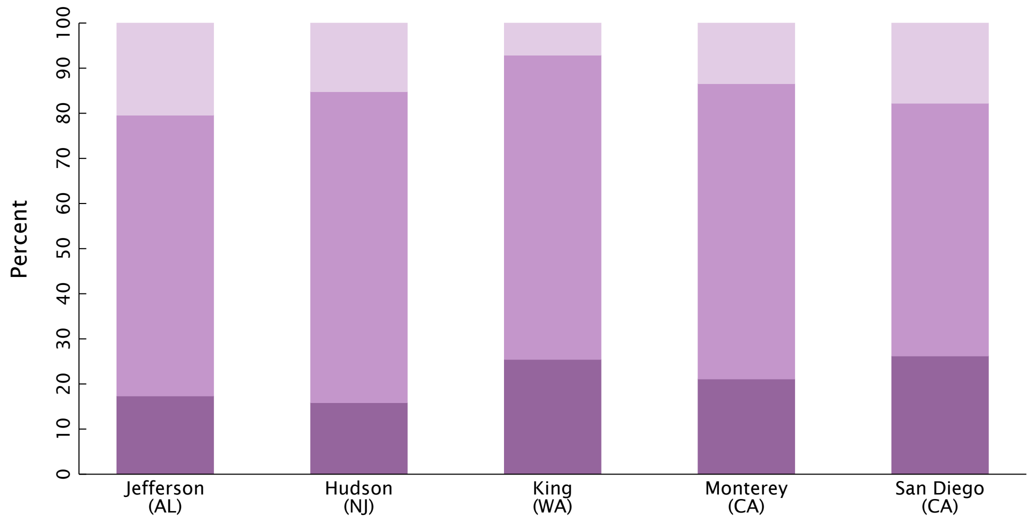


Source: The Urban Institute, 2008.

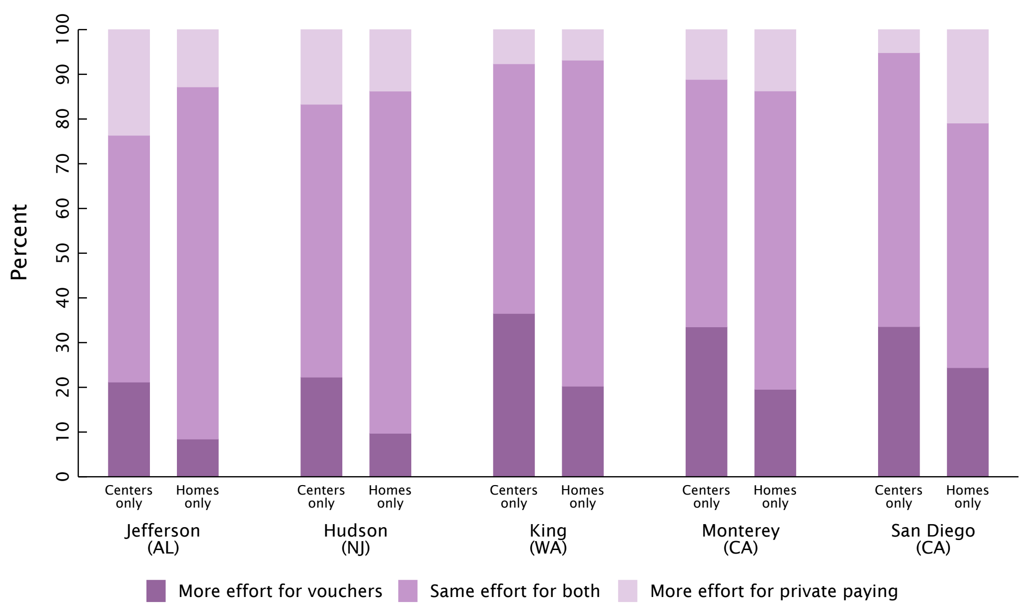
Notes: See appendix table D22 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

FIGURE 7. Subsidized Providers Reporting It Required More Effort to Get Paid for Children with Vouchers, the Level of Effort Was About the Same, or It Required More Effort to Get Paid for Private-Paying Children, by Provider Type, 2003

Centers and Homes Combined



Centers Only and Homes Only



Source: The Urban Institute, 2008.

Notes: See appendix table D23 for tabular results and additional statistical details, including confidence intervals that express the amount of statistical uncertainty (due to possible sampling error) around each estimate. Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

With How Many Agencies or Programs Do Providers Have to Work?

As noted earlier in this report, three counties had more than one voucher agency or program. Hudson County had two programs administered by the same agency (one serving TANF families). Monterey County had two agencies, one of which administered the program for families that were not yet stably employed (CalWORKS Stage 1) and the other of which administered vouchers all other families. And San Diego County had three agencies, each of which operated one or more of the four programs (three for TANF families at various stages of self-sufficiency and one for non-TANF families). Although we did not systematically collect data on this issue, some providers were also working with voucher programs in adjacent counties. (Families typically receive vouchers from the agency serving the locality in which they live, but they may use the voucher with a provider in another locality.) Consequently, while families usually only work with a single voucher agency or program at any point in time, providers in these sites could be working with multiple agencies or programs at the same time. Further, some providers also work with families whose vouchers transition between agencies.

Working with multiple agencies or programs simultaneously can be challenging when the agencies or programs do not have equivalent policies. For example, providers might have to learn how to complete different attendance forms or face different requirements for submitting the forms. In Hudson County, the two programs had different payment approaches (one issued payments through the local agency retrospectively every two weeks and one issued payments through the state agency prospectively every month) and different paperwork requirements (including whether providers had to report that parents had paid copayments). Similarly, local agencies in San Diego had numerous policy differences, though they were actively working to align their policies. Key areas of difference included child attendance forms, provider enrollment forms, due dates for submitting attendance, payment schedules (two agencies paid every four weeks, another paid monthly), how payment rules were applied and interpreted to determine providers' approved reimbursement level, and procedures for handling paperwork mistakes.

These differences were often frustrating to providers in the focus groups. One San Diego provider who served children from all three agencies complained about the timing for submitting attendance forms:

> *It seems like I have time sheets going in every week, and you really have to be on top of it, because if you don't get them in on time you miss the [regular payment cycle]…. If they were all due at one time, it would be easy.*

A desire for consistent policies was commonly expressed in the San Diego focus groups. Another provider commented,

> *I would have [the agencies] all on the same page. All the same paperwork, all the same pay dates, everybody do it the same, so that you don't have to have different things for different people—different requirements, different dates.*

Other providers noted it was confusing that different agencies paid different amounts for the same amount of care.

Working with multiple agencies can also be challenging for providers because agencies can vary in administrative structure and culture as well as in their approaches to resolving disputes. Consequently, providers have to develop relationships with multiple caseworkers and negotiate different procedures and cultures as they try to resolve disputes and address parents' needs. This adds to provider burden. For example, providers in San Diego discussed having to develop relationships with staff in three different agencies, and how the kind of caseworker they needed to contact varied with the agency and the nature of their problem. Similarly, providers in Monterey noted that the different agencies, and sometimes different local offices of a single agency, differed in their attitude toward client service, and in how they treated providers. In some cases, providers suggested that some of these differences were related to staffing issues (such as high caseloads, insufficient training, or staff turnover), while in others they ascribed it to agency leadership and attitude.

Providers can also face difficulties when families transition from one voucher agency to another. These problems took different forms, including the following four:

- *Delays in payment.* Providers in San Diego County described delays in payment when families transferred to a new agency, as well as having to (depending on the agency) resubmit paperwork to the new agency in order to receive payments.

- *Not knowing of the transfer.* Providers in Monterey County described not being notified when a family had transferred from one agency to another. This also created challenges for agency staff. For example, a CSI respondent in Monterey noted, "We don't really have a list of providers that transfer over to us. All we get is the list of parents, so we don't know [which] providers should be calling us, and who should be scheduling appointments and stuff like that until we hear either from the parent or the eligibility specialist." As a result, a month or two could go by in which providers were not paid because the agency did not know whom to pay and, because the providers did not know the family had transferred, they could not notify the agency.

- *Problems transferring the paperwork.* One agency in San Diego County reported having to send cases back to the originating agency because of incomplete paperwork, which, presumably, would delay payments.

- *Inconsistent policies.* Different policies across agencies or programs could sometimes have unforeseen consequences. For example, a San Diego County provider described having lost a family because it moved from an agency that allowed two providers (one during weekday hours, another for weekend hours) to an agency that only allowed one provider. The family had to begin using the other provider exclusively because she could provide both weekday and weekend care. It is unclear whether this difference is attributable to local agency differences or differences in policy across the two state-level agencies in California.

The survey also provides some insights how challenging working with multiple agencies may for providers—though these data may overestimate this issue because some providers may have simply been affirming that they work with more than one agency. Specifically, 44 percent of providers in San Diego County, 26 percent of providers in Hudson County (41 percent of centers and 12 percent of homes), and 23 percent of providers in Monterey County reported having had a problem with having to work with more than one voucher agency in the six months before the survey (appendix table D24).[28] It is not surprising that San Diego had the highest proportion of providers reporting this, given there are three agencies in San Diego County and only two agencies or programs in the other two sites. But, again, some of this discrepancy may reflect providers who were reporting they work with more than one voucher agency, rather than having a "problem" with doing so.

Having multiple agencies appears to have positive sides as well. For example, in San Diego, some respondents suggested that the competition between the agencies led to innovation and better service delivery. Also, the diversity of approaches offers an opportunity for agencies to learn from each other. In sites where different local agencies are established in different geographic areas, the agencies believe that they can offer a more localized approach and potentially have stronger relationships with providers. In addition, while there are some challenges associated with having separate programs for TANF clients, there are also concerns about making these systems consistent. In particular, voucher program rules for TANF clients are often more restrictive because of the different philosophy of the TANF program. If agencies moved toward more uniform policies, it would be important to move the TANF voucher rules toward the more responsive non-TANF voucher rules, rather than making the voucher rules for non-TANF families more restrictive.

What Do Providers Have to Do to Become and Stay Approved to Serve a Child with a Voucher?

To be able to serve families with vouchers, providers must initially be approved by the voucher agency and must set up a payment agreement. Depending on the agency requirements, providers also must take steps when enrolling subsequent children and accepting children from other agencies, as well as to keep their approval up to date. Providers in our sites described what was required for these various steps. While they generally indicated relatively few concerns about the initial enrollment process, there appeared to be substantially more variation across sites in what was required of providers for other key steps: what they needed to do to when additional children began receiving vouchers, what was needed for periodic renewals, and what was required when enrolling a child from a new agency or if the child switched agencies.

Becoming approved to serve children with vouchers

In all our sites, the voucher agencies required providers to undergo a basic approval or registration process before they could be paid to care for a child with a voucher. Overall, sites and agencies required fairly similar information from providers who were about to serve a child with a voucher for the first time and wanted to be approved for payment. As part of this process, providers who had an eligible parent wanting service were usually required to submit license verification, information about the fees they charged, and information about key policies such as holidays, absent day policies, and hours of operation. In a few cases (Hudson County and one agency each in Monterey and San Diego counties), voucher agencies also required providers to submit their parent-provider contract. Finally, family child care providers were also required to provide their Social Security numbers and sometimes other forms of identification.

Sites and agencies varied in how providers could submit this information. Some allowed providers to submit much of the information by phone (with follow-up as needed by mail), and others permitted providers to submit the information by mail. Two agencies required providers to visit the agency for an orientation to the voucher program's policies and procedures, and the agencies collected fee and policy information from the provider as part of those visits.

Sites also varied in how much time they reported needing to get the provider's information put into their systems, with the range being from 5 to 30 days after they received complete information from the provider. However, most sites and agencies committed to getting payment out in the first payment cycle after receiving the documentation. While providers in some sites did indicate concerns about the timing of the first payment, the underlying problem seemed in many cases to be more about how long it took voucher agencies to obtain and verify the necessary information from parents. Providers did not seem to be particularly concerned with the initial registration process.

Enrolling subsequent children

Another issue is what is required of providers when they enroll subsequent children. Some sites and agencies (Jefferson County and one of the agencies in San Diego County) required no further information from providers when additional children began receiving vouchers. But some sites or agencies required providers to effectively resubmit all the paperwork they submitted for the initial registration, a process that frustrated some providers (though they said the paperwork was not difficult). As one San Diego County provider described it,

> *I've gotten pretty fast at it now…I just keep copies of our license ready to go, so I can fill it out in about 10–15 minutes and get it going. But I just don't know why I have to keep doing that when I know they already have it down there. That's my problem with it.*

An additional challenge was created for some providers in some of the California sites, where parents could move from one local agency to another. Providers in these sites described sometimes (depending on the agency) having to resubmit all the paperwork if the parent moved to a new agency and if the provider was not already in the new agency's system. This appeared to be especially likely for families receiving TANF, who often moved to another agency, or another program within the same agency, as they moved through the TANF process. In some cases, providers were required to resubmit all the paperwork and visit the agency for another orientation.

Periodic renewal

Most agencies also required providers to periodically resubmit their information in order to ensure the agency had up-to-date information about licensing, fees, and other provider polices. Jefferson County required resubmissions annually, and San Diego agencies did every two years. (Other sites may also require resubmissions; this information was not gathered systematically across sites.) In Jefferson County, renewal seemed relatively painless for providers; they simply had to submit information on new rates and holidays for the new year. But some agencies required significantly more. For example, at least one San Diego agency required providers to provide much of original enrollment paperwork (including their license and/or Social Security number) every two years. This was required even of providers who had enrolled just before the voucher agency's scheduled renewal process. Providers in San Diego clearly disliked this approach and felt that it placed an unnecessary burden upon them. As one provider said,

> *They're asking for all the same stuff. Why is it every time you have to send in a copy of your license, a copy of your driver's license, a copy of your Social Security? Don't they keep these things? … Why can't they carry a file over, and you say nothing's changed? It's more paperwork for us, and more paperwork for them.*

Interestingly, this issue is similar to a complaint noted by parents during their redetermination or recertification process (see Adams et al. 2002). One strategy developed by states for parents might transfer well here as well: generating a form with all the salient information and asking the provider to report whether anything has changed (Adams et al. 2008).

Still, agencies emphasized the importance of this process for maintaining current records and fiscal accountability, and some staff expressed frustration about having to repeatedly contact providers in order to obtain the information. For example, agencies requiring providers to periodically resubmit license verification noted that, when center ownership changes, the new owner often neglects to notify the voucher agency of the change. The periodic renewals ensure that agencies will eventually be aware of the change.

What Are Providers' Experiences with Agency Staff?

Several important issues relate to how providers experience their interactions with agency staff. These include the local agency's administrative structure and infrastructure (which affects how agency staff are deployed, their responsibilities, and their resources), how easy or difficult it is to contact staff, and how providers are treated when they contact the agency.

Administrative structure and infrastructure

As noted in our earlier research on this subject, an organizational issue that can affect providers is how staffing responsibilities are set up at the local agency, including such basic issues as where the payments are handled, whether there are designated staff to help resolve provider issues, or whether providers work with each different caseworker assigned to the parents they serve.

One of the most important issues that concerned providers in these five sites was who was responsible for helping providers resolve problems. The agencies we studied took diverse approaches to these issues (see "The Administrative Context of Voucher Programs in the Study Sites" section for more information). Discussions with providers made it clear that almost any approach had pros and cons, and none worked for all providers:

- A few years before our site visits, King County implemented a call center system to make it easier for parents and providers to contact the agency. This provided a single central number that parents and providers could call to resolve problems. It was designed to make it easier for people to speak to a worker about voucher issues and questions—though which worker they spoke to depended on which worker was assigned to the call center that day. At the time of our site visit, though some providers were positive, many providers were quite unhappy with this system, reporting long wait times (sometimes between 30 and 60 minutes) and sometimes having difficulty resolving issues once they reached someone. As is described more below, providers also discussed how this system further disconnected them from workers and suggested this damaged their relationship with the agency. These problems seem to be corroborated by the survey data.

- Agencies in San Diego had different approaches, each of which appeared to have its problems as well as strengths from providers' perspectives. For example, one agency had provider specialists that were responsible for resolving provider problems. Yet, some providers felt that it was more efficient for them to talk directly with the parent's caseworker to work through the problem. Other providers felt the specialist system worked and that the provider specialists were more responsive than were parent caseworkers to their particular concerns. In another agency, providers talked directly with the relevant staff (either caseworkers or payment technicians), which some providers liked. Yet, several providers dealing with this agency (and agency staff themselves) were unclear as to which kinds of questions should be directed to the payment technicians and which questions were the responsibility of the case managers. (Workers in another site that used a similar approach noted that resolving problems could sometimes require a "team" effort, as the necessary information was spread across different workers.) A third San Diego agency had set up a Child Care Information Center, which had designated workers to be the "first line of defense" to resolve problems. Yet, some of those staff were concerned because providers would prefer to speak directly with the caseworker or payment technician.

- In Jefferson County, agency staff discussed how the staff handled multiple responsibilities and had experienced staffing cutbacks.[29] For example, eligibility counselors handled parent processes and were also involved in payments. Because of the time sensitivity of the payment process, this meant that the counselors had to stop their work on other issues when it was time to input attendance information (which usually took about three days). This stoppage delayed other job responsibilities, such as processing parent applications.

These examples also show that it could also be challenging for providers to know whom to contact in some situations. For example, providers in both San Diego and King County reported that they were sometimes unclear about whom to contact. In our focus groups, it appeared that the providers who had been in the system longer were more likely to know whom to contact, while those who were newer had more trouble figuring it out (and often sought advice during the focus group discussion).

This problem partly stems from the fact that some of our sites had separate workers for providers and for parents, but many payment issues required the parent caseworker to explain what was going on with particular family's situation. As a result, providers sometimes did not know which caseworker to contact, and resolving the problem required strong internal communication systems in the agency. A provider in San Diego described her interactions with one of the agencies and its workers:

> *They are very difficult to deal with, because the parent talks to one person and I talk to another person. I have a parent right now who is the most confusing parent on the planet. She gets cut off every week, which means it takes me hours every week being on the phone because she says she's on [receiving vouchers] and [the agency] say she's not. So I talk with my person [at the agency] and then the parent talks to her person. When I talk to my person, she puts me on hold and talks to the parent's person. I can't talk directly [with the parent's case manager]. It's like playing telephone tag, it goes back and forth, and takes hours of my time.*

This reality is one reason some agencies had designated provider specialists or call centers—but a specialist or call center system still requires that these individuals know how to resolve problems across the various caseworkers involved. The complexity of this task was described by caseworkers in King County; they said provider calls could take a long time to resolve because providers ask about multiple children, and workers often have to go into and out of various case files.

In addition, as described in the last section, providers in some sites talked about issues for TANF families arising from the involvement of multiple workers—both the TANF welfare–to-work and the child care worker in some agencies, or three workers in agencies where the child care functions were further divided among eligibility workers and payment workers. For example, providers in Jefferson County discussed contacting the JOBS (welfare-to-work) workers directly because the JOBS worker was responsible for the initial paperwork (though not for the final child care authorization). The danger of this direct communication, as one provider noted, is that the provider might start to serve a child because the JOBS worker said that the parent was authorized to receive vouchers, when in actuality the child care agency had not finalized the authorization.

Provider experiences with voucher agencies were also affected by agency administrative and technological resources. Computer systems are important. For example, Hudson County's payment system had several components that were handled manually; checks were walked to the post office, one person was responsible for handling payments and she manually checked a printout for accuracy, and so on. In contrast, some (though not all) focus group providers in King County thought that their voucher agency's technology allowing providers to report attendance by phone had made the process faster and less burdensome.

Staffing and agency funding also was critical. For example, providers in Jefferson and Monterey counties believed that their local agencies had inadequate numbers of staff because of cutbacks.[30] In these sites, respondents reported that workers were overburdened, which in turn related to challenges in contacting staff. As a respondent in Monterey noted:

> *Providers … have also been impacted by the fact that with the administration rates being cut back, the voucher programs have had to cut back on staff, which probably means that they are, one, a little bit less accessible to answer questions and provide support to providers …, and then two, it might mean a greater likelihood of delays in payments, because the whole administration of the voucher program has become increasingly more complex, and if you couple that with reduced staff levels, it just runs into sort of unexpected administrative problems.*

Despite frustration, providers were also sometimes sympathetic to the challenges faced by the voucher agency. For example, a provider in Jefferson County felt that the CCR did not get enough credit for what it had to accomplish with the budget it had, and she noted that the pressure on caseworkers had to be incredible.

Getting in touch with staff

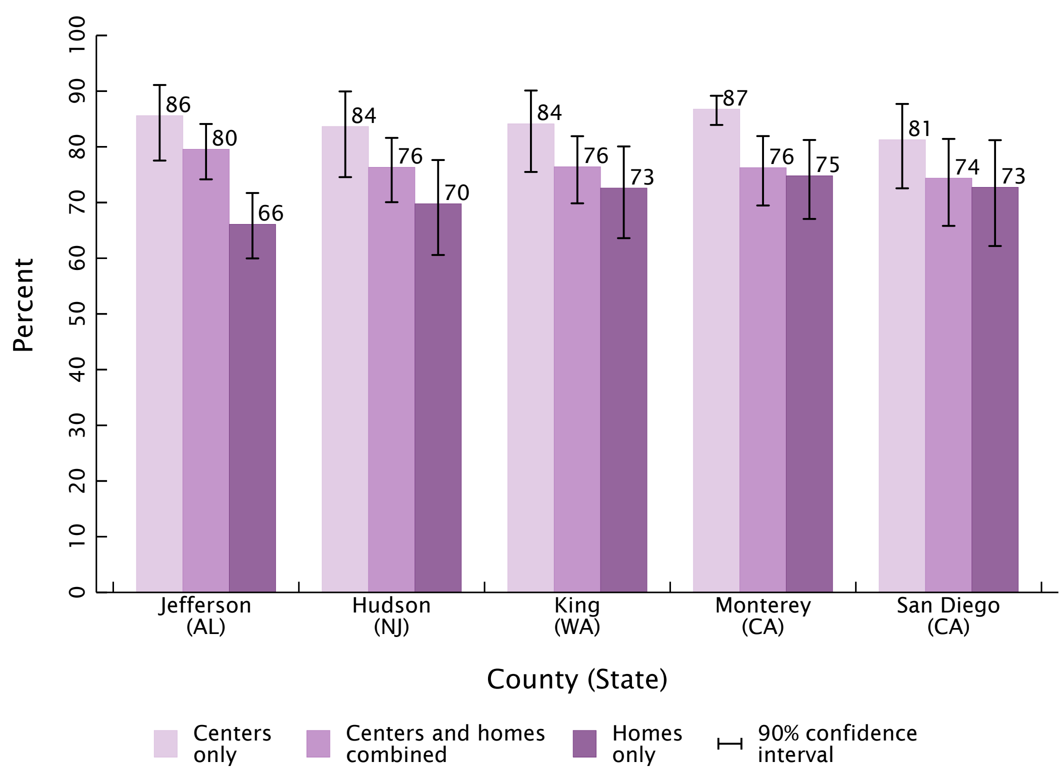
Providers have to regularly contact voucher staff to deal with payment problems, verify eligibility of the parent, check authorization levels, resolve paperwork questions, and so forth. Across our sites, three-quarters or more (74–80 percent) of providers serving children with vouchers reported that they were in contact with the agency at least once during the preceding month (see appendix table D25 and figure 8).[31] Further, a substantial number of providers serving children with vouchers were in repeated contact with the agency. Across all sites, between 46 percent (San Diego County) and 65 percent (King County) of center directors reported contacting the agency more than three times in the preceding month, and between 21 percent (San Diego County) and 44 percent (Monterey County) of directors contacted the agency more than five times. Except in San Diego County, family child care providers had significantly fewer contacts than centers did with the voucher agency. This finding is not surprising given that family child care providers served fewer children and therefore were less likely to need to contact the agency.

Many voucher agencies made special efforts to help ensure that providers could get in touch with workers. Strategies included putting caseworker contact information on materials sent to providers, providing information about how to contact staff during the initial approval process, and, in some cases, designing special administrative structures to try to resolve problems easily and quickly (as described above). Despite these efforts, getting in touch with staff was one of the most common and consistent problems reported by providers across each of our sites, in both focus groups and in the survey. Providers in focus groups often complained about not being able to reach staff, being put on hold, being transferred often, and so forth. For example, as one family child care provider put it:

We should not be put between the parent and the caseworker. We should get our money without having to jump through hoops. We work hard enough taking care of the children … we can't spend hours on the phone trying to get a hold of someone when we're taking care of children. It's not like in a preschool where you're the director and you can make the phone calls and you have the teachers running things. We're running things! It's not right that they give us a phone number and you call and you never get a live person, all you get is an answering machine saying leave a message.

A center director said it was so difficult to reach caseworkers that when one called her back she dropped everything—even if she was in the middle of working with a child or mentoring a teacher—to run to the phone. A family child care provider described how trying to get in touch with workers took her "away from the kids, because I'm the only one taking care of the kids, I'm by myself, so … I usually have to turn the TV on and put

FIGURE 8. Subsidized Providers Reporting at Least One Contact with Someone from the Voucher Agency in the Month before the Interview, by Provider Type, 2003



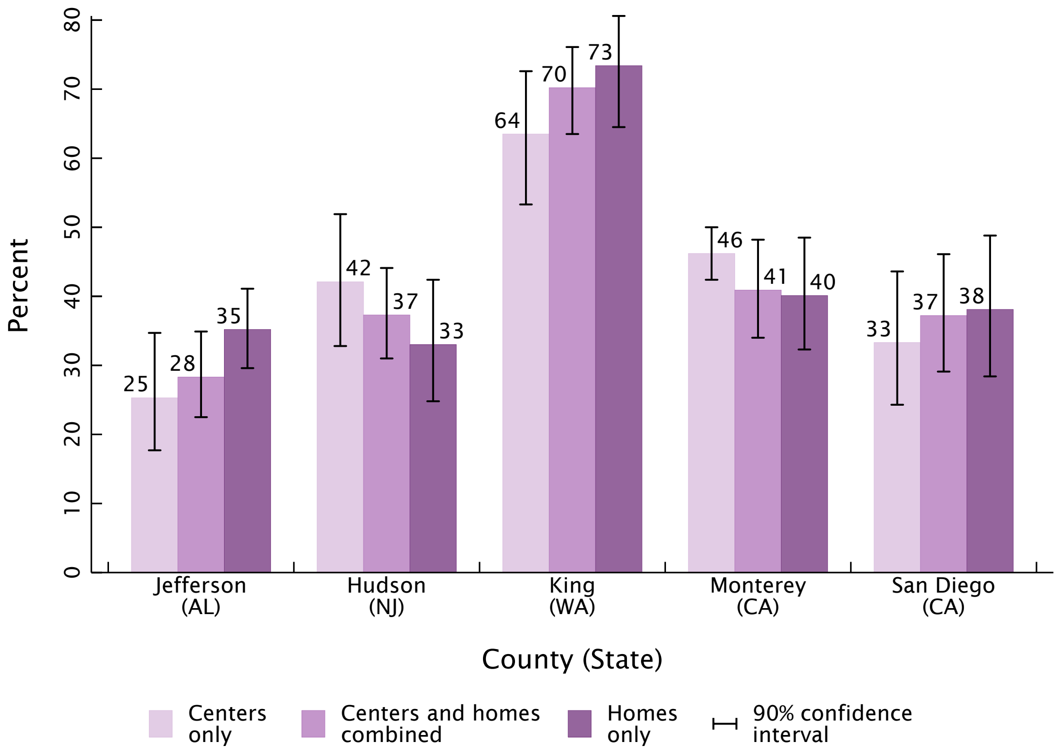
Source: The Urban Institute, 2008.

Notes: See appendix table D25 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

in a movie so I can just call these people and talk to them." Such stories were heard in other focus groups and in other sites as well.

These descriptions of the difficulty of reaching staff by phone are corroborated by the survey data (see appendix table D26 and figure 9). In four of five sites, between 28 and 41 percent of providers said it was *rarely or never* easy to reach the voucher staff they needed to speak with by phone; the proportion reached 70 percent of providers in King County. Across the sites, there were no significant differences between centers and homes.

FIGURE 9. Subsidized Providers Reporting It Was Rarely or Never Easy to "Reach the Person I Need to Talk with" When Contacting the Subsidy Agency by Telephone, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D26 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

For providers who reported it was rarely or never easy to reach voucher staff by phone, we asked follow-up questions about the reason. Specifically, we asked if the difficulty resulted from

- *Having to leave multiple messages or waiting a long time before someone calls back?* This was the most commonly reported reason in Jefferson, Monterey and San Diego counties, and it tied for most commonly reported in Hudson and King counties. Almost all the providers who had difficulty reaching staff reported that they had to leave multiple messages or wait long periods before their call was returned. The lowest share was 82 percent in King County, and it reached 95–97 percent in Monterey and Jefferson counties (appendix table D27). In four sites, fewer homes reported this problem than did centers, though the difference only appeared to be significant in King and Hudson counties; the lowest share of homes reporting this issue was 74 percent in Hudson County.

- *Being transferred to multiple people before reaching the right person?* In three sites, just over half of providers (53–59 percent) that had difficulty reaching voucher staff reported that they were transferred to several people before reaching the right person (appendix table D28). The proportion of providers reporting this problem was smaller in Jefferson County (38 percent) and larger in Hudson County (72 percent), though these were only significantly different from some of the other sites. In Jefferson and Monterey counties, homes were significantly more likely to report this problem than were centers.

- *Being placed on hold for a long time?* There was significant variation across sites and between centers and homes in how many providers said that being placed on hold was a reason they reported difficulty getting in touch with staff (appendix table D29). Specifically, 24 percent of providers in Jefferson County, 44 percent of providers in Monterey and San Diego, 62 percent of providers in Hudson County, and 80 percent in King County reported this problem. Homes appeared significantly more likely to report this problem in Jefferson (46 percent versus 10 percent), Hudson (77 percent versus 50 percent) and Monterey (49 percent versus 14 percent) counties. Being placed on hold may be more challenging for family child care providers as they often must contact the agency at the same time they are taking care of children, whereas centers are more likely to have staff that do not have daylong direct caregiving responsibilities.

  (The DSS agency in Monterey County has since implemented strategies to improve the responsiveness of agency staff.[32])

Interactions with caseworkers

How caseworkers relate to providers is also a critical issue, as the nature of the provider-caseworker interaction colors every interaction that providers have with the system. In addition, these interactions are where providers do (or do not) get the information they need to manage their voucher interactions and payments. Several different issues emerged from our focus groups and survey research as of importance to providers:

- the importance of having relationships with workers
- how workers treat providers
- whether caseworkers are knowledgeable about the rules

Each of these issues is discussed below.

The importance of having relationships with caseworkers

To effectively manage participation in the voucher system, providers described the importance of developing relationships with caseworkers. As one provider described it, "I get to know everyone that's handling my children"; as another said, "I made them my friends—that's how you have to work with certain people." The importance of relationships was evident as providers described finding "the" worker who could help them. One center director said that he had developed a rapport with one staff member who normally did not deal with provider issues. But he went to her because she would help him reach the right person.

> *It's an oxymoron almost, in that you should be able to call and get through to the person you need to get to, but you have to go through someone else in a totally different department who you've developed a rapport with … to get the ball rolling.*

Similarly, a provider in Monterey noted, "If you get a helpful person, then it's really good, but you don't always get a helpful person … it seems like it's kind of on a case by case" basis. Providers also discussed the value of in-person visits to get problems resolved. "Maybe it's a number versus face rationale," commented one provider, "the responsiveness to your need may be put way down on the totem pole, but when you come in and they see your face … [then they see you're a] real person."

In some cases, this issue was expressed as frustration about not being able to develop such relationships. For example, while some providers liked the call centers in King County, other providers and agency staff commented that the process was depersonalized and limited relationships between staff and providers. One focus group participant said that it was not a social and health services agency any more: "There is no face to face … what's social about a phone call or a paperless system?" Others described how they used to receive calls from caseworkers but did not any longer. Some agency staff agreed that the call centers had changed the relationship, saying

> *at one time … somebody from each [local office] would go talk to the providers and explain the different changes, what to do, what not to do, but since we came into this local call center, it kind of like, the ball dropped on that … we no longer do that anymore, but I think that was helping out tremendously with the providers.*

Providers in some sites, such as San Diego and Monterey, also described problems with high turnover among caseworkers, and how that made it challenging to keep track of who to contact. (It is unclear whether this problem is across the multiple agencies in these sites or is with particular agencies.) As one provider noted, "It seems like they're always changing [staff] because you'll have one worker one month, and the next month you'll have a totally different worker."

How caseworkers treat providers

While treatment by caseworkers was a topic of major concern for providers in our earlier research (Adams and Snyder 2003), and was raised by at least some providers in each site, it generally did not seem a major concern for providers in these site visits. There were some exceptions to this, in a few sites, and usually with specific agencies. These complaints generally had to do with the worker's attitudes. For example, providers in a few sites made comments similar to a provider in Monterey, who said

> *[The agency] almost treats us as if we're receiving welfare from them, and it's almost like, well for one we have to prove and we have to fight with parents for every kind of proof possible—their check stubs, everything—to turn it in to get paid. Then it takes sometimes six to eight weeks to get paid after the proof is there, and when you call them to ask them what's the holdup … if you get a call back, it's with an attitude.*

One theme in some sites was providers' feeling as though caseworkers did not understand the importance of these issues to providers—or, as one provider described it, they had a "so what" kind of attitude when she contacted them to get help with a payment problem. This seemed more pervasive in some sites and with some agencies than others. However, other providers often mentioned specific workers whom they felt were helpful and responsive, and the importance of this responsiveness to them.

Interestingly, in a few of these situations, at least some providers who were unhappy with their treatment attributed this behavior to other factors; in one site, they thought it stemmed from the caseworkers being "young" and "new" and "needing to prove themselves" and did not seem to hold it against the agency. In other sites, they attributed it in part to staffing cuts that resulted in overworked staff. One provider noted that the staff at one agency were "overloaded and stressed out," while another provider talked about going in to redo her contract and having to calm the caseworker down "because she was really stressed out." Providers in sites with multiple agencies sometimes noted differences in how they were treated across agencies. In one case, providers noted that these issues differed across local offices of one agency; one office was much more responsive and focused on helping providers than the other.

Whether caseworkers are knowledgeable about rules

Even though providers struggled with getting in touch with staff, they did not generally seem concerned about the quality of the information they received when they managed to contact them. This was corroborated by the survey: when asked about whether the voucher staff were always, often, rarely, or never knowledgeable about the voucher rules, a majority of providers serving children with vouchers felt that staff were often or always knowledgeable. In fact, the proportion reporting that staff were rarely or never knowledgeable ranged between 12 and 19 percent overall (see appendix table D30). In some sites (Jefferson and San Diego counties), family child care homes were less likely than centers to report that voucher staff were rarely or never knowledgeable about the rules.

However, not surprisingly, there were some comments here and there about problems with misinformation. In San Diego, some providers noted problems with high caseworker turnover and the resulting misinformation. Similarly, in King County, one participant said "a lot of times we're educating them [caseworkers] because we've been on the phone so many times and had all these experiences that we can guide them through things that they have no idea what's going on."

Payment and Attendance Paperwork

Beyond the initial and periodic registration process, providers were also required to complete and submit attendance paperwork to the voucher for payment. A number of other issues discussed in this report—in particular, payment accuracy, timing, and provider burden—are affected by local agency policies in this area. We found that paperwork requirements varied significantly across sites:

- *How attendance could be reported.* Agencies varied in how they could submit their attendance records. In King County, providers could report attendance by phone; in other counties, providers could report using some combination of mail, fax, and/or drop-box at the agency.

- *When attendance forms had to be submitted.* The sites varied in how long they had to submit the paperwork after the end of the business cycle. For example, some sites required providers to submit their paperwork by Wednesday or Thursday of the following week (2-3 days), others by the 5th of the next month (which, depending on where that fell in the week, would be between 3 and 5 days). In one San Diego agency, providers had a two-week window in which to submit their paperwork.

- *If forms were preprinted with information or if providers had to fill it out.* For example, in Jefferson County, providers only had to fill out a preprinted single form with whether a child was absent or present each day and send it in. In contrast, in some other sites, providers had to fill out the forms by hand.

- *The complexity of the form or information required.* Some providers reported that the forms were relatively straightforward. However, we observed possible opportunities for simplification in two sites. In Hudson County, providers working with WFNJ discussed challenges with the forms. In King County, the procedure for claiming absent days was complex, and providers appeared to have trouble in this area.

- *Whether parents had to sign attendance forms, and how often.* In some sites, both parents and providers had to sign attendance forms; in the California sites, parents had to sign the form each day. Further, providers in the California sites described how they were required to enter the time the child entered and left care each day, which they found particularly challenging for parents with variable work schedules.

Finally, as noted earlier, in sites with multiple agencies, the answers to these questions could vary across the different agencies, thus requiring providers to keep track of the different requirements for each agency. It is interesting to note that some agency respondents reported that paperwork demands had increased in recent years from their perspective, mostly related to the increasing concerns about improper payments.

Our focus group data suggests that in some sites, providers did not have too much difficulty with the paperwork. There were, however, some sites where we heard more concerns from providers in the focus groups:

- Providers in San Diego noted a number of problems. One main concern was the requirement that parents sign the form each day. This challenge was exacerbated by the previously mentioned fact that some San Diego agencies required providers to submit their paperwork within two working days of the end of the billing period. A number of providers talked about the challenges of getting all of the signatures. One provider said

  > *Four or five weeks later, after you turned in your paperwork in a timely manner, you are chasing down the customers say, "You need to sign, you need to sign, you need to sign" and they don't show up.*

  Respondents also noted that if a provider fails to get a parent's signature, and the parent disappears, they are unable to get reimbursed even though they provided the service.

Given these issues, it is not surprising to find that some San Diego agencies reported experiencing high error rates. For example, one agency reported 30–40 percent of the submissions needed to be sent back for mistakes or missing signatures, and reported high rates of late submissions. Another agency reported "lots" of attendance sheets being sent back because of mistakes.

- Some providers in both Hudson County and King County also discussed problems in the paperwork they received from the agencies. For example, King County providers reported that sometimes the paperwork did not have all the children listed on the invoice or did not arrive on time. Providers in both King County and Hudson County (for the WFNJ program) also found the paperwork difficult to fill out.

In the survey, we examined paperwork issues in two ways, and found somewhat different results.

- *"In the past six months, when dealing with (name of local voucher agency), have you had a problem with time-consuming or difficult paperwork?"* When we asked providers this question on the survey, their responses largely corresponded with the qualitative findings; around one-third (35 percent) of San Diego County providers serving children with vouchers reported this problem (appendix table D31). At the other end of the spectrum, 17 percent of providers in Monterey County reported this problem, with the rest of the sites clustered between 21 and 27 percent. (Family child care homes were less likely than centers to report problems in Jefferson and Hudson counties; differences in the other sites were small and insignificant.) The finding that San Diego and Monterey counties are significantly different and at opposite ends of the spectrum, despite being in the same state and under the same policy structures of the governing state agencies, helps underscore the local or program-specific implementation nature of this issue.

- *"On average, how much time, per month, do you spend on voucher paperwork?"* We also asked providers how much time they spent, on average, on paperwork associated with the voucher program (see appendix table D32). These results are somewhat different than the "difficulty" question above. When asked this way, providers serving children with vouchers reported that the average number of hours a month spent on paperwork ranged from 4.6 hours in Jefferson County to 7.1 in Monterey County and 7.4 in Hudson County. It is important to recognize, however, that these summary statistics mask significant differences between centers and homes in every site except Jefferson County. While centers reported as many as 14.3 (Hudson County) and 15.9 (Monterey County) hours a month, the highest number of hours for homes was 5.9 in Monterey County. These differences are not surprising, given that family child care providers serve far fewer children.

Rules

Another important aspect of working with the voucher agency is whether providers understand the voucher rules or feel they are clear. While focus groups in each site included some discussions of rules about which at least some providers were uncertain, providers thought they generally understood the rules. This pattern was corroborated by the survey; most providers agreed with the statement that the "voucher program has rules that are straightforward and easy to understand" (appendix table D33). In fact, more than 80 percent of providers serving children with vouchers in San Diego, Jefferson, and Hudson counties agreed with this statement. The proportion agreeing fell to 74 percent in Monterey County and to 65 percent in King County. Generally, the patterns appeared similar between centers and homes, with the exception of Hudson County, where homes were much more likely to agree with this statement.

There are some interesting issues to consider about this topic, however. First, despite providers saying that rules were straightforward, several problems highlighted in this paper seem related to the failure of providers to understand the voucher system requirements and rules. Second, during focus groups with providers, site visitors repeatedly heard providers express confusion or misunderstanding of specific rules—for example, whether absent days or holidays were paid, whether the agency paid when the parent was not at work activity, and so forth. Agency staff in a number of sites also indicated frustration with providers not seeming to understand basic issues, such as where to look for notification information, how the termination process worked, and so forth. Both agency staff and providers mentioned that providers who were newer to the system often did not understand how things worked and would benefit from more training.

Third, providers in San Diego County focus groups discussed the importance of understanding the motivation or reasoning behind the rules, and they seemed more accepting when they understood the reasons for certain policies and agreed with the principles behind them. Conversely, if providers did not understand the reasons, or did not feel that the reasons justified the burden, they expressed greater objections to the policies.

Interestingly, agencies in San Diego County seemed to recognize this reality and discussed various strategies that they had put in place to reach out to providers and to help them understand the reasons behind certain policies. Agency staff talked about the importance of helping providers understand which rules were developed at the local level, versus which ones were state policy that the local agencies could not control. They worked to address both these issues by attending key meetings of providers and answering questions. Some of our respondents felt that these meetings helped clarify that the agencies and providers often share the same concerns, and that the agencies often raise objections with the state on the same issues to which providers object. However, agencies felt that helping providers understand that the agencies were on "their side" was an ongoing process that required deliberate effort.

Working with Subsidized Parents and Children

A final issue of importance to providers concerned their experiences around working with families and children in the voucher system. Two areas of focus emerged from this study. First, we examined how providers help families with various strategies to afford care, such as by helping families navigate the voucher system or by waiving fees. Second, we explored whether providers felt they had to invest additional effort or resources into meeting the needs of subsidized parents or children. This section focuses on each issue in turn.

Helping Families Afford Care

Earlier work by the Urban Institute (Adams and Snyder 2003) and others (Bromer and Henly 2004) has suggested that child care providers can play an important role in supporting low-income families around the cost of child care. Below we provide information on the two forms of assisting families that came up the most often in this research: helping them access and navigate the voucher system, and continuing to provide services for free or for a reduced price after families lose assistance or can no longer afford care. The second of these is a support that providers sometimes offer families regardless of voucher status.

Navigating the voucher system

Our earlier research found that child care providers can play a significant role in helping low-income parents navigate the voucher system (Adams and Snyder 2003). Providers in our sites corroborated these findings, in both the focus groups and the survey. In the focus groups, providers described referring parents to the program, helping parents apply, reminding parents of recertification dates, helping parents fill out paperwork, faxing forms for parents, keeping track of key information such as caseworker names and phone numbers, giving parents rides to the agency, calling the agency on parents' behalf, trying to identify ways to help parents get funding, and otherwise generally advocating on their behalf. For example, one San Diego County center director noted:

> *I encourage them to go to their appointment, their meetings, turn in their paperwork. I always talk to them. I say you have to turn in your paperwork, make sure you do what your worker asks you to do, stuff like that.*

A family child care provider in San Diego County kept a file for every voucher family she served: "I have a binder for every child. Every paper, that's in there so if they don't know the name of their social worker, I say 'Come in' and give them the information they need."

These comments were supported by the survey data, with many providers indicating that they had helped parents with the voucher process, either by telling parents about the availability of vouchers or helping a parent apply or work out a voucher-related problem in the six months before the interview (see appendix table D34). Specifically, 69–86 percent of providers caring for children with vouchers reported helping parents in this way. Rates were higher for centers than homes in all counties; the vast majority of centers helped families in this way, though the differences were only large and statistically significant in Hudson, King, and Monterey counties.

Motivating factors

Comments from the focus groups suggested that providers had three primary reasons for their efforts on behalf of parents: a desire to help families, a belief that it was a good business practice to keep resources in their program and minimize turnover, and because agencies ask them to help. Each of these motivations is described below. Many providers clearly saw these reasons operating simultaneously. For example, a provider in Hudson County noted, "I help [parents] for two reasons: for us to maintain our job and because she could forget [to follow-through on paperwork]. That way we help each other mutually."

Helping parents was one common motivating factor behind provider efforts to assist parents in navigating the voucher system. Providers saw helping families overall as part of their services, which were motivated by a love of children and desire to support the family. Many appeared to go above and beyond what might be expected. For example, one provider described taking a child to a doctor's appointment to meet the child's parent, while another described making a photo album of a subsidized child's accomplishments and being heartbroken when the child left suddenly and she could not track the family down to give them the album. One agency respondent described a provider she knew who hired parents when they lost their jobs until they could find other jobs, thus helping stabilize families and allowing them to keep their vouchers.

In addition to helping parents and children, providers said that helping families keep their vouchers and stay in their program was a good business practice as it helped minimize turnover and maintain consistent revenue. Turnover is costly on many levels—financially, administratively, and emotionally—and providers were eager to avoid those costs. In some cases, they were also concerned about being able to refill the slot. For example, a provider in Jefferson County noted that she did not want families to leave her care—"I need that parent." Because she did not know how long it would take to fill the slot, she drove the parent to the voucher agency, explaining, "I'm going to try to help that parent as much as possible to have all that she needs." Another provider said that her motivation for helping parents was not altruistic, but instead was "because this is the future of your funding … if you take the hands-off approach, you'll be business-less."

Finally, some providers also mentioned that voucher agencies sometimes either expected them or directly asked them to help parents with their vouchers. This issue was extensively discussed in one focus group, where one provider said:

> *I had … caseworkers calling me asking me to remind the parent that they're supposed to go [to renew their voucher]. I was becoming the secretary for the caseworker. I was spending hours on this.*

Another provider noted that the agency expected her to chase down parents, and said "I feel like I'm being the administrator for the voucher program, and the attitude of the agency is basically 'If you want our money you'll do this.' " This director also felt that the agency "just keeps putting more responsibilities into our lap." A third provider corroborated these concerns by saying that she felt the voucher agency was asking her to be the parent's "personal secretary," and that she had been asked to remind parents about parent meetings, to keep track of whether parents attended those meetings, to relay other messages from the voucher agency, and to collect forms from the parents to mail to the voucher agency. Her reaction to this was, "There goes another 37 cents [for postage] … and it's my time …. my time is very valuable." Agency respondents corroborated that they sometimes asked providers to help them in this way. For example, one agency respondent explained that some parents moved a lot and when the agency did not have new contact information, staff asked providers to contact parents for them.

Implications

Three themes emerged in the discussions with providers and with caseworkers on this topic.

- In the interviews and focus groups, it appeared that both agencies and providers viewed the provider role in helping families navigate the system as critical for the functioning of the voucher program. These discussions made it clear that providers were willing to offer a fair amount of support in this area. They also suggested that, to some extent, this role makes sense for providers as they have regular contact with parents and have the motivation and (at least in some cases) the understanding of the voucher system necessary to help parents through the process.

- However, it also appeared that, in some cases, providers felt agencies were putting too much of the burden on them. As is visible in the above quotes, some providers thought caseworkers were expecting providers to take on responsibilities that should have been undertaken by agency staff. One provider summarized it this way:

  > *It's really not your job to do that. There should be someone from the … [voucher agency] taking care of that .… But the … [voucher agency] doesn't get penalized [if the parent doesn't follow-through]. The only people that get penalized are providers, and then the child and the parent because they don't have services.*

  Providers also had concerns about the cost of undertaking these efforts, both in time and money.

- Finally, though agency staff were generally positive about the role that providers could play in helping parents with vouchers, a few were concerned that providers could inadvertently end up making parents dependent upon them. As one respondent noted, "We encourage our providers to help our parents have self-sufficiency. If you have a provider that is going to enable the parent, that defeats the whole purpose of the program." Another respondent described a situation in which a parent was very dependent upon one provider to manage her voucher. The respondent believed this caused the provider to burn out and decide not to participate in the voucher system any longer. As a result, the parent ultimately lost the voucher after starting with a new provider because she was not accustomed to being responsible for her own case. While not commonly discussed by providers, this concern was corroborated by some providers in the focus groups.

One question raised by these findings is whether, for some providers, these experiences may be a deterrent to working with the voucher program. It is noteworthy that several of the comments above came from a focus group of providers in one site that were no longer providing services to children receiving vouchers. While this certainly does not prove that the need to help parents navigate the voucher system is a deterrent to voucher participation for providers, it does suggest that this issue, and possible solutions to reduce the provider burden or cover their costs, is worth exploring in more depth.

Another question worth exploring further is whether this problem is partly a result of funding cuts, rising caseloads, and a reduced emphasis on the "case management" function of voucher caseworkers. This issue was mentioned by agency respondents in one site, who commented that staff no longer had time to "hand-hold parents" through the process. Consequently, providers were playing a bigger role in helping make sure that families took the necessary steps to start and keep their vouchers. Agency respondents also described how provider support could reduce agency workload, saying that in situations where providers were "not helping … [parents] in that way… it really kind of adds to the amount of work we have to do …. so it [provider helping parents] does help with the workload." Although it appears that both providers and agencies have incentives for providers to support parents through the voucher process, it seems it would be helpful for agencies and providers to communicate further about the appropriate balance of responsibility in this area.

Serving families when they lose their vouchers or waiving/reducing fees

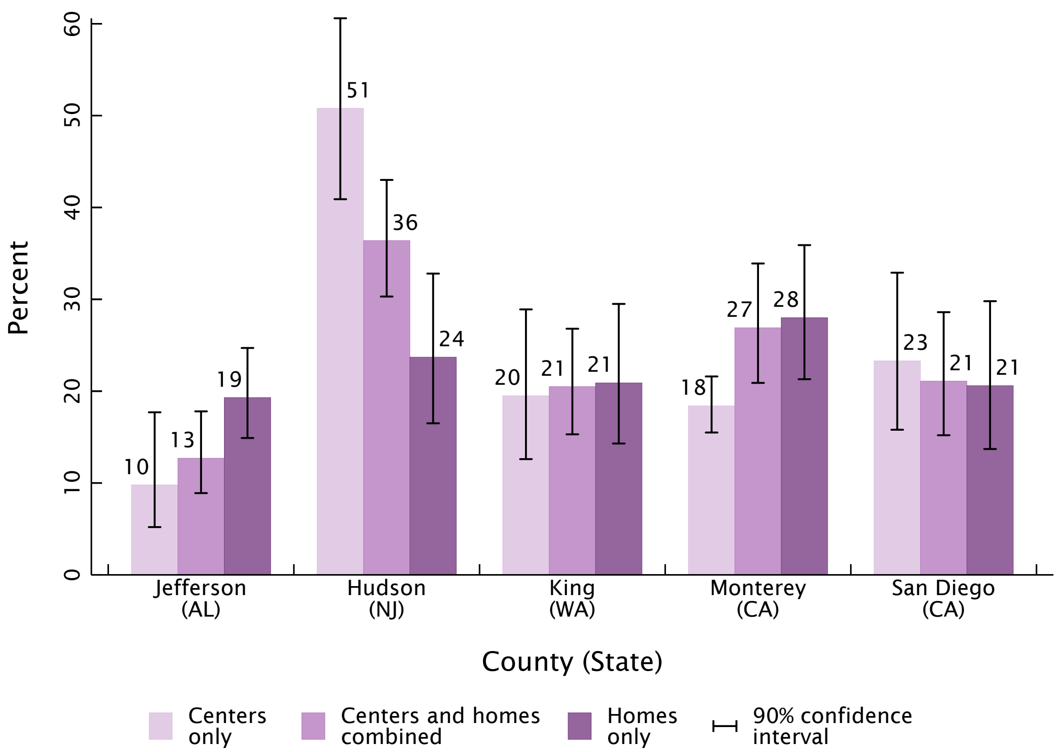
A slightly different way to support parents, which was also commonly discussed (in focus groups and interviews, and corroborated by survey data), was to continue to serve families after they lost their vouchers or to reduce fees or otherwise help families financially. For example, one provider described helping a mother with recertification, during which she lost her voucher and, later, her job. This provider gave her free care as long as possible to help her find a new job. (These efforts are similar to those described in the section on payment issues about providers choosing to waive parent fees or copayments for families in financial difficulties.)

The survey data provide insights into how often providers agreed to serve families for free or at reduced prices when they lost their vouchers (see appendix table D35 and figure 10). It shows that while the proportion varied across sites, a substantial minority of providers in some sites said they always or often agreed to serve a family for free or at a reduced price after the family lost its voucher—including 36 percent of providers in Hudson County (rising to 51 percent of center-based providers), 27 percent in Monterey County, about 21 percent in both King and San Diego counties, and 13 percent in Jefferson County. In contrast to Hudson County, homes in Jefferson and Monterey counties were significantly more likely than centers to agree to provide free or low-cost care to families that lost their vouchers.

Note, however, that this form of support occurs for non-voucher families as well. For example, a Jefferson County provider described a private-paying parent who lost his job, at which point she offered to continue to care for the baby for two weeks so he could find a new job. He then found a training program that he could not afford, and she told him to use the money that he would pay her to pay for the training. He still did not have enough to pay for the training, so she gave him $250 to cover the costs. He was hired on the day of the focus group. Similarly, a family child care provider in San Diego County described a family whose income was $15 over the eligibility limit for vouchers, but the mother still could not afford care. So, the provider charged the parent for one of the two children and cared for the other one without payment for over a year. Another Monterey County provider described times when parents needed her help and "when I see they are sick and they don't have money to pay me I don't mind helping."

Similar to the discussion above, these efforts appear to have various motivations, including altruism and a desire to help families, concern about refilling the slot, and a hope that the parent will get back on his or her feet (or back into the voucher program) and resume payment.

FIGURE 10. Subsidized Providers Reporting They Often or Always Agreed to Serve a Family for Free or for a Reduced Fee when the Family Lost Its Voucher, by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D35 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

Special Challenges in Serving Families and Children Receiving Vouchers

Some providers in the focus groups discussed characteristics that they associated with families receiving vouchers and that made it somewhat more challenging to serve them, such as higher turnover rates and other extra needs. Some providers expressed frustration with these challenges. Some providers also noted, however, that their motivation for serving families included a desire to help low-income children or families with greater needs. So, meeting these challenges was simply part of their mission.

Turnover

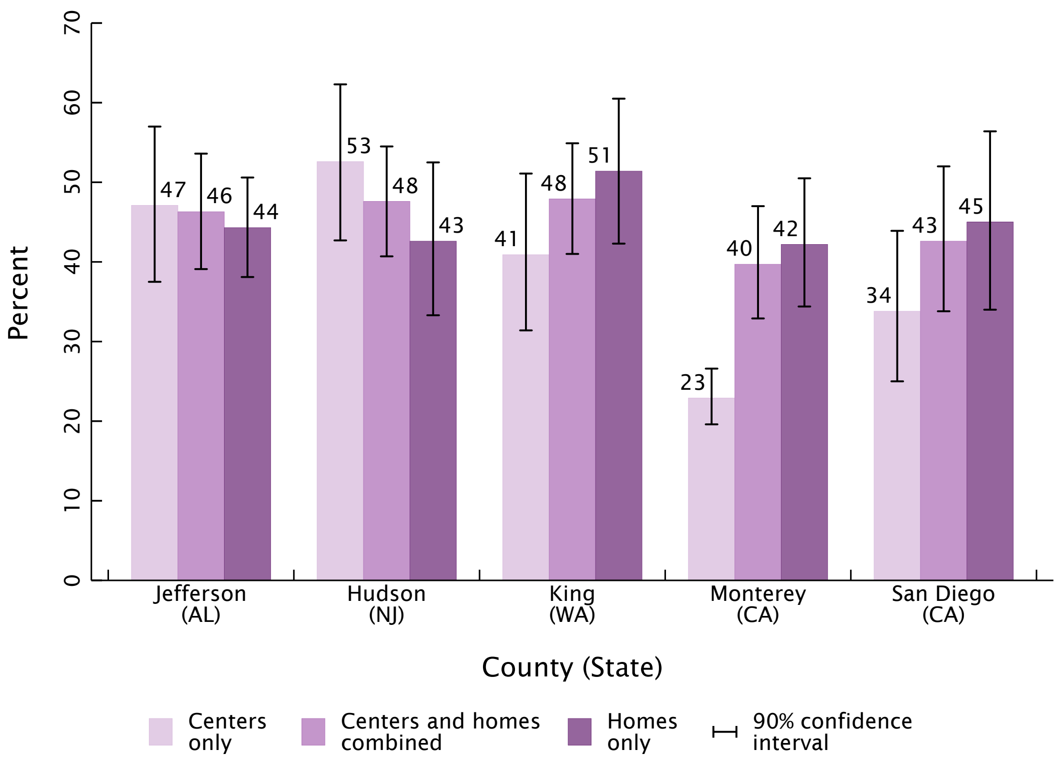
We asked providers in the focus groups to discuss whether low-income families in the voucher system were more likely than other families to leave their program after a short time (i.e., have higher turnover rates). There was not clear agreement among providers on this issue: some felt strongly that parents receiving vouchers had higher turnover rates than other families, and others disagreed. This pattern was echoed in the survey (see appendix table D36 and figure 11), where nearly half (between 40 and 48 percent) of providers serving children with vouchers believed that there was a lot of turnover among families receiving vouchers compared with other families. (Centers in Monterey County were significantly less likely to agree that there was more turnover among families with vouchers [23 percent]). In the focus groups, providers who felt there was greater turnover often linked it to the recertification periods set by the voucher agency, though in some cases they also linked it to families trying to escape paying their copayments or families that did not have stable personal situations.

More focus group participants, however, appeared to agree that subsidized families in the TANF program had greater turnover than non-TANF families; providers felt this turnover was related to TANF families' shorter authorization periods (see Adams et al. 2002 and Adams et al. 2006). For example, a respondent in one site described that TANF clients may have authorization for only two to four weeks, whereas non-TANF families had authorization periods of six months. As a result, providers needed to interact more with the voucher agency about families on TANF. The more frequent reauthorization process also meant there were more opportunities for miscommunication and lost payments. Some providers discussed not wanting to serve TANF families because of these extra challenges.

Regardless, providers seemed to agree that turnover was not a problem with all subsidized families. Instead, providers generally agreed that some parents stayed with them for a very long time, while others changed providers often. Focus group respondents also emphasized that the problem of turnover was not unique to families with vouchers and was also found among private-paying clients.

Providers indicated concerns about the turnover problem, including the associated personal and financial costs. On the personal side, providers discussed how hard it was for them to lose children after having developed a relationship with them, as well as how hard it was to develop relationships with children who stayed only a short time. One provider discussed how having children for a short time was difficult because "if you have the child only eight months and if you're really working with the child and the family, you can do so much and then they move on … where usually …[we] have children [from the time they are] infants all the way until kindergarten." Some providers said they did not want to serve children with vouchers if there was an indication that they would be there only a short time.

FIGURE 11. Subsidized Providers Agreeing with the Statement "Compared to Other Families, There Is a Lot of Child Care Turnover among Families Receiving Vouchers," by Provider Type, 2003



Source: The Urban Institute, 2008.

Notes: See appendix table D36 for tabular results and additional statistical details.
Confidence intervals account for the sample design and use a finite population correction factor.
Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.

Providers also discussed how losing a child with a voucher inevitably led to a loss in revenue. This was partially related to the problems around timing for notifications for terminations described earlier and partially related to the time it took to fill the slot. One provider mentioned that her program could not "survive" the loss of revenue that results from the turnover of children. Some providers mentioned that these losses were magnified if they were serving multiple children from a single family who all left at the same time—an issue particularly noted by family child care providers. If subsidized families offer less notice, or do not pay a deposit or a month in advance, then the costs of turnover may be higher for children with vouchers than for private-paying families.

Finally, providers also discussed their concerns about the impact these changes had on children. A provider in Monterey noted

> *there's so much instability in these homes … they just leave abruptly sometimes…. It's hard because just for them to adjust coming to new surroundings, it takes a good month sometimes to get them on a routine … and I feel bad for the kids, because they're just going to go on to another [care setting].*

Other challenges

Providers in the focus groups also mentioned other problems that they felt subsidized families could face. However, it is important to point out that none of these problems are unique to subsidized families and could apply to low-income private-paying families as well. Nonetheless, providers noted these as problems they experienced in working with families in the voucher system, and—importantly—as issues they needed assistance with. Some key issues they raised include these seven:

- *More challenging work patterns*. Some providers reported that low-income families in the voucher system are likely to experience numerous changes in their work situation, including fluctuating schedules and hours. In addition to the problems this can create for providers around voucher policies (discussed earlier), this can be problematic in other ways. For example, some providers prefer to have children attend their programs on a regular schedule or to have children arrive by a certain time so the classroom routine is not disrupted. In other cases, for providers willing to provide somewhat more flexible hours (such as family child care homes, or unregulated family friend and neighbor care), they can be asked to change their schedules frequently.

- *Families with few resources.* A number of providers described how the voucher families they served had relatively few resources, which created additional demands on the provider. For example, some providers recognized that subsidized children were more likely to live in single-parent families, with less resources or flexibility owing to personal circumstances. As a result, these families could face extra difficulties at home when unexpected crises occurred, leading to problems meeting the expectations of the child care provider. Other providers described situations where children did not have enough food at home or faced other problems that providers felt needed to be addressed. For example, some providers described trying to help families by buying groceries for them or by trying to meet the needs of the child in extra ways in the program (for example, by providing lunch).

- *Families with less experience using child care.* Some providers described how some families receiving vouchers seemed to have little experience with the provider-parent relationship and sometimes had less understanding of how to fulfill the expectations of the provider (such as timely payment, timely drop-off/pick-up, contacting the provider in case of problems or absences, treating providers professionally, and so forth). One provider described, for example, how she protected herself by requiring parents to sign everything, including the notice of termination, to make sure they understood the situation. Another provider described parents not following through on appointments, “I can’t tell you over the years the number of people that have called on a voucher to make an appointment to come to my house and didn’t show up … I’ve been kind of soured on the whole thing.”

- *Families facing special challenges.* While not common, some providers also described challenges they faced working with families that had particular vulnerabilities, such as being involved with the child protective service system, being in drug rehabilitation, being homeless, and so forth. Some providers also felt that some parents needed parenting support and skills, and others described how they mentored parents in various ways.

- *Families leaving without paying.* Providers also discussed challenges they faced when families left without paying their copayments. While this experience is by no means limited to families in the voucher program, the consequences are higher for providers with families receiving vouchers as they do not receive prospective payments.

- *Having to work within the voucher system constraints.* Providers also discussed that sometimes the voucher rules made it difficult for them to help families as they wished. As a San Diego provider noted,

  > *it's a family in need and part of the reason I do the work is because I really want to support families and I want to get paid to do it. The families that are probably in the most need are the most chaotic, and they take the most time for us to deal with. When I have paying customers that are having a hard time, I can negotiate, I can help them out, I barter, I do lots of different things. But when I'm dealing with a [voucher] program I'm stuck with their system, which is often this bureaucratic system that is often very frustrating to deal with.*

- *Challenging child behavior.* In an attempt to discover whether providers thought that children receiving vouchers had extra needs requiring extra staff time, skills, or attention compared with children whose parents paid the full fee, the survey asked providers whether they agreed that children receiving vouchers had more behavioral problems than other children (see appendix table D37). While most providers did not agree with this statement, a subset of providers did—ranging from 13–14 percent of providers in Jefferson and Hudson counties, to 21–24 percent of providers in King, San Diego, and Monterey counties. As a result, in some counties as many as one in four or five providers agreed with the statement that children with vouchers had more behavior problems than other children. However, this issue was difficult to discuss in focus groups; when asked, providers were typically defensive of the children in their care, though a few providers discussed personal experiences with children with problem behavior.

As a result of all these issues, in at least some focus groups, providers suggested that it took extra time and energy to work effectively with subsidized families. A King County provider summed it up by saying "among the children that are receiving subsidies, I would say that it's harder to take care of them than the … children … that are paid by private."

And in some focus groups of providers who were no longer serving subsidized families, one reason they offered was that subsidized families had extra needs and were harder to serve, which made it more difficult to meet the needs of the other families and children in their programs. On the other hand, some providers noted that although subsidized families could face extra challenges, they also could rely upon the voucher agency to help in some circumstances (for example, in collecting copayments)—a backup that was not available to providers with private-paying families.

Finally, some respondents suggested that working with subsidized families with extra needs might affect the quality of care providers could offer. For example, a local agency administrator in California noted:

> *Everywhere it's being proven that school readiness is a major, major, major issue. And the behavioral problems of these little kiddos are so severe—and just the hygiene—that they're having to divert their attention from some of those developmental activities for all the children in their care to really being concerned with, and addressing, things that they've probably not been impacted with before [in terms of meeting families basic life needs].*

These discussions and concerns indicate that voucher agencies might explore providing extra support, beyond collecting copayments, to help providers deal with some of these issues that may make it challenging to serve (at least some) subsidized families. For example, some providers suggested parenting classes for parents receiving vouchers. Others suggested that voucher agencies might do more to help parents understand their obligations in the parent-child care provider relationship. Finally, while not discussed in depth, it also appears as though in some cases, child care agencies might explore ways to link child care providers with challenging families to family support systems and services.

Benefits of Working with the Child Care Voucher System

The preceding sections laid out some of the ways that participating in the voucher program and working with voucher agencies can—in some situations—be challenging for providers, as well as some of the ways it can work well. However, the larger context makes it clear that this is not the whole story, given that 60–80 percent of providers in these communities either were serving children with vouchers at the time of our survey or had within the previous six months. This section provides insights into providers' perspectives on the benefits of working with the voucher system. Their responses tended to fall in the following categories—specifically that the voucher program

- provided reliable revenue,
- helped providers fill slots they otherwise would not be able to fill and supported the supply of care available to low-income families,
- allowed providers to serve low-income families that needed their services,
- helped providers access other supports, and
- was beneficial to parents and children.

Reliable Revenue

One primary benefit noted by providers across the sites was that the voucher system was a source of reliable funding. This is an important counterpoint to the earlier findings about problems with payment notifications and timing. Regardless of these glitches, many providers agreed generally that being able to count on getting paid was one of the most important benefits of the program. For example, a provider in Jefferson County noted that she would take a child from Child Care Resources, the local child care voucher agency "any day because I know that's guaranteed [payment]." Another noted "you can depend on the Child Care Resources check. You know it's gonna come."

Similar comments were heard in other sites; for example, a King County provider said "We know the state will pay." Some providers also noted how critical the income had been to them over the years. One provider in Hudson County described that she had "put two kids through college with this;" a provider in another site noted that when she paid her taxes, she realized how much she had earned from the voucher program.

In some cases, providers contrasted the voucher agency's reliability with private-paying parents. For example, a provider in Hudson County noted that a private-paying parent might try to pay less regularly and that it was harder to pin parents down for payment, but with the voucher agency, "it might be late, but you're gonna get it." Another provider said that private parents could run off without paying, but with the voucher agency, "you know you are going to get your money." A provider in Monterey County said, "I don't have to chase that money," while a provider in San Diego County noted that she liked receiving a reliable check from the agency that would clear the bank, unlike her experience with some private-paying parents, whose checks would bounce.

Comments from other respondents suggested providers in lower-income communities might be particularly likely to find the voucher agency more reliable in contrast to their private-paying parents, given that the private-paying families they serve are less likely to have the resources to pay out of pocket easily. This suggests that providers may have different views on the relative reliability of voucher payments depending on the markets in which they operate.

Some providers had sufficient problems with their local agencies that they did not feel that they could say this benefit was true for them. For example, some providers in Monterey County contrasted their experience with DSS (which served TANF families) to that of working with the other voucher agency (CSI) in that community. One provider said, "With CSI, you always know that your check is there." These comments were also true of at least some providers in other communities; for example, one provider in King County noted that in the past she would have said that DSHS payments were "guaranteed income" that she could count on each month. However, recently there had been changes that had "really interfered with that income because they have been cutting off the clients quicker and the clients have more turmoil … and it's caused us a lot of deficit in our own income." There were also comments from providers who had chosen to no longer participate in the program, or who had limited the number of children they would serve, because of payment uncertainties (see Adams and Rohacek forthcoming for more information).

Filling Slots and Supporting Child Care Markets in Low-Income Communities

Many providers, across all the sites, discussed the critical role that the voucher program played in allowing them to fill slots that would otherwise be empty because families would not be able to afford them without assistance. For example, a provider in San Diego County described how she had worked for a program in a

> *lower-income area and even though we weren't charging a lot, we could never quite fill up. There were always three or four spaces so the voucher programs opened up and brought the kids in for those spaces so it could fill up the school.*

A provider in Jefferson County had a similar story, saying that before she had been involved in the voucher program, she had had 15 empty slots, and that they were filled when she started serving families with vouchers. Other providers in other sites had similar comments.

A number of respondents commented that the voucher program allowed some child care programs to stay in business. One provider from Jefferson County put this in personal terms: "we thank Child Care Resources too because … without them we could not be here." Some respondents put this benefit into a larger context, and discussed the critical role that vouchers played in supporting the market of providers that serve low-income families, and in helping stabilize a supply of options for them. For example, a respondent in King County suggested that the voucher system was particularly beneficial in the current economy, because it's an "almost guaranteed market." She reasoned that families with vouchers can "afford" to have care, unlike other low-income families that cannot pay for care and are forced to make other arrangements. So, vouchers effectively create or sustain a market for providers.

This perspective was corroborated by other respondents. For example, a respondent in Jefferson County noted that the voucher program played a critical role in maintaining a supply of child care: "In some rural areas in Alabama, without the voucher payments going to those child care programs, there wouldn't be any child care in that community." Interestingly, a respondent in Monterey County made a similar comment about the importance of the voucher program maintaining a supply of centers (and therefore parent choice) in low-income urban areas:

> *Most center-based programs … have been fairly positive about the voucher program—it really has maintained their viability in some ways, because center-based programs are somewhat challenged I think—we're finding more and more that the middle-income families are selecting either self-care, which means more and more often one parent is staying home, or are working part time, or they're patch-working child care together with work schedules. Because the cost of child care is just so high …middle-income families are not able to access services …. So*

center-based programs are becoming more reliant, I think, on subsidized families who can access the system in a way that middle-income families may be less able to, and higher-income families, especially with younger children, are to some extent accessing nanny arrangements and other exempt situations.

Allowing Providers to Serve Low-Income Families that Need Their Services

Many providers across the sites described having a specific desire or mission to serve low-income families or families that especially needed their services. For example, a provider in Jefferson County noted that most of the parents she served were single parents who need child care and help. She felt the providers needed the parents too, saying "For me, it's not all about the money." Similarly, a King County provider commented that there was no benefit to participating in the voucher program other than the "warm-fuzzy factor; it's the 'serving the community' factor." Another King County provider said she felt that a benefit was that "you are giving people a hand up…. You're helping people to help themselves, which I think most people like to do."

In addition to these factors, several providers said a major benefit of accepting children with vouchers was that it allowed them to diversify their clientele by helping them serve lower-income children. For example, a respondent in King County said that one benefit of participating in the voucher program for providers is that the provider has "a wider pull of the community, it benefits the children in the community who may not [otherwise] be able to participate in care ….it's a benefit to everyone." She added that it is also a benefit for both subsidized and nonsubsidized families to participate in the same child care programs, as "it increases exposure for families who may not be using subsidies, it breaks down barriers." Several other providers also noted the benefits of being able to serve a more diverse group of children and families.

One of the most detailed discussions of this issue came from a provider who described how the voucher program had allowed her to reach out to underserved and lower-income families and to diversify her program socioeconomically as well as racially and ethnically. She noted that this not only made for "a richer environment" but also improved the skills of her staff. For example, she mentioned that though the center did not provide meals, two children receiving vouchers often did not bring lunch. At first, the staff were not sure why this happened and asked one child's mothers about it; it turned out that at the end of the month the mother did not have money left for food. The director admitted that she and the staff had been thinking "How could the mom be so forgetful?" not realizing that the mother may not have the money because that was not their own life experience. She felt this helped teach the staff to be more routinely aware of the children's experiences. She also noted that she had convinced other providers to serve children with vouchers as well, and that they also had discovered that serving children with vouchers had enriched their classroom, enriched their teacher's perspectives, and helped reform their philosophy as child care providers.

Connecting Providers to Other Supports

While it was not a common comment, a few providers also discussed how participating in the voucher program could help them access other supports. For example, a King County respondent noted that,

> *The other piece about it is that … being on the subsidy program, you get at least a little attention from the state in terms of access to extra training, and other things, although access is different [than actually paying for the training]. The state used to be able to pay for it and now they don't.*

Similarly, a Jefferson County provider noted that participating in the voucher program helped keep her and other providers informed about training opportunities.

The survey data corroborate this benefit, especially for family child care providers. In most counties, family child care providers caring for children with vouchers were more likely to have received at least 10 hours of training in the year before the interview and were more likely to have received some training related to early language and literacy. In some sites, providers caring for children receiving vouchers were more likely to report being part of a local association of family child care providers and to have received supports from the network.

Benefits to Parents and Children

During the focus groups, when we asked providers what they saw as the benefits of working with the voucher system, they not only described the benefits to themselves (as described above), but also discussed the important role that the voucher system played in supporting low-income children and parents. Providers described how the voucher system was beneficial because it helped low-income parents work or go to school, struggling parents to get ahead, families obtain good-quality care they would not otherwise be able to afford, and children get a strong start. As one provider in Monterey County noted, the voucher program allowed her to

> *provide care for this child … so at the end of this school year I know that [he is] going to be well prepared for kindergarten, and he's grown a lot, matured a lot, and I think it's going to give him a good head start towards kindergarten…and [the family] wouldn't have been able to afford it if it was just up to the single mom.*

Similarly, a provider in King County discussed a mother she had served in the past, who

> *was genuinely appreciative of what I offered her child, and I could tell that there was a substantial difference in the modeling this child received at home versus the modeling he was receiving in our program and that this was a really big step up for her child to have the kind of positive modeling that our program provided.*

In some cases, providers also described their frustration with the fact that there were not funds available to serve all families that needed services. Several study sites had waiting lists at the time of our site visits, and a number of providers described low-income working families that were unable to get help but that needed assistance.

Conclusions, Themes, and Policy Strategies

The data in this report offer a rich and complex picture of how subsidized child care providers experienced the voucher system in these five sites, as well as a snapshot of various voucher policies and implementation practices that can affect them. In this section, we first draw some broad conclusions from these data and highlight some underlying themes. Then we describe several policy strategies that have the potential to address the areas of possible improvement highlighted in this report.

What Can We Conclude from These Data?

The breadth and complexity of results presented in this report makes it challenging to summarize them in a simple way. In fact, whether the findings are generally positive, or are cause for concern, depends on the perspective from which one views them.

Several findings suggest that many aspects of the system were working quite well across these five sites:

- Many providers serving children with vouchers in a number of sites felt that the rates they received from the voucher system were comparable to what they would receive from private-paying parents.
- Many providers serving children with vouchers felt that it was not harder to get paid through vouchers than through parents who paid the full fee.
- Many providers serving children with vouchers in a number of sites felt that it was not an administrative hassle to work with voucher agencies.
- Many providers reported being paid in a timely manner.
- Many providers thought caseworkers were knowledgeable about rules.

- In all sites, some providers in focus groups felt that, despite the problems, there were clear benefits to caring for children receiving vouchers.

These findings are underscored by the survey result that most providers in each of our sites served children with vouchers or had done so within the previous six months.

Other findings show there are areas for improvement. In particular, many providers serving children with vouchers—sometimes a majority, sometimes a substantial minority—were experiencing problems that are likely to affect their ability to care for children well. The problems clustered into four areas:

- *Direct financial losses.* Some of these problems have direct financial implications for providers, as they can result in lost revenue or delayed payments. For example, large proportions of providers (albeit less than half) serving children with vouchers report losing funds from unpaid absent days, not knowing when parents were initially authorized or terminated, and not collecting copayments.

- *Cash flow problems.* Others reported problems led to cash flow problems. For example, providers in at least some sites reported delayed initial payments, delays in ongoing payments, and having difficulty resolving payment disputes.

- *Transaction costs, or the "hassle factor" of working with voucher programs.* Providers also reported challenges that made the voucher process costly in time and effort. For example, providers in many sites had difficulty contacting voucher agency staff, and providers in at least some sites reported burdensome paper requirements and challenges working with multiple programs.

- *Transaction costs, or the "hassle factor" of working with families receiving vouchers.* Finally, some providers reported additional burden related to working with families that needed extra support and attention, requests from caseworkers to help families manage their vouchers, or turnover of subsidized families.

A companion report from this study (Adams and Rohacek forthcoming) takes a deeper look at the implications of these findings for providers and the care they offer. It explores how these policy and implementation factors may affect the willingness of at least some providers to participate in the voucher system—either by refusing to serve children at all or by limiting the number they will serve. It also explores whether these issues make it more challenging for some providers to offer good-quality care as weaknesses in the voucher program can affect the stability of their revenue and their financial well-being. These findings are, of course, counterbalanced by the benefits of vouchers described earlier.

Underlying Themes

As policymakers and early childhood leaders consider the findings in this report, 10 underlying themes can provide insight into useful policy directions.

All stakeholders have a role in solutions

The successes and shortcomings of the voucher system as experienced by providers stem from all levels of governance. Some can be traced to state laws, regulations, policy guidance, and funding, some to policies and implementation practices of local agencies. Some are related to federal policy guidance and funding levels. And some challenges facing providers in the voucher system are the result of choices made by parents or the providers themselves. All these stakeholders have a role in discovering and implementing strategies for improvement.

Understanding root causes is often as important as understanding symptoms

Focus group discussions with providers and agency staff revealed that, frequently, the primary cause of a challenge was not the most obvious of the possible causes. The timeliness of payments is one example; our data suggest that, in these sites, "late" payments often do not result from failures of agencies to process attendance paperwork and issue checks on time, but from other issues, such as providers missing deadlines for submitting attendance paperwork, providers submitting incomplete or incorrect forms, agency procedures for addressing these problems, or agencies waiting to receive complete information from parents before authorizing payments. Some of these provider-side problems, in turn, can be linked to agency policies and practices, including complex paperwork requirements and timelines for submission of attendance forms. Understanding these root causes is a key element in finding effective solutions.

Ambiguity in the voucher agency and provider relationship can be a barrier

As we discussed these issues with agency staff and providers, it appeared that some policy positions and implementation decisions stemmed from respondents' perspectives on a more basic question. Specifically, what *is* the nature of the obligation of voucher programs to child care providers? The clearest relationship in the voucher system is between parents and voucher agencies—as parents are the recipients of assistance. Yet, voucher agencies enter into either explicit or implicit payment agreements with child care providers on behalf of children receiving vouchers. That seems to suggest that both voucher agencies and providers have certain rights and obligations to each other.

While we did not ask this question directly, our conversations with agency staff and administrators suggested that there is a wide range of perspectives on this issue. Some agencies and respondents appeared to believe that, because vouchers represent assistance to parents, parents bear most of the responsibility for establishing and maintaining the terms of the relationship with providers. Other agencies took more responsibility for the relationship with providers, seeing it as a three-way partnership among voucher agencies, parents, and providers. While not overt, there appears to be a continuum along which different agencies, workers, and administrators fall; this continuum may influence policy and implementation practices. As a consequence, this issue is worth further explicit discussion in the child care field. This area also might benefit from analyzing the attitudes other of public systems that pay for services selected by clients, such as Medicaid and housing vouchers.

Small policy details matter

Provider experiences with vouchers are clearly affected by laws, regulations, more informal policies, and implementation practices. This suggests that policymakers should not only pay attention to the larger policy parameters (such as maximum payment ceilings) but should also focus on other, somewhat more subtle issues. For example, two of the largest concerns for providers were notification about changes in status and being able to contact staff—areas that are sometimes neglected as a primary focus of policy discussions.

Fiscal stringency may unintentionally shift costs to providers

Local agencies face constraints as they work to meet federal and state instructions related to limiting improper voucher payments while also trying to be responsible in their dealings with providers. These constraints make it challenging, for example, to give providers advance notice when vouchers are being terminated unless voucher agencies also know in advance. As a result, providers end up bearing some of the financial risk involved in supporting families in transition. States and local agencies could benefit if the federal government identified additional ways to support states in their efforts to be fiscally responsible, while maximizing state flexibility to establish voucher policies that reflect private-paying practices and other standard provider business policies. It is also important to recognize, however, that some states may choose not to take advantage of the flexibility as they face difficult trade-offs when allocating inadequate resources. (At the time of our visits, four of the five sites had waiting lists of families needing assistance.)

What improves the system for parents may also help providers

Several issues discussed by providers in this study relate to challenges around managing changes in parent eligibility. Those results highlight the importance of streamlining procedures and simplifying paperwork, limiting changes in parent authorization levels and eligibility, and improving communication and customer service. Interestingly, these ideas dovetail well with other research by the Urban Institute that highlights creative ways states are designing systems to be more flexible and responsive for parents, while still complying with demands to limit improper payments and maintain fiscal responsibility (see Snyder et al. 2006 and Adams et al. 2008). These strategies often involve a definition of parent eligibility that acknowledges the dynamic nature of low-income employment and allows for payments during short periods of ineligibility to better facilitate stability of care arrangements as well as support voucher access and retention. Many of the policies that states are redesigning to better meet the needs of parents and children seem likely to have similarly beneficial effects for providers. Further, in addition to reducing parent—and potentially provider—burden, state administrators report these types of changes often lead to lower administrative costs.

Managing vouchers can be complex for providers

The voucher system is, in some ways, inherently more complicated for providers than for parents, given that providers must manage multiple vouchers and must interact with several different caseworkers and (in some cases) different agencies or programs. Further, some child care providers appear to have relatively little experience in financial and administrative management, making it more difficult to manage their involvement with the voucher program. Agencies should consider these provider constraints when designing policies and implementation practices, and when developing related technical assistance for providers.

TANF realities add special challenges

Providers occasionally commented on how their experiences with voucher programs differed for families receiving TANF. Consequently, several TANF-related themes emerged from the focus group discussions and interviews. Depending on the site, these included a greater likelihood of short authorization periods among TANF families; payment delays that can occur because another worker is involved in the process; different payment rules (such as retroactively not paying for days parents did not attend their work activity); and, in some cases, being treated poorly by agency staff. These challenges led some providers—most commonly (but not exclusively) in sites with separate agencies or programs for TANF families—to say that they were unwilling or less interested in serving TANF families.

Agency procedures must address both the routine and nonroutine

One key issue that seemed to make a difference for providers across sites was whether local agencies had explicit procedures to address problems, or how responsive the agency could be when the routine process fell apart. Some breakdowns are inevitable, and it appeared, in part, that providers evaluated the strength or responsiveness of an agency according to how the agency dealt with these situations: how agencies responded to paperwork errors and late attendance records, how quickly they could issue a check after a dispute was resolved, how agency staff reacted when the agency made a mistake, and so forth. This suggests that voucher agencies might benefit from closely examining their procedures when things do not go as planned to ensure that effective and responsive back-up policies are in place.

Customer service matters

Finally, a host of customer service and human relationship issues clearly make a difference in how providers perceive the voucher agency. In some communities, providers seemed to feel that they were treated with respect by the voucher agency, the agency understood the importance of paying providers promptly, the agency took providers concerns seriously, and providers understood the reasoning behind policies. In these agencies, although providers still had complaints, it seemed the basic relationship between providers and the agency was positive, based on a premise of trust and respect. In other communities, the opposite was true; providers clearly did not feel respect or trust toward the agency, and as a result, the relationships seemed more negative and adversarial. While not true across the board, many survey responses were more likely to be positive in the former sites, and more likely to be negative in the latter sites. These differences underscore the importance of customer service and how providers are treated. On a basic level, the human interactions in these systems are a foundation that can support or undercut the success of all policies.

Possible Policy Strategies to Address Provider Concerns

Below we describe policy strategies that may prove effective in addressing some of the provider-related issues raised in this report. Some of these strategies may require tradeoffs between competing state priorities or significant funding to implement. However, these strategies seem likely to benefit both providers and agencies, and, in some cases, parents. Further, some strategies are not very costly, some have costs that would be partially offset by savings in other areas, and some that incur costs for agencies end up reducing costs for providers. Many of the ideas are based on promising practices we observed in the agencies involved in the research.

Because we have not conducted a systematic review of policies throughout the United States, and because the strategies we suggest have not been formally evaluated, we offer these suggestions as a starting point for further discussion, rather than as a definitive or comprehensive list of recommendations. Our research in other areas (Adams et al. 2008) suggests that states across the country have likely developed a number of promising strategies. Collecting information about, and rigorously evaluating, these strategies will be an important next step for researchers.

Strategies to ensure payment levels are similar to what providers charge private-paying parents

A core aspect of the voucher subsidy program is that reimbursement rates should be similar to the rates providers charge private-paying parents, or a level that allows families with vouchers to access care similar to the care used by parents who pay the full fee. Yet a number of findings in this study suggest that the established rates providers are supposed to receive may be undercut by some key voucher policies and implementation practices. These include maximum rate ceilings that are set below the rates set by many providers for private-paying parents, voucher policies that do not fully pay for days the child is absent (unlike private-paying parents), and challenges providers face around collecting the part of the total rate that is the parent's responsibility (parent copayment). Because these issues collectively reduce the resources available to providers, and potentially providers' willingness to serve children with vouchers, these issues may also affect the quality and consistency of the care in programs serving children with vouchers. The specific areas of concern are these three:

- *Ensure maximum reimbursement rates reflect what is charged in the market.* Many providers felt that payment levels were too low, in some cases because fees charged in the market were not sufficient to support quality care, and in some cases because they believed that the amount they would receive from vouchers was less than they could receive from private-paying parents. Federal regulations suggest that subsidy agencies set rates that allow families to access 75 percent of providers in the local market. Few of our sites had rates set at this level, either because reimbursement rates were based on outdated surveys or because rates were set below the 75th percentile of what was charged in the market, or both. Raising maximum rates should be a priority for state voucher agencies so providers have the resources they need to serve low-income children and so families with vouchers can access a wide range of providers in the market.

- *Pay for absent days.* A substantial proportion of providers reported losing revenue from unpaid absent days. Voucher agencies should consider and clarify reasons for limiting the number of paid absent days, and explore alternatives to passing this cost on to providers. Specifically, if children are sick and parents are complying with voucher eligibility requirements, and it is desirable for providers to hold slots for children in the interim, why should payments be limited? Agencies can address concerns about fraud by identifying mechanisms to flag suspicious situations. For example, one local agency in this study allowed up to two weeks of paid absences (at the time of our site visits), as long as providers notified the agency after three consecutive days. Compared with more restrictive absent day policies, this approach better reflects provider policies for private-paying parents, and it recognizes that provider expenses are largely fixed over the short term.

- *Revisit parent fees/copayment policies.* A number of providers reported not collecting parent copayments (or parent fees), and thus getting paid less than the agreed-upon rate for voucher children. This issue is one of the most complex and challenging to resolve. While there are good reasons to require copayments and their collection—including helping parents become accustomed to paying fees, building responsibility and a stake in their child care arrangement, and decreasing the impact when families lose vouchers—collecting copayments is clearly difficult for both providers and voucher agencies. Providers would often rather absorb the cost than have parents lose vouchers because of this issue. Yet the resulting implications for quality raise concerns about a situation in which a substantial subset of providers forgo this revenue.

  Many providers successfully collect copayments. They report doing so because they believe it is a vital business practice, because they need the funds, or because they believe it is important to help parents become accustomed to paying for child care. As a result, talking with providers about the reasons for parent fees and various ways to improve collection could be a step that agencies could take to better ensure that fees are collected. These issues also underscore the importance of assessing copayment policies in greater depth, as these issues seem likely to play out very differently in sites with high copayments than in those with lower copayments, and finding appropriate policy responses may be more complex than it first appears.

Strategies to minimize revenue loss because providers do not know about changes in family eligibility or authorization status

One major source of revenue loss and concern for providers appeared to be confusion about when payments for specific children were authorized to begin, when voucher authorizations changed, and when vouchers were terminated. Two kinds of strategies can be useful in improving this situation: first, approaches that generally improve the notification process, both in timeliness and the information provided; and second, strategies that more directly work to minimize the revenue losses or financial risks providers face at specific points when the voucher terms can change (i.e., initial authorization, interim changes, and termination).

Improving the notification process

Voucher agencies might explore several ideas to make it more likely that providers will be aware of the latest authorization level and eligibility status of the families they serve. These include the following four:

- *Passive "real-time" notification.* Some types of information about voucher authorizations could be delivered through password-protected phone or online information systems that contain up-to-date information on the authorization status of families that have applied for, or are receiving, vouchers. (See box 3 about providers and the Internet.) For example, Rhode Island developed a secure telephone system through which providers can verify the authorization status of specific clients. The information in this system is limited to avoid breaching client confidentiality.

  Such systems are likely to be particularly effective in conveying information about initial authorizations and redeterminations, as those are times when providers know that family eligibility status may be in question. Passive notification systems could also be useful to providers who have some reason to think a parent's status has changed (such as when a family suddenly stops using child care). Automating the process has numerous potential benefits. Reducing providers' need to talk to caseworkers can reduce agency labor costs or release caseworker time for other activities. Further, such systems can ensure that providers are able to access at least some information immediately and on the first attempt, thus reducing provider burden.

- *Active "real-time" notification.* While passive systems are useful for providers to access when they have a reason to think a client's eligibility status is in question, voucher agencies also could consider additional mechanisms for reaching out to providers about authorization changes, especially those that are out of cycle. For example, although it did not appear to be routine policy or practice, some agencies in our study sites (and some caseworkers within agencies) mentioned they occasionally call providers about sudden changes. Agencies might consider implementing procedures that are more specific about the circumstances in which caseworkers should call providers; allocating resources for that activity; or specifying a process for documentation of verbal notifications that includes written follow-up. Although contacting providers by phone can be costly to agencies, that consideration should be balanced with the costs providers incur when they do not receive timely notification of changes that affect payments.

  Further, certain approaches can help minimize costs to agencies. For example, automated call systems—such as those that medical professionals use to remind clients of appointments—might used to deliver email or voice messages about certain changes in clients' status. Also, agencies that have established call centers with relatively low-cost staff might consider expanding the call center responsibilities to include phone notification of sudden changes.

Box 3. Provider Access to the Internet: Implications for Subsidy System Processes

Relying more on computer-related technology and the Internet could be an opportunity to reduce both agency and provider burden. However, relatively little is known about whether computer-based strategies might be useful and relevant to child care providers. Accordingly, the survey included questions exploring how many providers have access to computers for program administration, have Internet access on those computers, and would be interested in submitting voucher paperwork online.

Access to computers and the Internet

Three-quarters or more of providers serving children with vouchers reported having access to a computer that could be used for program administration (see appendix table D38). This included about 75 percent of providers in Jefferson, Hudson, and Monterey counties, and around 90 percent of providers in King and San Diego counties. Family child care providers in Hudson and Monterey counties were less likely than centers to have access to a computer. In the other sites, we did not find significant differences in the share of centers and homes with computer access.

Of those with access to computers, between 73 and 86 percent had Internet access (appendix table D39). The pattern of differences between centers and homes varied across counties. In Hudson County, for example, family child care homes with computers were less likely than centers to have Internet access for those computers (65 percent compared with 82 percent). In Monterey County, even though family child care providers were less likely to have computers, if they did have one they were more likely to have Internet access than were centers (86 percent compared with 69 percent).

Interest in submitting attendance records or other voucher paperwork online

We also asked all providers serving children with vouchers whether they would be interested in submitting attendance records or other voucher paperwork through the Internet (see appendix table D40). We found a majority of providers were interested in this approach—ranging from 57 percent in King County to 73–75 percent in Hudson and Monterey counties. However, in most sites, centers were more interested in this practice than were family child care homes. While at least 70 percent of centers in each site were interested in this approach, the proportions were significantly lower for family child care in four of the five sites. In three sites (Jefferson, Hudson, and King counties), there was a difference of over 20 percentage points. Despite these differences, in four sites, at least 50 percent of family child care providers reported an interest in submitting paperwork online (King County was at 47 percent).

Finally, we looked at this question separately for providers with computer and Internet access and those without (see appendix tables D41 to D43). (For those without computer and Internet access, we asked if they would be interested in submitting paperwork online if they had access.) Interest levels across these groups were remarkably similar, ranging from 56 to 78 percent among those with computer and Internet access, and from 60 to 79 percent for those without.

- *Mailed notifications.* It was unclear whether providers were not receiving information from mailed notifications because they were not mailed or because providers overlooked or misunderstood the notifications when they arrived. Both these issues seemed to be occurring in each study site, though the balance between the two seemed to vary across agencies and sites. Determining which of these problems is the root cause is an important first step.

If notifications are not being mailed, then improving the notification policy and its implementation would be important. For example, one agency in San Diego established clear policies and timeframes for the mailing of written notifications, and all staff seemed aware of, and committed to, the time frames.

Alternatively, if providers are not noticing the notifications, agencies might explore strategies to address this problem. Some agencies in our sites discussed marking important mailings in a way that would make it less likely that they would be overlooked by providers. In addition, because some providers in the focus groups said they sometimes had difficulty finding relevant information in the notifications, refining the format and content of the mailings also could make a difference. Finally, it is important for agencies to continue identifying alternative mechanisms for communicating with providers who have literacy and language barriers.

- *Provider skills.* Both agency staff and providers agreed that providers—particularly those newer to the system—could find it challenging to manage their clients and the voucher paperwork. This included keeping track of redetermination deadlines for various families they served, understanding where to get information on parent voucher status, knowing what to look for in notification documents, and so forth. Providers could benefit if voucher agencies, resource and referral agencies, or other provider associations or networks offered technical assistance to help providers better track family voucher status; clarify procedures for communicating with the voucher agency; and better understand voucher rules, regulations, and procedures.

One issue that must be considered in the area of notifications is how agencies balance client privacy with the need for adequate provider notification. Some agencies were concerned about sharing information with providers. One agency solved this problem by not releasing any information to providers unless parents signed a consent form (which most did). Other agencies in this study did not have this policy and chose to only release certain types of information to providers. This area is challenging, as providers often need to make informed decisions about whether to start or continue offering services to families, and they may not be able to obtain reliable information about the voucher status or authorization process from parents. Yet, parents also have a right to confidentiality for sensitive personal information. As notification policies are considered, agencies should be deliberate in determining what information can be shared and consider these issues from the perspective of both parents and providers.

Minimizing risks to providers during the initial authorization

In addition to the communication strategies described above, some policy strategies could be especially helpful for ensuring that potential revenue loss for providers is minimized during the initial authorization. Because families often start employment and need child care before the voucher authorization is finalized, serving families quickly helps agencies achieve their goal of supporting work. Strategies that decrease the risks for providers during this process can help ensure parents are able to find child care services as soon as they need them. Two types of strategies seem promising in this area: those that speed up the authorization process (thus shortening the time providers are at risk), and those that improve communication during this step.

- *Expedite the approval process.* Efforts that expedite the approval process when care needs to start immediately, as was done by some San Diego agencies in our study, could help prevent loss of revenue for providers. Similarly, other UI research found that Oklahoma has committed to "real-time" processing of all parent applications. Under this policy, the voucher agency approves or denies voucher applications within two days of receiving all the paperwork (Adams et al. 2008).

- *Explore presumptive eligibility.* As is described in other UI research, some states (e.g., Delaware and Montana) allow presumptive eligibility in certain situations. This policy allows payments to begin immediately—before all documentation is provided (in the case of Delaware) or verified (in the case of both Montana and Delaware)—if certain strict criteria are met. The chosen criteria reduce the likelihood parents will be awarded presumptive eligibility and later be found ineligible. Both systems automatically close cases at the end of the month if final approval has not taken place, thus protecting the state from improper payment concerns. (Under Montana regulations, certain payments covering less than a month are not considered improper payments.) Respondents in Montana explained that presumptive eligibility was helpful for parents as it gave them time to, for example, obtain a pay stub for a new job. At the same time, this strategy gave providers a certain protection if they agreed to serve families while the approval process was taking place. As a result, Montana respondents felt the policy had increased the willingness of providers to enroll children in the voucher system. (For more information, see Adams et al. 2008.)

- *Ensure coordination between TANF and child care caseworkers.* In some sites, providers appeared to be losing revenue as a result of lack of communication and unclear lines of authority between TANF and child care caseworkers. Clarifying the role of each caseworker, setting up procedures to ensure that communication about client authorization status and eligibility occurs quickly and accurately, and ensuring that only workers who are authorized to communicate authorization status to providers do so can help prevent these types of problems.

- *Allow for backdating.* State and local agencies can also explore the feasibility of starting payments as of the date the application was first submitted or some other point before final approval is issued (Adams et al. 2008).[33] This was done by some of the agencies in our sites, and can help assure that parents are able to access care—and that providers will be paid—while the agency processes voucher applications. By itself, however, this strategy does not solve the problem of lost payments when families are not ultimately approved to receive vouchers.

Minimizing risks to providers during interim changes in authorization status

There are also strategies that can minimize how often providers experience unexpected payment changes between voucher reauthorizations. These strategies include the following:

- *Only adjust vouchers with major changes in circumstance before redetermination.* Many states require families to report all changes (no matter how small) in factors related to their eligibility for vouchers; the voucher agency then adjusts the subsidy appropriately. A number of states, however, have started to only change subsidies when families experience *major* changes in their circumstances, such as substantial increases in income, considerable changes in work schedules, or changes that result in complete loss of eligibility (Adams et al. 2008). Reducing the number of interim actions can reduce voucher agency administrative costs, minimize possible revenue loss for providers, and simplify the process for both providers and parents.

- *Create broad authorization categories so relatively minor changes in work schedules do not require a change in authorization.* Some sites in this study sometimes authorized care for very specific times of the day (e.g., 8:30 a.m. to 4:30 p.m.). In these cases, providers were not paid for a portion of the time if the child attended from, for example 7:00 a.m. to 3:00 p.m. instead. Other agencies authorized care for a maximum number of hours a week so minor changes in work hours would not trigger changes in the voucher terms. This more flexible authorization strategy can benefit agencies, parents, and providers. It appears to be particularly valuable for parents who work fluctuating work schedules and for the providers who serve them.

- *Reconsider length of authorizations for TANF families.* Subsidy agencies authorize care for TANF families using a number of different approaches. Some authorize voucher payments for six months or a year, while others time authorization periods to coincide with TANF work activities, which can be as short as a few weeks (Adams et al. 2006). Some agencies have chosen to lengthen the authorization period, thus allowing parents to retain vouchers during relatively short breaks between work activities. Instead of relying on frequent reauthorization to ensure families are not being subsidized for extended periods when they do not need care, these states rely on the monitoring functions of the TANF system to identify noncompliance. Such strategies could make TANF clients more attractive to providers by stabilizing the use of care and voucher payments, at least for TANF clients who are complying with their required work activities.

- *Do not reduce payments until providers have been notified of changes.* One question is whether it is reasonable to reduce, or deny, payments to providers for services delivered before they are notified of a change in status. In many ways, it seems improper to change what is effectively a payment agreement before both parties are notified of the change; it shifts the cost of parental noncompliance from agencies to providers. This seems especially problematic when voucher agencies decide they will not pay for services already delivered because they discover that (for example) a parent has failed to participate in a work activity.

  Changing the policy to one in which reductions in payment only occur *after* notification should not be prohibitively costly if agencies ensure that providers are notified promptly. This approach was sometimes used by the agencies in our study sites, including the Urban League in Hudson County, where the policy was to not reduce payments until five days after notification notices are mailed.

Minimizing risks to providers when families' vouchers are terminated

The general communication strategies identified above should effectively address some of the problems around notifying providers when voucher payments for particular families are terminated. Additional strategies, however, could further reduce risks to providers when vouchers are terminated:

- *Provide advance notification of redetermination timelines.* As described earlier, many agencies in this study notified providers in advance about parent recertification deadlines by, for example, including information on these issues in the initial authorization agreement, including the information on monthly attendance forms, and mailing out letters or notices in advance. With advance notice, providers have time to encourage parents to complete the recertification process; in addition, it makes providers aware that they need to keep track of whether the family has done so. However, as noted earlier, it is important that agencies work with providers to ensure that providers understand where to look for the relevant information and how to interpret it.

- *Do not terminate payments until providers have been notified.* Similar to the suggestion above regarding interim changes, agencies should consider paying providers for services they deliver in good faith—at least up to the time they have been notified a voucher has been terminated. In addition, agencies should consider paying providers for some period after they have been notified—such as the five days in Hudson County, the two weeks paid by one San Diego agency, or, ideally, whatever is required by the provider's contract with private-paying parents—so providers have time to fill the slot. This approach would make voucher agencies function more like private-paying parents, who must give providers advance notice when leaving care. Again, while this policy would likely result in increased expenditures, prompt notification should lower the cost to voucher agencies.

- *Explore the pros and cons of deadlines for parents to submit paperwork that precede the actual termination date.* Some problems with communication around terminations stem from reauthorizations that happen at the last minute. In those cases, if parents completed the process earlier, there would be more time to notify providers that voucher payments would be ending. The importance of this issue was captured by one provider who described a voucher policy giving parents a two-week grace period after the voucher had expired to recertify. The provider suggested that it would be "simple fix" to set the deadline for two weeks before the expiration of the voucher, saying, "If you know the [voucher will run] out March 31st, you do the [reminder] to them about deadlines on March 1st, and then on the 15th you get the information, and then you have 10 or 15 days to notify both the parent and the provider of whether or not they will be continuing eligibility." The provider went on to explain that under the current system, voucher agencies "would notify the provider on the 16th or 17th of April saying that this parent was terminated March 31st; well they have just provided two weeks of care for free and they will never be reimbursed for that."

Strategies to improve payment timing

In these five study sites, most agency policies specified that payments would be issued by the 15th of the month following the delivery of services, though some agencies worked in a longer time frame and others issued payments earlier. Because payments for most voucher programs are already occurring after providers deliver services and because providers typically charge parents in advance, both the longer time frames and the delays in payment can cause financial stress for providers. Providers can experience delays in ongoing payments or in initial payments for children with new vouchers. The apparent sources of these two delays differ, but each is important in affecting the financial well-being of providers. Possible strategies to deal with each problem area, and payment timing more generally, are described below.

Reducing delays in initial payment

Delays in the first payment for a new voucher were relatively common in the five sites. There appeared to be multiple causes; most often, delays were related to parents or providers not submitting complete information to the agency or to agencies not processing the information quickly. Specific steps voucher agencies might take include the following:

- *Parent factors.* In cases where the process slows because parents are not submitting application paperwork in a timely manner, agencies might examine the application and enrollment process to see if there are ways to simplify the process and the paperwork requirements (see more on paperwork below). Agencies may also identify ways to more clearly emphasize to parents that provider payments are in jeopardy until the authorization is finalized.

- *Agency processes.* In cases where agency procedures appear to be the source of delays, agencies could consider the strategies described above that expedite, streamline, or more clearly articulate the steps in the initial authorization process. In addition, sites might examine whether specific administrative or staffing structures are slowing down the process of reviewing and approving parent voucher applications. For example, in Jefferson County, because caseworkers were responsible for processing both parent applications and provider payments and because workers had high caseloads, they sometimes had to set aside work on parent applications for a few days while processing attendance forms to issue payments. In Hudson County, the voucher applications for families receiving TANF went through multiple stages and agencies before being approved.

Improving timing of ongoing payments

Again, the cause of timing problems in ongoing payments seemed to differ by provider, agency, and county. In many cases, late payments appeared related to incomplete paperwork on the part of providers or parents; in some cases, delays appeared related to agency processes; and in still others, they appeared to stem from the involvement of TANF agencies in verifying families' eligibility during the service period. Some strategies that seem worth exploring to address these issues include the following:

- *Identify strategies to simplify attendance reporting, reduce the time required to complete and submit attendance information, and minimize the possibility (and impact) of errors.* Many payment delays appeared to stem from providers submitting incomplete or incorrect paperwork. Three kinds of strategies could minimize the likelihood of delays due to these problems:

  - *Simplify paperwork and attendance accounting.* The complexity of paperwork and attendance accounting procedures can affect how easy it is for providers to submit accurate paperwork in a timely way. Simplifying paperwork and attendance reporting is, therefore, one way to minimize delays. This is discussed in greater detail in the "working with agencies" section below.

  - *Focus on preventing paperwork errors.* The approach used by one San Diego agency to prevent payment delays due to mistakes in paperwork seems promising. That agency assigned staff to scan paperwork as it arrived to identify errors, and staff immediately contacted providers by phone to resolve any questions. This allowed basic problems to be addressed before the paperwork went to the payment specialists, thus allowing payment specialists to process payments more quickly. In addition, the agency had specific procedures for moving “problem” paperwork through these steps so a payment could be issued as quickly as possible. This is in contrast to other agencies in which the only procedure for dealing with paperwork errors was to mail the form back to the provider, resulting in an inevitable delay in payment. Agencies also took steps to prevent paperwork errors by providing technical assistance to providers, either up front or as needed.

- *Consider automated systems for submission of attendance information.* One strategy, used in King County, is a system whereby providers can report attendance by phone. (Although not seen in any of these sites, the Internet is another possible tool.) A number of providers in King County liked reporting attendance by phone and felt that it expedited the payment process. Such systems should also reduce the administrative burden for the voucher agency, as it reduces the need for manual entry of attendance data. Further, automated systems can reduce payment delays due to errors on the part of providers because the system can be programmed to offer prompts when data fields are empty or the information entered does not meet certain criteria. Agency staff in New Hampshire report that their error rate for attendance forms plummeted from 20 percent to less than 1 percent when they instituted an online system for reporting attendance.[34]

- *Identify strategies to help agencies issue ongoing payments more quickly.* Although it appeared that most agencies in the study sites had carefully considered and implemented procedures for ensuring that ongoing payments are processed and issued efficiently, a few agencies had implemented innovative practices that further helped payments reach providers quickly.

    - *Reduce the timeframe for issuing payments.* Some agencies had schedules that made payments a month, or nearly a month, after the end of the service period. In those cases, any additional delays can be especially problematic for providers. To the extent possible, agencies should establish administrative structures that minimize the time needed to process paperwork and issue payments.

    - *Minimize steps and workers involved in approving payments.* The number of steps agencies have to take to process attendance forms and issue payments is an area worth examining for sources of delay. It appeared that delays were more likely when more workers and agency levels were involved. In this study, the time added by extra steps was most apparent with vouchers for TANF families. Sometimes voucher payments for TANF families included additional paperwork or verification of eligibility (such as parents having to submit activity hours), while in other cases, multiple staff were involved in approving ongoing payments. Examining how TANF and child care systems and workers intersect in approving monthly payments, and identifying related sources of payment delays, could be important in ensuring that providers serving TANF clients receive payments on time.

- *Consider direct deposit.* One strategy for speeding up the process is direct deposit for provider payments, a strategy that was only a full option for providers in King County. At the time of our site visits, other agencies were considering direct deposit or had begun implementing it. As described earlier, although some providers preferred paper checks, many providers surveyed expressed a preference for direct deposit. Once again, it appears that implementation issues are critical. For example, while some providers in the King County focus groups liked the direct deposit approach, others described not liking it because they believed it took longer to get the payment.

Minimizing the length of payment delays

Some delays in payments are inevitable. Nevertheless, agencies in our study sites differed in their capacity to process paperwork and payments that fell out of the batch process. Payments can fall out of the batch because of delays on the provider or agency side or when agencies need to correct mistakes in amounts previously issued. Whether voucher agencies establish specific procedures to deal with payments that need special attention can affect the length of the delay in issuing full payment to providers. Some procedures that can expedite the processing and delivery of nonroutine payments include the following:

- *Designate staff to work on nonroutine payments.* The San Diego agency that had staff assigned to review attendance paperwork as it was submitted also had staff designated to follow up on paperwork that was submitted late or with problems that could only be resolved by mail, and on payments that providers believed were in the wrong amount. Assigning staff that do not have many other time-sensitive assignments to address nonroutine payments can help reduce the length of payment delays.

- *Establish the capacity to issue checks more frequently.* Agencies that can issue checks daily or weekly, rather than only biweekly, semi-monthly, or monthly, can pay providers much more quickly when payment disputes are resolved and reduce the length of payment delays.

- *Itemize payments.* Itemizing payments, and including other key explanatory information with the payment, can help providers identify the source, or reduce the number, of suspected payment discrepancies. This can speed up the process of resolving payment questions for providers and reduce administrative burden for agency staff. Some agencies in the study sites itemized payments, while others did not.

Strategies to make it easier to work with voucher agencies

Several challenges facing providers concerned specific aspects of working with voucher agencies. Strategies to address these issues are detailed below.

- *Stress coordination when multiple agencies or programs serve a single community.* One challenge facing providers in several of our sites was that there were multiple agencies or programs with different policies and practices. This issue is difficult, as presumably each agency or program had reasons for its particular policies and implementation choices. At the same time, it seems likely that not all these policy and process differences are necessary. One approach might be to work with providers to identify areas where the inconsistent policies and procedures are the most challenging and to focus coordination efforts in those areas.

- *Identify and try to address weaknesses of the chosen staffing approach.* There are a host of ways to allocate provider-related responsibilities across staff and levels within organizations, and every approach has its strengths and weaknesses. Our study sites had a variety of staffing approaches—from caseworkers who handled all aspects of a case, to staff designated to work specifically with providers. Providers will benefit if agencies consider the strengths and shortcomings of different approaches from the perspective of providers and work to address the shortcomings of whatever approach is taken.

  In general, agencies have a choice between assigning all types of responsibilities for a case to a single caseworker and having specialized workers handling specific activities. Specializing staff roles can increase efficiency by allowing staff to become experts in administering certain aspects of the voucher program (such as determining reimbursement rates for individual providers) and in working with providers or parents, helping ensure that time-sensitive tasks do not interfere with other ongoing responsibilities, and making it easier for staff to be available for personal contact with clients or providers. When choosing a structure in which roles are specialized, agencies might consider the following strategies to address some drawbacks to this approach:

  - *Clarify who has responsibility for authorization and payment questions.* In some sites, providers were unclear about who answered what question, and this led to frustration with the voucher agency. In many sites, both agencies and providers could benefit from explicit delineation of responsibilities for responding to different types of questions from providers. Agencies that choose a call center approach should ensure that there are mechanisms for getting the hard questions to the right person quickly and accurately.

- *Clarify lines of authority between TANF caseworkers and child care voucher staff.* Providers and agencies seemed especially likely to note confusion around authorizing eligibility and approving payments for TANF clients, a process which often involved TANF workers as well as child care voucher staff. Ensuring that these processes are transparent to, and work smoothly and efficiently for, providers would be a promising area of focus.

- *Explore the number of workers involved in key elements of the process, and internal communication strategies.* Examining how many different workers are, and need to be, involved in the various procedures affecting providers—and ensuring that they communicate and work efficiently together—are key steps to address weaknesses in any administrative approach.

In contrast, assigning a single staff person to handle most aspects (including payments) for a given caseload has the benefit of ensuring that staff working with parents and providers are fully familiar with all aspects of each case. This can alleviate many of the communication issues described above. Still, this approach has its own drawbacks, and agencies might consider implementing certain strategies to compensate for this chosen staffing approach:

- *Ensure caseloads are manageable.* Although it is always vital to ensure that caseloads are small enough to allow implementation to proceed as planned, this appears especially important when individuals are responsible for all aspects of a case and have different responsibilities that must be balanced.

- *Provide backup.* In some sites with this staffing approach, agency staff and providers had concerns about how to reach someone immediately when the assigned caseworker was on vacation or otherwise unavailable for a time. Ensuring that someone is available, that backup staff are knowledgeable, and that transitions are smooth when there is staff turnover is important.

- *Make it as easy as possible for providers to contact staff and obtain the information they need.* This appears to be one of the most challenging issues across our sites. Ensuring that knowledgeable staff are available to providers when needed may increase agency administrative costs. However, strategies that make it easier for providers to reach agency staff may reduce costs that providers incur in working with voucher programs. Consequently, possible strategies to consider include the following:

    - *Conduct internal evaluations.* A number of local agencies have conducted customer satisfaction surveys with parents and providers to identify areas for improvement. This strategy could be especially useful in helping agencies understand how well their current systems function for providers who have questions or need information. In conducting these evaluations, agencies might consider assessing how long providers have to wait, how many times they are transferred, and whether they are able to reach someone who can answer their questions.

- *Provide incentives for good customer service.* State voucher administrators and local agencies could explore incentives for local agencies staff to provide good customer service to providers, similar to the way some are focusing on good customer service to parents (Adams et al. 2008).

- *Establish systems that help providers find the "right" person.* A common challenge faced by all agencies is that, often, different staff are equipped to answer different types of questions. As a consequence, providers sometimes described difficulty reaching the "right" person at the voucher agency. Additional training of agency staff, and clear delineation of responsibilities, could help ensure that staff are equipped to quickly identify the type of question being asked and to transfer providers to the person able to help.

- *Explore mechanisms that could be used to reduce the burden on caseworkers for addressing some provider questions.* One of the most frequent reasons providers contact agencies is to verify parent eligibility status. As discussed earlier, if it is feasible to implement automated telephone or Internet systems, such systems could serve two functions: making it easier for providers to access this critical information, and helping decrease to the need for personal contact with caseworkers. Setting up preventive mechanisms to resolve provider payment problems could also decrease calls to caseworkers.

- *Assess caseworker attitudes toward providers.* How caseworkers treat providers is a key element of how providers experience the voucher system. This seems primarily an issue of agency leadership, as it appeared that providers could have very different experiences with different agencies within a particular community—a finding corroborating our earlier work in this area (Adams and Snyder 2003). Voucher agencies should ensure that workers understand the key role that providers play, and that they recognize the importance of payment issues for providers. This study also suggests that it might be particularly important to ensure that agencies and workers working with TANF clients are sensitized to provider-related issues. In the five sites in this study, there was some indication that agencies serving primarily TANF families were less understanding and supportive of providers.

- *Simplify the steps providers must take to be approved to receive payments.* To send payments to providers, agencies needed basic information such as contact data, payment policies, and license status. Our findings suggest that while providers did not find this process difficult, in some sites they were frustrated with having to repeat the process periodically, or for each child with a voucher, or with a different agency when children transferred. Consequently, it is important for voucher agencies to assess what providers are required to do and whether any of it can be simplified.

  A useful model might be the simplification that states have been undertaking for parents around recertification—for example, sending providers forms preprinted with all the information previously submitted, and asking them to only note changes (Adams et al. 2008). In addition, identifying ways to minimize the amount of duplicative information agencies require when new children receive vouchers or children are transferred from one agency to another would help smooth payments and could minimize initial payment delays. Integrated data systems, or allowing agencies to see data across agencies, to the extent feasible given confidentiality concerns, would be helpful in minimizing how often providers face duplicative requirements.

- *Assess and simplify attendance paperwork.* While some sites appeared to have relatively simple paperwork requirements, others seemed to have much more complex forms and requirements for providers to fulfill. Agencies in the former sites simplified attendance and paperwork by giving providers preprinted forms (and with procedures for addressing forms that were preprinted incorrectly or for which information later changed); requiring only one parent signature a month (or no parent signature at all) on attendance forms, rather than daily signatures; offering providers several methods for submitting forms (e.g., mailing or drop box); and choosing intuitive approaches in accounting for attendance (e.g., marking children present or absent each day rather than counting allowable full- and half-days in the service period).

  Voucher agencies should assess the paperwork required of providers—including how complex the forms are and how difficult it is to fill them out correctly—and simplify it where possible. This is, of course, related to some of the issues discussed above in terms of how care is authorized. Simplifying authorization schedules can have the added benefit of simplifying paperwork. Federal and state voucher agencies may also be able to contribute to the simplification of paperwork by limiting requirements to what is absolutely necessary and offering clarification about federal and state expectations.

- *Work with providers to help them understand the rationale behind particular policies.* Providers seemed more comfortable working with agencies when they understood the reasons behind particular policies and had an opportunity to provide input. This suggests that working with providers, seeing them as partners, and identifying effective communication strategies could support positive agency-provider relationships.

For example, the state-level voucher agency in Washington appeared to have a system in place for routinely communicating with, and obtaining input from, providers on key policy changes; the agencies in San Diego described regularly attending meetings of provider associations to discuss the voucher program.

- *Create an ombudsperson for providers.* Voucher agencies might consider creating a position of "ombudsperson" for providers. One San Diego agency, in describing its division of labor, noted that having provider specialists was beneficial because it ensured that someone in the agency was responsible for understanding providers and making sure that their needs were being met. Similarly, an ombudsperson position can ensure that someone is focused on how the system works from the provider perspective, and that providers believe that someone is there to listen to, and act on, their concerns.

Strategies to help providers delivering extra supports to subsidized parents and children

Finally, providers discussed a number of issues about working with subsidized parents that suggest at least some providers think subsidized families occasionally require extra effort or resources. The data from these five sites indicate that the following strategies are worth exploring to see if they could help minimize the extra burden providers might face in working with some families receiving vouchers.

- *Limit how often providers are asked to take on caseworker roles.* While providers were often eager to help parents navigate the voucher process, and this role has benefits for everyone concerned (including parents, agencies, and providers), it also appeared that at least in some cases, providers felt that they were being asked to take on excessive responsibility. This suggests that agencies should be deliberate in what they ask, consider the overall balance of what they are asking of providers, and be sensitive to the fact that some providers do not want to take on the role of helping families with vouchers. It is important to find the right balance, using providers as partners if they are willing but not asking them to take on functions that are clearly within the scope of the voucher agency.

- *Help families receiving vouchers better understand their obligations.* Some providers in the focus groups discussed occasional problems with subsidized parents who did not follow some of the providers' policies. For example, providers discussed parents not picking up children on time, not letting providers know when children would be absent or late, and not bringing required diapers or change of clothing for children. Because many subsidized parents may be new to child care, and not understand certain basic obligations they have to keep the child care arrangement running smoothly, agencies might consider making training available to parents, focusing on basic expectations in the provider-parent relationship. In addition, if providers are more explicitly aware of this potential problem in advance, they may be able to work with the parent.

- *Offer special assistance to families that frequently change their child care arrangements.* Turnover in child care arrangements can negatively affect children and can be costly for providers. Voucher agencies may be able to help reduce turnover among subsidized families by offering targeted resource and referral counseling to help families with repeated changes make more informed choices.

- *Consider ways to compensate providers for the costs associated with meeting extra family needs.* Though not definitive, the data from this study suggest that some providers incur extra costs because of the time required to help families manage vouchers or because of the extra needs of some families receiving vouchers. When providers act as case managers, or deliver extra support to parents, federal and state agencies might explore whether and how voucher reimbursement rates could account for those extra services. Or, agencies could identify ways to provide additional compensation to help providers meet the needs of families with particular challenges.

- *Make family support services available to help providers who serve especially challenging families.* Finally, some providers work with families who have particularly difficult circumstances (such as involvement with the protective service system, being homeless, undergoing drug rehabilitation, and so forth). As the focus on serving "hard to employ" families in the TANF system rises, it seems likely that providers will be serving more families with exceptional needs. Voucher agencies could identify mechanisms to provide extra support and access to family support workers for providers serving families with unusually challenging circumstances.

Conclusion

This report provides an in-depth description of how providers experience the child care voucher system and how different voucher policies and practices affect them. It shows that, even within only these five sites, there is enormous variation on almost every voucher policy parameter and administrative approach. Yet, there are some fascinating consistencies across the sites in both the strengths and the weaknesses of the voucher system from the perspective of providers.

This study shows that the voucher system is playing a pervasive and important role in supporting low-income families, and the providers that serve them, in these communities. It also underscores the many ways the system is functioning well for both providers and families. Unfortunately, the research also highlights a number of areas where the system is not working well—sometimes for providers across all the sites, and sometimes for providers within particular agency or site contexts. It also provides some initial insights into the costs of these problems—with some providers choosing not to serve children in the voucher system as a result, and others limiting the number of children they serve.

This study also provides initial insights into an array of policy innovations and implementation strategies that state and local agencies are developing to better support providers, underscoring the importance of reaching out to collect more information on state and local policy innovations across the country. Child care providers are a linchpin in our efforts to help low-income families become stably employed, and they are affecting the well-being of low-income children each day. Identifying ways to support providers' needs, and to make sure that the voucher system works to help them care for children and families in the best way possible, must be a priority for policymakers who care about these important social goals.

APPENDIX A

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APPENDIX B

Child Care Providers and the Child Care Voucher System: An Overview of the Urban Institute Research Project

This report is one of several produced for the Urban Institute's major study, *Child Care Providers and the Child Care Voucher System*. The study explores the following research questions:

1. What are the characteristics and quality of providers in the child care market, and do these vary for providers serving children with vouchers? In other words, do providers who serve children with vouchers differ from those who do not serve children receiving vouchers?

2. What are the experiences of providers in working with the child care voucher system? What are the characteristics of the child care voucher program, policies, and implementation that affect providers?

3. What are the implications of these experiences for providers' ability or willingness to care for children with vouchers, for the quality of care they provide, and for their financial stability? What are the implications of these issues for children and families, and for policymakers?

The study took place in five counties in four states: Jefferson (Birmingham), AL; Hudson (Jersey City), NJ; King (Seattle), WA; and Monterey and San Diego, CA. Data for the study included the following:

- *A telephone survey* of centers and licensed family child care homes to develop a representative picture of providers in each community, discover how many care for children receiving vouchers, and explore whether providers caring for children with vouchers differ from other providers. The survey was designed and implemented in partnership with Mathematica Policy Research, Inc. (MPR). These data were collected in 2003.

- *Qualitative data collection* to develop a rich picture of how programs and policies were implemented and how they were experienced by providers. Data were collected through interviews with state or local subsidy administrators and key experts, focus groups with child care providers (subsidized and unsubsidized) and caseworkers, and reviews of relevant policy documents. These data were collected in early 2004.

We also completed substudies on three additional topics that were not the primary focus of the data collection. First, in three sites, we explored child care voucher policies and implementation practices from the perspective of legally unregulated family, friend, and neighbor caregivers. Second, we assessed the prevalence of faith-based providers in the market for child care and explored their experiences with the voucher system. Finally, we used the center-based survey data to determine how many centers serve children who were, or might be, affected by state prekindergarten initiatives and to describe some key characteristics of these centers.

When completed, the following six reports from the study may be downloaded from http://www.urban.org:

- *Centers and Family Child Care Homes Caring for Children Receiving Publicly Funded Vouchers: A Descriptive Study in Five Counties*, by Rohacek and Kisker
- *Child Care Voucher Programs: Provider Experiences in Five Counties*, by Adams, Rohacek, and Snyder
- *Exploring Child Care Provider Involvement with Voucher Programs and Potential Implications for Financial Well-Being and Quality*, by Adams and Rohacek
- *Child Care Vouchers and Unregulated Family, Friend, and Neighbor Care*, by Snyder, Bernstein, and Adams
- *Prekindergarten Programs and Community-Based Child Care: Exploring Challenges and Opportunities through Characteristics of Centers in Five Counties*, by Rohacek and Adams
- *Child Care Centers, Child Care Vouchers, and Faith-Based Organizations*, by Rohacek, Adams, and Snyder

APPENDIX C

General Overview of Child Care Subsidies

Child care subsidy programs are designed to help pay some of or all the costs of child care for low-income families. The federal government allocates funding to states through the Child Care and Development Fund (CCDF). States combine these federal dollars with state funding. States also fund child care subsidy programs using federal welfare dollars from the Temporary Assistance for Needy Families (TANF) program. While some states have only one subsidy program, others have more than one subsidy program; for example, some states may have different subsidy programs for families receiving cash assistance and families that are not on welfare, or for children in protective services. Some local governments may use local funds for additional subsidy programs for families living in their locality.

Although the federal government sets some rules and provides guidelines in several policy areas, states have a fair amount of latitude in determining policies and administrative practices within this framework. As a result, one state varies greatly from another in terms of how many families are served, who is eligible for subsidies, whether government or private agencies administer the subsidies, and how the program is run.

How Do Child Care Subsidies Work?

Subsidy services are typically delivered through one of two funding mechanisms: child care vouchers and contracts.

- *Vouchers.* Most subsidy funds are delivered through vouchers. With these subsidies, parents are given a voucher (also called a certificate in some states) to take to a provider of their choice. The voucher lets the provider know that the subsidy agency is willing to pay for at least part of the child care costs. Parents with vouchers can choose any of a range of legally operating providers, including care in the child's home, care in a relative's home, care in a nonrelative's home, and center-based care.

- *Contracts.* Some states may also deliver subsidies through a contract mechanism. With this approach, the agency that administers the subsidy program enters into a contract with providers willing to meet specific standards of care. Usually these providers are child care centers, though in some cases subsidy agencies also contract with family child care (home-based) providers, typically through a provider network. States vary in how their contract systems work, but in most cases, contracts specify up front that the state will pay the provider a certain amount to care for a specific number of children for a specific period (often a year).

The main difference between the voucher and contract funding mechanisms is that vouchers are "portable" and contracts are tied to a specific provider. Families with vouchers can take the vouchers to the child care providers of their choice, and families receiving vouchers can change providers at any time and keep their subsidy. In contrast, families receiving subsidies through contracted child care providers must stay with their child care provider in order to keep their subsidy. When a subsidized parent leaves a contracted child care provider, the provider finds another eligible family to fill that subsidized space.

Both funding mechanisms have advantages. Vouchers offer more flexibility for families and allow them to choose among a broader array of providers. Vouchers also allow families to change providers relatively easily should their needs change or should they not be satisfied with the care. Contracts help ensure that child care providers have a steady stream of income over a certain period, and this assurance is thought to help ensure a certain level of quality. In addition, most contract mechanisms require child care providers receiving contracts to meet certain standards of care above and beyond licensing requirements.

In some states, child care providers may serve subsidized children through both voucher and contract funding mechanisms (though they may not serve the same child through both mechanisms).

Who Administers Voucher Programs?

Each state has at least one state-level government agency that administers the voucher program, and California has two. This agency's responsibilities may include developing voucher policies or key aspects of those policies (e.g., eligibility requirements, payment rates), determining how funds will be distributed across the state, and—in some cases—making payments to providers. At the local level, subsidy programs are usually administered by local social service agencies. The local management of the programs may be contracted out to nongovernment organizations, including child care resource and referral agencies (CCR&Rs) or other community-based service organizations. Depending on the state, there may be one subsidy agency administering vouchers for each county, one subsidy agency administering vouchers for a multicounty area, or multiple agencies administering vouchers within a county.

How Does a Family Get a Child Care Voucher?

To get a voucher to help defray some of or all the costs of child care, a parent must apply to a state or local voucher agency. Families must demonstrate that they are eligible by submitting documentation of income, employment, and other items. States require subsidized parents to periodically recertify eligibility, sometimes annually, but usually more frequently. In addition, between re-certification periods, states require families to notify the voucher agency of any change in circumstances that affect their eligibility or copayment amount—typically including changes in employment, work schedule, income, family composition, child age, provider, and so forth. Subsidy agencies often respond to these changes by modifying the family's voucher authorization (i.e., terminating them if families have experienced a change that means they are no longer eligible) or adjusting the copayment or subsidy level.

In some states, there is not adequate funding for all families eligible for child care subsidies. If funding is not available at the time a parent applies for assistance, he or she is put on a waiting list for a voucher or is told that funding is not available.

How Do States Determine How Much They Will Pay for Care?

States set a maximum reimbursement rate for vouchers, which is the largest amount they are willing to pay for care. States establish the maximum reimbursement rate based on a survey of the fees charged to private-paying parents in the local child care market. These surveys are referred to as "market rate" surveys and the maximum reimbursement rates are often referred to as "market rates." Market rates typically differ according to the type of provider (e.g., center-based vs. home-based), age of child, geographic location of the provider, and other factors.

States and localities differ in the share of providers whose fees are actually covered by the maximum reimbursement rates. Federal guidelines suggest that vouchers will give families access to a sufficiently wide range of providers if market rates are set at the 75th percentile of fees charged. However, a number of states set rates below this level. Additionally, although federal guidelines suggest that states conduct these surveys every two years and adjust the rates accordingly, states vary in how often they conduct market rate surveys and how often they update their rate levels to reflect the survey data, which further reduces the share of providers whose fees are actually covered under the maximum reimbursement rates in a number of states and localities.

The amount of money an individual provider receives to care for a subsidized child is called the "payment rate" or "reimbursement rate." Generally, this amount is equal to the amount the provider would charge a private-paying parent for the same care or the maximum rate established by the state, whichever is less.

In accordance with federal requirements, states typically require some subsidized parents to pay a portion of the total reimbursement rate. The amount paid by parents is called a parent fee or copayment and is calculated by the voucher agency according to the family's income and other circumstances. In some states, parents with very low incomes may not have to pay any fee or copayment. Some states allow providers whose rates fall above the state maximum rate to charge the difference to parents, in addition to their parent fee.

How Are Payments Made to Child Care Providers?

While states vary, the voucher payment made by the subsidy agency is generally paid to the provider retrospectively (i.e., after the provider has provided care). In a few states, a subsidy agency may pay some providers prospectively (i.e., before the care is provided). Subsidy payments may be made by the local or by the state voucher agency. To receive payment, a child care provider must complete and submit paperwork to the voucher agency that reflects the attendance of each subsidized child. This typically happens monthly, although some voucher agencies make payments more frequently.

In addition to submitting paperwork to receive payment from the voucher agency, providers are usually required to collect a parent fee or copayment from subsidized parents. In some states, child care providers also may collect an additional amount from parents to cover any difference between their usual charges and the maximum reimbursement rate or to cover special fees for field trips, registration, and so on. Other states prohibit child care providers from charging subsidized parents any amount beyond the identified parent fee or copayment.

Other Funding and Support for Child Care Providers

Besides subsidizing the cost of care for specific eligible children through vouchers or contracts, most states and localities have other programs that provide funding and support for child care programs. Some examples of this type of support include grants for child care quality improvement, scholarships for teachers to attend training or education, and grants that offer bonuses or salary supplements to improve child care teacher and provider wages. One other common type of support is the federal Child and Adult

Care Food Program, which reimburses child care providers for the cost of meals and snacks for eligible children in their care.

APPENDIX D

Data Tables

This appendix contains complete tabular results and additional statistical details for the findings reported in the main text. The data tables include the following information for each county.

- *Percentage of providers with the characteristic being described*, including results for centers and family child care homes combined (referred to as "providers" in the text), centers only, and homes only. Some measures are expressed as an average (mean), rather than as a percentage of providers.
- *90 percent confidence interval around the estimate of the percent of providers* with the characteristic (or around the mean value for the characteristic). The 90 percent confidence interval describes the range within which we are reasonably confident that the true population value falls.[35] In addition, by observing whether the confidence intervals for the subgroups overlap, the intervals may be used to assess whether observed differences between sampled groups are likely the result of sampling error.
- *Standard error of the point estimate* which measures the precision of the point estimate and is directly related to the confidence interval.
- *The p-values*, the bottom-line result of significance tests for differences between subgroups. The *p*-value gives the probability of observing differences at least as big as those observed if no difference actually exists. The tables typically include *p*-values from an overall test of equality of estimates across the five counties, from tests for equality of estimates between each pair of counties, and *p*-values from a test of equality of the estimates for centers and homes.
- *n*, the number of cases responding to the question. The question-specific sample size may differ from the overall sample size because of item non-response or use of subset of the sample for the analysis.

See appendix E for additional methodological details.

TABLE D1. Subsidized Providers Reporting That the Voucher Payment Amount (Agency Plus Parent Copayment Amount) Was Less than, Equal to, or More than the Amount Received from Parents Paying Full Fee, 2003

	Centers and Homes Combined			Centers Only				Homes Only				
County	% of providers	90% CI	SE	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	*p*-value[a]
Jefferson												
Voucher less	30.1	(24.1–36.8)	3.9	26.1	(18.3–35.8)	5.3	14	39.3	(33.4–45.5)	3.7	24	
About the same	65.2	(58.3–71.6)	4.1	70.0	(60.1–78.3)	5.6	42	54.1	(47.8–60.3)	3.8	33	
Voucher more	4.7	(2.5–8.7)	1.8	3.9	(1.4–10.4)	2.4	2	6.6	(4.1–10.6)	1.9	4	n/c
Hudson												
Voucher less	29.3	(23.5–35.8)	3.7	30.8	(22.6–40.4)	5.5	18	27.9	(20.2–37.0)	5.1	16	
About the same	55.6	(48.8–62.1)	4.1	55.2	(45.5–64.6)	5.8	35	55.9	(46.4–64.9)	5.7	33	
Voucher more	15.2	(10.9–20.8)	3.0	14.0	(8.5–22.3)	4.1	8	16.3	(10.4–24.6)	4.3	9	.891
King												
Voucher less	58.8	(51.9–65.4)	4.1	73.6	(63.7–81.6)	5.5	45	51.7	(42.7–60.7)	5.5	39	
About the same	35.6	(29.2–42.5)	4.0	22.7	(15.3–32.3)	5.2	14	41.8	(33.2–50.9)	5.4	32	
Voucher more	5.6	(3.1–10.0)	2.0	3.8	(1.3–10.6)	2.4	2	6.5	(3.2–12.7)	2.7	5	n/c
Monterey												
Voucher less	23.9	(18.4–30.5)	3.7	38.6	(34.7–42.8)	2.5	10	22.1	(16.0–29.6)	4.1	16	
About the same	60.7	(53.3–67.6)	4.3	57.6	(53.4–61.6)	2.5	15	61.0	(52.8–68.7)	4.9	44	
Voucher more	15.5	(10.7–21.8)	3.4	3.8	(2.7–5.3)	0.8	1	16.9	(11.5–24.0)	3.8	12	*.000*
San Diego												
Voucher less	17.8	(12.0–25.6)	4.1	17.3	(11.0–26.3)	4.6	10	17.9	(11.0–27.7)	5.0	11	
About the same	74.5	(65.9–81.6)	4.8	82.7	(73.8–89.0)	4.6	47	72.5	(61.9–81.0)	5.9	44	
Voucher more	7.7	(4.0–14.6)	3.1	0.0	(0.0–5.3)	n/c	0	9.7	(4.9–18.1)	3.9	6	n/c
p-value[b]	*.000*			n/c				*.000*				

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations (*p*-value) or no variation in sample responses (SE)

Notes: Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Confidence intervals for n/c standard errors are based on the adjusted Wald interval (Agresti and Coull 1998).
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent for centers and homes within the county.
[b] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent across all five counties.

TABLE D2. Subsidized Providers Reporting They Sometimes Received Partial Payments Because a Child with a Voucher Had Been Absent, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	53.8	(46.5–60.9)	4.4	115	54.3	(44.1–64.2)	6.2	54	52.7	(46.5–58.8)	3.8	61	1.6	(-10.4–13.6)	.822
Hudson	53.9	(47.2–60.4)	4.1	111	67.2	(57.2–75.9)	5.7	55	42.2	(33.2–51.8)	5.7	56	25.0	(11.6–38.4)	*.003*
King	61.2	(54.4–67.5)	4.0	134	82.2	(73.3–88.6)	4.6	60	50.9	(41.9–59.9)	5.5	74	31.3	(19.4–43.2)	*.000*
Monterey	58.6	(51.4–65.6)	4.3	101	67.3	(63.4–71.1)	2.3	28	57.5	(49.3–65.3)	4.9	73	9.8	(0.8–18.8)	*.073*
San Diego	48.6	(39.8–57.4)	5.4	115	55.8	(45.5–65.7)	6.2	54	46.8	(36.4–57.6)	6.6	61	9.0	(-6.0–24.0)	.322
p-value[b]	.353				*.002*				.323						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.991	.214	.432	.455	.127	*.000*	*.049*	.862	.128	.794	.433	.441
Hudson		.199	.421	.435		*.042*	.981	.180		.274	*.043*	.595
King			.667	*.062*			*.004*	*.001*			.373	.634
Monterey				.148				*.084*				.193

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within past six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D3. Number of Child-Days in a Typical Month That Subsidized Providers Reported Not Being Reimbursed by the Voucher Agency because of Child Absent Days, 2003

County	Centers and Homes Combined: Mean days	90% CI	SE	*n*	Centers Only: Mean days	90% CI	SE	*n*	Homes Only: Mean days	90% CI	SE	*n*	Center - Home Difference: Mean days	90% CI	*p*-value[a]
Jefferson	2.7	(2.1–3.4)	0.4	106	2.9	(1.9–3.8)	0.6	51	2.4	(1.9–2.8)	0.3	55	0.5	(-0.5–1.5)	.425
Hudson	2.8	(1.9–3.7)	0.5	103	5.0	(3.0–7.0)	1.2	48	1.1	(0.8–1.4)	0.2	55	3.9	(1.8–6.0)	*.003*
King	4.3	(3.3–5.2)	0.6	125	9.5	(6.7–12.4)	1.7	52	2.0	(1.4–2.6)	0.3	73	7.5	(4.6–10.4)	*.000*
Monterey	3.1	(2.5–3.7)	0.4	95	8.3	(6.2–10.3)	1.3	24	2.5	(1.8–3.2)	0.4	71	5.8	(3.6–8.0)	*.000*
San Diego	1.7	(1.1–2.4)	0.4	107	1.8	(1.0–2.5)	0.5	47	1.7	(0.9–2.5)	0.5	60	0.1	(-1.0–1.1)	.939
p-value[b]	*.006*				*.000*				*.001*						

Pairwise *p*-values[c]	Combined: Huds.	King	Mont.	San Diego	Centers: Huds.	King	Mont.	San Diego	Homes: Huds.	King	Mont.	San Diego
Jefferson	.921	*.026*	.496	*.074*	.120	*.000*	*.000*	.124	*.000*	.407	.785	.223
Hudson		*.060*	.643	.112		*.033*	*.064*	*.015*		*.027*	*.002*	.249
King			*.086*	*.000*			.551	*.000*			.343	.609
Monterey				*.012*				*.000*				.195

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Mean value includes providers reporting they typically do not lose any days of payment due to absent days (i.e., includes zeros).
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D4. Among Subsidized Providers Losing Revenue from Child Absent Days, Providers Reporting They Lost at Least Six Child-Days in a Typical Month, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	28.8	(20.0–39.6)	6.0	51	26.2	(15.1–41.5)	8.1	25	35.1	(26.6–44.7)	5.6	26	-8.9	(-25.5–7.6)	.371
Hudson	22.8	(16.2–31.2)	4.6	52	40.6	(27.8–54.8)	8.4	29	2.6	(0.8–7.9)	1.8	23	38.0	(23.5–52.4)	*.000*
King	35.0	(27.5–43.3)	4.8	76	58.1	(45.7–69.6)	7.4	40	19.1	(10.7–31.8)	6.4	36	39.0	(22.7–55.2)	*.000*
Monterey	16.8	(11.2–24.4)	4.0	55	19.8	(16.5–23.6)	2.2	15	16.4	(10.3–25.2)	4.5	40	3.4	(-5.0–11.7)	n/c
San Diego	6.8	(2.8–15.8)	3.6	51	8.8	(3.0–23.1)	5.5	23	6.4	(2.0–18.1)	4.3	28	2.4	(-9.2–14.2)	n/c
p-value[b]	*.000*				*.000*				n/c						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.430	.422	*.098*	*.002*	.223	*.004*	n/c	n/c	n/c	*.061*	*.010*	*.000*
Hudson		*.068*	.322	*.006*		.120	*.019*	*.002*		n/c	n/c	n/c
King			*.004*	*.000*			*.000*	*.000*			.729	n/c
Monterey				*.065*				n/c				n/c

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D5. Subsidized Providers Reporting a Problem in the Six Months before the Interview with Receiving Adequate Notice about Changes in Family Circumstances That Affected the Voucher Payment, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	30.9	(24.6–38.0)	4.1	119	33.2	(24.5–43.2)	5.7	57	25.7	(20.7–31.4)	3.3	62	7.5	(-3.4–18.5)	.256
Hudson	40.6	(34.3–47.2)	3.9	116	51.5	(41.8–61.0)	5.9	60	30.5	(22.6–39.8)	5.2	56	21.0	(7.8–34.1)	*.009*
King	55.4	(48.5–62.2)	4.2	134	62.6	(52.4–71.7)	5.9	60	52.0	(42.9–60.9)	5.6	74	10.6	(-2.8–24.0)	.194
Monterey	26.6	(20.8–33.4)	3.8	101	32.1	(28.3–36.1)	2.4	28	25.9	(19.4–33.6)	4.3	73	6.2	(-2.0–14.4)	.212
San Diego	37.8	(29.5–46.7)	5.3	116	34.4	(25.3–44.7)	6.0	53	38.5	(28.8–49.3)	6.3	63	-4.1	(-18.5–10.3)	.637
p-value[b]	*.000*				*.000*				*.001*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.089*	*.000*	.446	.303	*.027*	*.000*	.859	.886	.432	*.000*	.968	*.072*
Hudson		*.010*	*.011*	.669		.187	*.003*	*.043*		*.005*	.495	.332
King			*.000*	*.009*			*.000*	*.001*			*.000*	.111
Monterey				*.088*				.720				.100

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D6. Subsidized Providers Reporting They Did Not Always Get Paid for a New Voucher Child's First Days, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	17.5	(12.7–23.5)	3.3	118	18.4	(12.0–27.1)	4.6	57	15.3	(11.5–20.1)	2.6	61	3.1	(-5.7–11.8)	.560
Hudson	38.3	(32.0–45.1)	4.0	116	41.3	(32.2–51.0)	5.8	60	35.6	(27.1–45.2)	5.6	56	5.7	(-7.7–18.9)	.486
King	37.9	(31.5–44.7)	4.0	130	56.0	(45.4–66.1)	6.4	56	29.5	(21.8–38.4)	5.1	74	26.5	(13.1–40.1)	*.001*
Monterey	25.9	(20.2–32.6)	3.8	101	28.4	(24.9–32.2)	2.2	28	25.6	(19.2–33.2)	4.3	73	2.8	(-5.1–10.8)	.554
San Diego	34.0	(26.1–42.9)	5.2	116	24.4	(16.6–34.4)	5.4	53	36.1	(26.7–46.8)	6.2	63	-11.7	(-25.4–1.9)	.157
p-value[b]	*.000*				*.000*				*.001*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.000*	*.091*	*.007*	*.002*	*.000*	*.049*	.400	*.001*	*.014*	*.041*	*.002*
Hudson		.933	*.024*	.504		*.087*	*.039*	*.035*		.412	.151	.953
King			*.030*	.551			*.000*	*.000*			.559	.405
Monterey				.207				.492				.161

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D7. Subsidized Providers Reporting They Often or Always Lost Revenue When a Family Lost Its Voucher Because They Continued Serving the Child without Knowing the Voucher Was Terminated, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	26.9	(21.0–33.9)	3.9	119	28.6	(20.5–38.4)	5.5	58	23.0	(18.2–28.7)	3.2	61	5.6	(-4.9–16.1)	.379
Hudson	37.8	(31.6–44.4)	3.9	116	48.6	(39.0–58.2)	5.9	60	27.8	(20.1–37.0)	5.2	56	20.8	(7.7–33.8)	*.009*
King	46.5	(39.6–53.6)	4.3	131	52.9	(42.6–62.9)	6.2	59	43.3	(34.4–52.7)	5.6	72	9.6	(-4.4–23.4)	.259
Monterey	34.9	(28.3–42.2)	4.3	98	26.6	(23.3–30.2)	2.1	26	35.9	(28.5–44.1)	4.8	72	-9.3	(-18.0–-0.7)	*.077*
San Diego	34.6	(26.6–43.5)	5.2	115	30.2	(21.5–40.5)	5.8	53	35.6	(26.1–46.4)	6.3	62	-5.4	(-19.6–8.8)	.530
p-value[b]	*.022*				*.000*				*.014*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.051*	*.001*	.169	.243	*.014*	*.004*	.731	.845	.434	*.002*	*.026*	*.075*
Hudson		.133	.622	.622		.618	*.001*	*.028*		*.042*	.247	.337
King			*.056*	*.077*			*.000*	*.008*			.316	.357
Monterey				.958				.564				.964

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D8. Subsidized Providers Reporting They Rarely or Never Received Adequate Notice When a Child with a Voucher Left Care, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	27.5	(21.5–34.5)	4.0	117	29.4	(21.2–39.1)	5.5	57	23.1	(18.3–28.6)	3.1	60	6.3	(-4.2–16.8)	.319
Hudson	52.3	(45.7–58.7)	4.0	114	66.0	(56.3–74.5)	5.6	59	39.6	(30.8–49.1)	5.6	55	26.4	(13.2–39.5)	*.001*
King	51.3	(44.4–58.2)	4.2	131	48.4	(38.3–58.6)	6.3	59	52.8	(43.7–61.6)	5.5	72	-4.4	(-18.2–9.5)	.602
Monterey	33.8	(27.3–40.9)	4.2	101	27.4	(24.0–31.1)	2.1	29	34.6	(27.3–42.8)	4.7	72	-7.2	(-15.9–1.4)	.168
San Diego	31.9	(24.3–40.6)	5.0	116	28.0	(19.7–38.1)	5.6	54	32.8	(23.8–43.4)	6.0	62	-4.8	(-18.5–8.8)	.557
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.000*	.277	.489	*.000*	*.023*	.737	.857	*.011*	*.000*	*.042*	.151
Hudson		.873	*.001*	*.001*		*.037*	*.000*	*.000*		*.095*	.502	.413
King			*.003*	*.003*			*.002*	*.016*			*.013*	*.015*
Monterey				.775				.926				.814

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D9. Subsidized Providers Reporting They Did Not Usually Try to Collect Parent Fees from All Parents Receiving Vouchers, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	5.6	(3.6–8.6)	1.5	115	2.7	(0.9–8.1)	1.9	54	11.9	(8.5–16.5)	2.4	61	-9.2	(-14.3–-4.2)	n/c
Hudson	26.3	(20.7–32.8)	3.7	109	21.2	(14.4–30.0)	4.8	56	31.2	(22.8–40.9)	5.6	53	-10.0	(-22.1–2.1)	.174
King	18.3	(13.4–24.5)	3.4	132	13.9	(8.2–22.4)	4.3	58	20.4	(13.9–28.8)	4.5	74	-6.5	(-16.8–3.8)	.297
Monterey	76.0	(69.6–81.4)	3.6	94	38.3	(34.4–42.3)	2.4	26	80.8	(73.3–86.6)	4.1	68	-42.5	(-50.4–-34.7)	*.000*
San Diego	62.2	(53.6–70.2)	5.1	112	28.5	(20.1–38.7)	5.7	52	70.1	(59.1–79.1)	6.1	60	-41.6	(-55.5–-27.7)	*.000*
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.001*	*.000*	*.000*	*.000*	*.017*	n/c	*.000*	*.002*	.101	*.000*	*.000*
Hudson		.106	*.000*	*.000*		.254	*.002*	.325		.132	*.000*	*.000*
King			*.000*	*.000*			*.000*	*.041*			*.000*	*.000*
Monterey				*.028*				.116				.143

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D10. Subsidized Providers Reporting They Often or Always Waived the Parent Copayment If Subsidized Parents Had Difficulty Paying, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	18.7	(13.8–24.9)	3.3	116	17.2	(10.9–26.0)	4.6	57	22.3	(17.5–28.1)	3.2	59	-5.1	(-14.4–4.1)	.358
Hudson	32.9	(26.7–39.7)	4.0	109	37.7	(28.5–48.0)	6.0	53	28.7	(20.9–38.1)	5.3	56	9.0	(-4.2–22.3)	.259
King	32.5	(26.2–39.5)	4.0	133	27.1	(18.9–37.2)	5.6	59	35.1	(26.9–44.3)	5.3	74	-8.0	(-20.8–4.8)	.303
Monterey	26.2	(20.2–33.2)	4.0	98	17.7	(14.9–20.8)	1.8	28	27.3	(20.5–35.3)	4.5	70	-9.6	(-17.7–-1.6)	*.050*
San Diego	37.5	(29.3–46.5)	5.3	115	26.4	(18.3–36.5)	5.6	53	40.0	(30.1–50.8)	6.4	62	-13.6	(-27.7–0.4)	.111
p-value[b]	*.009*				*.010*				*.081*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.007*	*.009*	.153	*.003*	*.007*	.171	n/c	.204	.303	*.042*	.370	*.014*
Hudson		.948	.234	.484		.195	*.002*	.167		.395	.843	.172
King			.265	.454			.109	.929			.268	.552
Monterey				*.088*				.139				.105

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D11. Subsidized Providers Reporting It Was Harder to Collect Fees from Unsubsidized Parents, Harder to Collect Fees from Subsidized Parents, or There Was No Difference, 2003

	Centers and Homes Combined			Centers Only				Homes Only				
County	% of providers	90% CI	SE	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	*p*-value[a]
Jefferson												
Harder from unsubsidized	13.7	(9.5–19.3)	2.9	13.2	(7.8–21.4)	4.1	8	14.8	(10.9–19.9)	2.7	9	
Harder from subsidized	30.2	(23.8–37.4)	4.2	34.0	(25.2–44.1)	5.8	17	21.5	(16.7–27.1)	3.1	13	
No difference	56.1	(48.9–63.1)	4.4	52.8	(42.8–62.6)	6.1	32	63.7	(57.5–69.5)	3.6	39	.169
Hudson												
Harder from unsubsidized	14.8	(10.7–20.3)	2.9	16.1	(10.1–24.5)	4.3	10	13.8	(8.5–21.6)	3.9	8	
Harder from subsidized	15.2	(11.0–20.6)	2.9	16.8	(10.8–25.1)	4.3	11	13.8	(8.5–21.6)	3.9	8	
No difference	70.0	(63.5–75.8)	3.8	67.2	(57.5–75.6)	5.5	38	72.5	(63.3–80.1)	5.1	41	.779
King												
Harder from unsubsidized	6.7	(3.9–11.4)	2.2	3.9	(1.3–10.8)	2.5	2	8.1	(4.3–14.7)	3.0	6	
Harder from subsidized	25.5	(19.8–32.2)	3.8	24.5	(16.7–34.5)	5.4	14	26.0	(18.7–34.8)	4.9	19	
No difference	67.8	(60.8–74.1)	4.0	71.6	(61.4–80.1)	5.7	43	66.0	(56.8–74.1)	5.3	49	n/c
Monterey												
Harder from unsubsidized	26.1	(20.2–33.1)	3.9	7.3	(5.7–9.2)	1.0	2	28.5	(21.7–36.3)	4.4	21	
Harder from subsidized	19.8	(14.9–25.9)	3.3	37.6	(33.7–41.6)	2.4	10	17.6	(12.3–24.6)	3.7	13	
No difference	54.1	(46.9–61.2)	4.4	55.2	(51.1–59.2)	2.5	15	54.0	(45.9–61.9)	4.9	39	*.000*
San Diego												
Harder from unsubsidized	22.3	(15.5–30.9)	4.7	7.4	(3.5–15.0)	3.3	4	25.7	(17.5–36.2)	5.7	16	
Harder from subsidized	17.8	(12.0–25.8)	4.2	22.6	(15.2–32.4)	5.2	12	16.7	(10.0–26.7)	5.0	9	
No difference	59.9	(51.0–68.2)	5.3	70.0	(59.8–78.5)	5.7	38	57.6	(46.9–67.6)	6.4	37	*.024*
p-value[b]	*.000*			*.001*				*.008*				

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent for centers and homes within the county.
[b] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent across all five counties.

TABLE D12. Subsidized Providers Disagreeing with the Statement "Providers Can Count on Getting Payments from Voucher Agencies in a Timely Manner," 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	15.0	(10.4–21.3)	3.3	120	17.9	(11.5–26.7)	4.6	59	8.2	(5.4–12.4)	2.1	61	9.7	(1.3–18.1)	*.058*
Hudson	23.8	(18.8–29.6)	3.3	120	37.6	(28.8–47.3)	5.7	61	11.4	(6.7–18.6)	3.5	59	26.2	(15.1–37.3)	*.000*
King	28.4	(22.5–35.1)	3.8	137	18.2	(11.6–27.4)	4.8	61	33.2	(25.3–42.3)	5.2	76	-15.0	(-26.7–-3.3)	*.036*
Monterey	22.8	(17.3–29.3)	3.7	103	20.7	(17.6–24.2)	2.0	29	23.0	(16.9–30.5)	4.1	74	-2.3	(-10.0–5.4)	.618
San Diego	19.1	(12.8–27.4)	4.4	117	15.8	(9.8–24.6)	4.5	56	19.9	(12.5–30.1)	5.4	61	-4.1	(-15.6–7.5)	.564
p-value[b]	*.095*				*.035*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.059*	*.008*	.117	.461	*.008*	.958	.573	.747	.443	*.000*	*.002*	*.044*
Hudson		.365	.832	.388		*.010*	*.006*	*.003*		*.001*	*.033*	.187
King			.290	.111			.632	.712			.126	*.074*
Monterey				.519				.317				.641

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D13. Subsidized Providers Reporting a Problem with Late Payments in the Six Months before the Interview and at Least One Late Payment out of the Previous Six, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	21.5	(16.4–27.6)	3.4	117	17.3	(10.8–26.5)	4.7	55	30.4	(25.1–36.3)	3.4	62	-13.1	(-22.8–-3.5)	*.026*
Hudson	22.0	(16.8–28.2)	3.5	107	32.5	(23.4–43.2)	6.1	51	13.8	(8.5–21.6)	3.9	56	18.7	(6.7–30.8)	*.011*
King	24.7	(19.1–31.3)	3.7	132	26.4	(18.3–36.5)	5.6	59	23.9	(16.9–32.6)	4.8	73	2.5	(-9.6–14.7)	.728
Monterey	24.8	(19.0–31.7)	3.9	97	23.7	(20.5–27.3)	2.1	25	24.9	(18.5–32.6)	4.3	72	-1.2	(-9.1–6.8)	.807
San Diego	27.5	(20.1–36.3)	4.9	109	34.2	(24.8–45.0)	6.2	50	25.9	(17.4–36.7)	5.9	59	8.3	(-5.9–22.5)	.336
p-value[b]	.843				.159				*.037*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.917	.519	.516	.318	*.050*	.212	n/c	*.031*	*.002*	.266	.317	.509
Hudson		.589	.585	.363		.462	.175	.845		.105	*.057*	*.089*
King			.986	.656			.653	.352			.870	.790
Monterey				.672				.112				.894

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D14. Subsidized Providers Reporting a Problem with Late Payments in the Six Months before the Interview and at Least One out of the Previous Six Payments Being Over Two Weeks Late, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	7.3	(4.2–12.5)	2.5	117	8.3	(4.1–16.2)	3.5	55	5.1	(2.9–8.8)	1.7	62	3.2	(-3.2–9.7)	n/c
Hudson	11.4	(7.7–16.6)	2.7	107	19.7	(12.4–29.8)	5.3	51	4.9	(2.2–10.8)	2.4	56	14.8	(5.1–24.4)	*.012*
King	16.2	(11.6–22.1)	3.2	131	16.8	(10.4–25.9)	4.7	59	15.9	(10.2–23.9)	4.1	72	0.9	(-9.4–11.3)	.883
Monterey	17.0	(12.1–23.4)	3.4	94	17.0	(14.6–19.8)	1.6	23	17.0	(11.7–24.2)	3.8	71	0.0	(-6.9–6.8)	n/c
San Diego	7.3	(3.8–13.5)	2.8	106	14.9	(8.6–24.7)	4.8	47	5.6	(2.1–14.1)	3.3	59	9.3	(-0.3–19.0)	n/c
p-value[b]	*.046*				.229				*.010*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.260	*.028*	*.021*	.993	*.074*	.150	n/c	.269	n/c	*.017*	*.004*	n/c
Hudson		.252	.195	.288		.680	n/c	.507		*.024*	*.008*	n/c
King			.850	*.037*			n/c	.785			.833	*.053*
Monterey				*.028*				n/c				*.023*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D15. Subsidized Providers Reporting a Problem with Late Payments in the Six Months before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	33.4	(26.9–40.5)	4.1	118	33.3	(24.5–43.4)	5.8	56	33.6	(28.1–39.5)	3.5	62	-0.3	(-11.6–10.9)	.962
Hudson	45.8	(39.3–52.5)	4.0	116	57.3	(47.5–66.5)	5.8	60	35.3	(26.8–44.9)	5.5	56	22.0	(8.6–35.3)	*.007*
King	49.3	(42.5–56.1)	4.2	134	53.1	(42.9–63.0)	6.2	60	47.4	(38.7–56.3)	5.4	74	5.7	(-8.0–19.3)	.493
Monterey	36.3	(29.8–43.3)	4.1	102	44.7	(40.7–48.8)	2.5	29	35.2	(27.9–43.2)	4.7	73	9.5	(0.8–18.3)	*.074*
San Diego	42.8	(34.4–51.5)	5.3	116	46.9	(36.8–57.2)	6.3	53	41.8	(32.0–52.4)	6.3	63	5.1	(-9.7–19.8)	.574
p-value[b]	*.040*				*.043*				.246						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.031*	*.007*	.616	.160	*.004*	*.020*	*.072*	.114	.790	*.032*	.786	.251
Hudson		.550	*.099*	.643		.622	*.049*	.226		.119	.983	.437
King			*.027*	.331			.209	.480			*.087*	.500
Monterey				.334				.752				.395

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D16. Subsidized Providers Reporting They Would Choose Direct Deposits, Rather than Paper Checks, for Their Voucher Payments, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	55.0	(47.7–62.0)	4.4	116	55.2	(45.1–65.0)	6.1	55	54.4	(48.0–60.6)	3.9	61	0.9	(-11.1–12.8)	.904
Hudson	47.3	(40.4–54.2)	4.2	111	49.3	(39.2–59.4)	6.2	54	45.6	(36.4–55.1)	5.7	57	3.6	(-10.4–17.7)	.669
King - n/a															
Monterey	62.8	(55.9–69.2)	4.1	98	34.7	(30.7–38.9)	2.5	26	66.2	(58.3–73.3)	4.6	72	-31.5	(-40.1–-22.9)	*.000*
San Diego	53.3	(44.6–61.8)	5.3	118	29.4	(21.2–39.2)	5.5	56	59.1	(48.2–69.2)	6.4	62	-29.7	(-43.8–-15.7)	*.001*
p-value[b]	*.072*				*.002*				*.039*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.207	n/a	.193	.809	.494	n/a	*.002*	*.002*	.207	n/a	*.049*	.526
Hudson		n/a	*.009*	.374		n/a	*.031*	*.018*		n/a	*.005*	.119
King			n/a	n/a			n/a	n/a			n/a	n/a
Monterey				.157				.385				.371

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/a = Not asked in King County

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] p-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D17. Subsidized Providers Reporting That the First Payments for Newly Enrolling Children with Vouchers Took Longer to Receive than Other Payments from the Voucher Agency, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	27.0	(21.5–33.2)	3.6	116	22.5	(15.4–31.7)	5.0	55	36.7	(31.3–42.5)	3.4	61	-14.2	(-24.2–-4.3)	*.020*
Hudson	69.2	(62.5–75.2)	3.9	113	60.1	(49.9–69.6)	6.1	56	76.9	(67.8–84.0)	4.9	57	-16.8	(-29.7–-3.8)	*.034*
King	58.6	(51.4–65.4)	4.3	129	56.3	(45.8–66.3)	6.3	57	59.7	(50.3–68.4)	5.6	72	-3.4	(-17.3–10.6)	.689
Monterey	58.4	(51.3–65.1)	4.2	96	43.3	(39.0–47.7)	2.7	23	60.0	(52.2–67.4)	4.7	73	-16.7	(-25.6–-7.8)	*.002*
San Diego	69.2	(61.4–76.1)	4.5	110	44.9	(34.5–55.8)	6.6	49	74.5	(65.0–82.1)	5.2	61	-29.6	(-43.5–-15.6)	*.001*
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.000*	*.000*	*.000*	*.000*	*.000*	*.000*	*.007*	*.000*	*.000*	*.000*	*.000*
Hudson		*.066*	*.059*	.998		.666	*.012*	*.090*		*.022*	*.013*	.737
King			.971	*.087*			*.059*	.212			.968	*.054*
Monterey				*.079*				.821				*.040*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D18. Among Subsidized Providers Reporting That the First Payments for Newly Enrolling Children with Vouchers Took Longer to Receive, Providers Reporting That the First Payments Usually Took at Least a Month Longer than Other Payments from the Voucher Agency, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	61.2	(47.9–73.0)	7.8	36	63.3	(40.4–81.4)	13.2	14	58.8	(47.8–68.9)	6.5	22	4.5	(-20.3–29.4)	.761
Hudson	84.9	(77.7–90.0)	3.7	78	81.1	(68.3–89.5)	6.4	34	87.3	(77.8–93.1)	4.5	44	-6.2	(-19.3–6.9)	n/c
King	66.3	(56.8–74.6)	5.5	75	69.0	(54.7–80.4)	7.9	32	65.1	(52.8–75.6)	7.1	43	3.9	(-13.7–21.7)	.709
Monterey	51.5	(41.8–61.1)	5.9	53	70.4	(65.2–75.1)	3.0	10	50.1	(39.7–60.4)	6.4	43	20.3	(8.5–32.2)	n/c
San Diego	68.9	(58.0–78.1)	6.2	66	59.3	(42.6–74.1)	9.9	22	70.2	(57.9–80.1)	6.8	44	-10.9	(-31.0–9.3)	.370
p-value[b]	*.000*				.391				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.007*	.595	.322	.438	n/c	n/c	n/c	.811	n/c	.513	.341	.228
Hudson		*.005*	*.000*	*.028*		.242	n/c	*.069*		*.009*	*.000*	*.038*
King			*.068*	.748			n/c	.446			.117	.602
Monterey				*.042*				n/c				*.033*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D19. Subsidized Providers Receiving the Full Amount They Expected to Receive from the Voucher Agency in the Last Payment before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	85.7	(78.9–90.7)	3.6	99	82.2	(72.5–89.0)	5.0	49	94.1	(90.1–96.6)	1.9	50	-11.9	(-20.8–-3.1)	*.028*
Hudson	86.9	(81.5–90.9)	2.8	103	76.1	(66.3–83.7)	5.3	56	97.8	(91.4–99.5)	1.9	47	-21.7	(-31.1–-12.4)	*.000*
King	87.1	(81.8–91.0)	2.8	116	77.1	(66.9–84.8)	5.5	54	92.4	(85.4–96.2)	3.1	62	-15.3	(-25.8–-4.9)	*.016*
Monterey	81.6	(75.0–86.7)	3.6	79	65.3	(60.8–69.5)	2.6	20	83.4	(75.8–89.0)	4.0	59	-18.1	(-26.1–-10.2)	n/c
San Diego	83.1	(74.7–89.2)	4.4	100	90.1	(81.8–94.9)	3.8	49	81.3	(70.8–88.7)	5.4	51	8.8	(-2.2–19.8)	.186
p-value[b]	.722				*.000*				*.003*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.795	.769	.405	.644	.402	.487	*.003*	.208	n/c	n/c	*.016*	*.026*
Hudson		.970	.238	.468		.899	*.069*	*.033*		n/c	n/c	*.004*
King			.224	.449			*.053*	*.051*			*.077*	*.077*
Monterey				.778				*.000*				.751

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D20. Subsidized Providers Reporting a Problem Resolving a Payment Dispute with the Voucher Agency in the Six Months before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	27.1	(20.9–34.3)	4.1	117	35.2	(26.2–45.4)	5.9	55	9.7	(6.6–14.0)	2.2	62	25.5	(15.1–36.0)	*.000*
Hudson	37.1	(31.0–43.7)	3.9	115	49.0	(39.3–58.7)	6.0	59	26.5	(19.0–35.7)	5.1	56	22.5	(9.4–35.5)	*.005*
King	42.8	(36.2–49.8)	4.2	134	53.7	(43.6–63.6)	6.2	60	37.5	(29.1–46.7)	5.4	74	16.2	(2.6–29.8)	*.050*
Monterey	32.6	(26.5–39.3)	3.9	101	56.9	(52.7–60.9)	2.5	28	29.4	(22.8–37.1)	4.4	73	27.5	(19.1–35.8)	*.000*
San Diego	34.2	(26.3–43.1)	5.2	114	31.7	(22.7–42.2)	6.0	51	34.7	(25.4–45.4)	6.2	63	-3.0	(-17.3–11.2)	.722
p-value[b]	*.096*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.077*	*.007*	.333	.283	.103	*.031*	*.001*	.674	*.003*	*.000*	*.000*	*.000*
Hudson		.316	.411	.651		.578	.223	*.042*		.138	.663	.304
King			*.072*	.192			.640	*.011*			.246	.733
Monterey				.804				*.000*				.484

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D21. Among Providers Reporting a Recent Problem Resolving a Payment Dispute, Providers Reporting It Took Less than One Month, One to Three Months, or More than Three Months to Resolve the Dispute, or That the Dispute Was Never Resolved, 2003

	Centers and Homes Combined			Centers Only				Homes Only			
County	% of providers	90% CI	SE	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*
Jefferson											
Less than one month	32.4	(20.2–47.5)	8.5	27.2	(14.7–44.9)	9.3	6	80.4	(54.2–93.4)	11.8	4
One to three months	40.9	(26.4–57.3)	9.7	43.2	(27.1–60.9)	10.6	8	19.6	(6.6–45.8)	11.8	1
More than three months	10.7	(3.8–26.5)	6.4	11.8	(4.2–29.2)	7.1	2	0.0	(0.0–40.1)	n/c	0
Never resolved	16.0	(7.1–32.5)	7.5	17.8	(7.7–35.8)	8.3	3	0.0	(0.0–40.1)	n/c	0
Hudson											
Less than one month	42.9	(31.7–54.9)	7.1	39.7	(26.1–55.2)	9.0	9	48.0	(29.9–66.7)	11.6	7
One to three months	28.8	(19.6–40.2)	6.3	23.8	(13.6–38.2)	7.5	7	36.7	(20.7–56.3)	11.1	5
More than three months	13.2	(7.2–23.0)	4.8	19.1	(9.6–34.4)	7.4	4	3.9	(1.2–12.0)	2.7	1
Never resolved	15.1	(8.6–25.0)	4.9	17.4	(8.9–31.4)	6.7	5	11.3	(3.9–28.3)	6.8	2
King											
Less than one month	34.9	(25.6–45.5)	6.1	35.4	(23.3–49.7)	8.1	12	34.5	(21.9–49.8)	8.6	10
One to three months	31.5	(22.6–42.0)	6.0	36.5	(24.0–51.0)	8.3	11	28.0	(16.4–43.5)	8.3	8
More than three months	15.4	(9.0–25.0)	4.8	10.6	(4.4–23.4)	5.4	3	18.7	(9.5–33.6)	7.2	5
Never resolved	18.3	(11.3–28.1)	5.0	17.6	(9.1–31.4)	6.7	5	18.7	(9.5–33.6)	7.2	5
Monterey											
Less than one month	45.3	(33.4–57.7)	7.5	43.9	(38.4–49.5)	3.4	7	45.6	(31.0–61.1)	9.3	10
One to three months	25.5	(16.1–38.0)	6.7	18.9	(14.7–23.9)	2.8	3	27.2	(15.7–42.9)	8.3	6
More than three months	12.0	(6.8–20.1)	3.9	25.0	(20.5–30.2)	2.9	4	8.7	(3.3–20.9)	4.9	2
Never resolved	17.2	(9.5–29.2)	5.9	12.3	(9.7–15.5)	1.7	2	18.5	(9.1–33.8)	7.4	4
San Diego											
Less than one month	60.8	(44.3–75.2)	9.6	53.8	(34.3–72.2)	12.0	8	62.1	(42.6–78.4)	11.2	14
One to three months	15.7	(6.9–32.0)	7.4	20.2	(8.5–40.8)	9.7	3	14.9	(5.4–35.1)	8.6	3
More than three months	0.0	(0.0–8.1)	n/c	0.0	(0.0–18.0)	n/c	0	0.0	(0.0–13.0)	n/c	0
Never resolved	23.5	(12.4–39.9)	8.4	26.0	(12.4–46.6)	10.5	4	23.0	(10.6–42.8)	9.8	5

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, no variation in sample responses

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Results for significance tests (p-values) are not reported because for all tests, more than 20 percent of cells had less than five expected observations.
Confidence intervals may be used in lieu of tests of significance to assess the likelihood that observed differences across the groups result from sampling error.
Confidence intervals for n/c standard errors are based on the adjusted Wald interval (Agresti and Coull 1998).
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.

TABLE D22. Subsidized Providers Agreeing with the Statement "Working with Voucher Programs Is an Administrative Hassle for Child Care Providers," 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	28.1	(22.1–35.0)	3.9	120	28.1	(20.1–37.7)	5.4	59	28.2	(23.0–34.1)	3.4	61	-0.1	(-10.7–10.4)	.985
Hudson	28.5	(22.9–34.8)	3.6	118	32.1	(23.8–41.8)	5.5	60	25.2	(18.2–33.8)	4.8	58	6.9	(-5.2–19.1)	.344
King	56.2	(49.2–63.0)	4.2	135	61.8	(51.5–71.2)	6.0	61	53.5	(44.3–62.4)	5.6	74	8.3	(-5.3–21.9)	.312
Monterey	55.2	(48.1–62.1)	4.3	103	38.3	(34.5–42.3)	2.4	29	57.5	(49.4–65.1)	4.8	74	-19.2	(-28.1–-10.2)	*.001*
San Diego	39.0	(30.9–47.8)	5.2	119	50.3	(40.6–60.1)	6.0	57	36.2	(26.6–47.1)	6.3	62	14.1	(-0.3–28.6)	.108
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.939	*.000*	*.000*	*.095*	.598	*.000*	*.083*	*.006*	.610	*.000*	*.000*	.264
Hudson		*.000*	*.000*	*.099*		*.000*	.308	*.027*		*.000*	*.000*	.165
King			.866	*.010*			*.000*	.178			.591	*.041*
Monterey				*.016*				*.064*				*.008*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal

TABLE D23. Subsidized Providers Reporting That It Required More Effort to Get Paid for Private-Paying Children, More Effort to Get Paid for Children with Vouchers, or That the Level of Effort Was About the Same, 2003

	Centers and Homes Combined			Centers Only				Homes Only				
County	% of providers	90% CI	SE	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	*p*-value[a]
Jefferson												
More effort for private-pay	20.4	(15.0–27.1)	3.7	23.7	(16.3–33.1)	5.1	13	12.8	(9.3–17.5)	2.5	8	
More effort for vouchers	17.3	(12.3–23.9)	3.5	21.2	(14.1–30.5)	5.0	11	8.4	(5.5–12.6)	2.1	5	
Same effort for both	62.3	(55.1–69.0)	4.3	55.2	(45.3–64.7)	5.9	35	78.8	(73.2–83.4)	3.1	49	*.003*
Hudson												
More effort for private-pay	15.2	(10.9–20.9)	3.0	16.7	(10.4–25.7)	4.6	8	13.8	(8.5–21.6)	3.9	8	
More effort for vouchers	15.9	(11.5–21.5)	3.0	22.3	(15.1–31.5)	5.0	12	9.7	(5.3–17.3)	3.5	5	
Same effort for both	68.9	(62.4–74.8)	3.8	61.0	(51.2–70.0)	5.8	42	76.5	(67.5–83.7)	4.9	44	*.081*
King												
More effort for private-pay	7.1	(4.2–11.7)	2.2	7.7	(3.6–15.5)	3.4	4	6.9	(3.4–13.2)	2.8	5	
More effort for vouchers	25.4	(20.0–31.8)	3.6	36.5	(27.2–46.9)	6.0	21	20.2	(13.9–28.5)	4.4	15	
Same effort for both	67.5	(60.8–73.5)	3.9	55.8	(45.5–65.7)	6.2	35	72.9	(64.2–80.2)	4.9	56	*.083*
Monterey												
More effort for private-pay	13.5	(9.2–19.3)	3.0	11.2	(8.7–14.2)	1.6	3	13.7	(9.0–20.4)	3.4	10	
More effort for vouchers	21.1	(16.2–26.9)	3.2	33.5	(29.7–37.6)	2.4	9	19.6	(14.2–26.2)	3.6	15	
Same effort for both	65.5	(58.6–71.7)	4.0	55.3	(51.2–59.4)	2.5	15	66.7	(59.0–73.7)	4.5	48	*.008*
San Diego												
More effort for private-pay	17.8	(12.1–25.4)	4.0	5.2	(2.2–11.9)	2.7	3	20.9	(13.9–30.2)	4.9	14	
More effort for vouchers	26.2	(19.4–34.3)	4.6	33.6	(24.8–43.6)	5.8	19	24.4	(16.5–34.5)	5.5	13	
Same effort for both	56.0	(47.2–64.5)	5.3	61.3	(51.1–70.5)	6.0	35	54.7	(44.1–65.0)	6.4	35	*.020*
p-value[b]	*.019*			*.022*				*.003*				

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent for centers and homes within the county.
[b] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent across all five counties.

TABLE D24. Subsidized Providers Reporting a Problem with Having to Work with More than One Voucher Agency or Program in the Six Months before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	11.1	(7.2–16.6)	2.8	120	12.4	(7.2–20.5)	4.0	58	8.1	(5.3–12.2)	2.1	62	4.3	(-3.1–11.7)	.342
Hudson	25.5	(20.2–31.6)	3.5	115	40.8	(31.5–50.8)	5.9	59	11.7	(6.7–19.6)	3.8	56	29.1	(17.4–40.8)	*.000*
King	14.8	(10.6–20.2)	2.9	134	22.8	(15.4–32.4)	5.2	60	10.9	(6.3–18.1)	3.5	74	11.9	(1.6–22.3)	*.059*
Monterey	22.9	(17.7–29.2)	3.5	102	17.3	(14.3–20.7)	1.9	29	23.7	(17.8–30.8)	4.0	73	-6.4	(-13.7–0.9)	.151
San Diego	44.1	(35.8–52.8)	5.2	117	54.2	(44.0–64.0)	6.2	54	41.8	(32.0–52.4)	6.3	63	12.4	(-2.3–26.9)	.165
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.001*	.357	*.009*	*.000*	*.000*	.111	n/c	*.000*	.408	.491	*.001*	*.000*
Hudson		*.018*	.608	*.003*		*.023*	*.000*	.121		.877	*.030*	*.000*
King			*.074*	*.000*			.323	*.000*			*.016*	*.000*
Monterey				*.001*				*.000*				*.015*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
These results may overestimate the extent of the problem because some providers may have simply been affirming they work with more than one voucher agency of program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D25. Subsidized Providers Reporting No Contact, One or Two Contacts, Three to Five Contacts, or More than Five Contacts with Someone from the Voucher Agency during the Month before the Interview, 2003

	Centers and Homes Combined			Centers Only				Homes Only				
County	% of providers	90% CI	SE	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	*p*-value[a]
Jefferson												
No contact	20.4	(15.9–25.8)	3.0	14.4	(8.9–22.5)	4.1	10	33.9	(28.3–40.0)	3.6	21	
1–2 contacts	35.9	(29.4–42.9)	4.1	33.2	(24.5–43.3)	5.7	18	41.8	(35.9–48.0)	3.7	26	
3–5 contacts	23.8	(18.2–30.6)	3.8	25.8	(18.1–35.4)	5.3	15	19.3	(14.9–24.7)	3.0	12	
More than 5 contacts	19.9	(14.4–26.9)	3.8	26.6	(18.7–36.4)	5.4	14	4.9	(2.8–8.5)	1.7	3	*.000*
Hudson												
No contact	23.7	(18.4–29.9)	3.5	16.3	(10.1–25.4)	4.6	8	30.2	(22.4–39.4)	5.2	18	
1–2 contacts	42.1	(35.6–48.9)	4.1	32.6	(24.0–42.6)	5.7	18	50.5	(41.1–59.9)	5.8	29	
3–5 contacts	20.7	(15.8–26.6)	3.3	28.8	(20.9–38.3)	5.3	19	13.5	(8.1–21.6)	4.0	7	
More than 5 contacts	13.5	(9.6–18.7)	2.7	22.2	(15.2–31.3)	4.9	14	5.8	(2.6–12.4)	2.8	3	*.001*
King												
No contact	23.6	(18.1–30.1)	3.7	15.9	(9.9–24.5)	4.4	11	27.4	(19.9–36.4)	5.0	20	
1–2 contacts	27.2	(21.4–34.0)	3.8	19.0	(12.3–28.3)	4.8	12	31.3	(23.4–40.5)	5.2	23	
3–5 contacts	22.4	(17.2–28.7)	3.5	31.0	(22.3–41.2)	5.8	17	18.2	(12.1–26.5)	4.4	13	
More than 5 contacts	26.8	(21.1–33.3)	3.7	34.2	(25.2–44.5)	5.9	20	23.1	(16.2–31.8)	4.7	17	*.037*
Monterey												
No contact	23.7	(18.1–30.5)	3.8	13.2	(10.8–16.1)	1.6	4	25.2	(18.8–33.0)	4.3	18	
1–2 contacts	49.3	(42.2–56.4)	4.4	29.5	(26.5–32.7)	1.9	9	52.1	(43.9–60.1)	5.0	38	
3–5 contacts	14.3	(10.2–19.8)	2.9	13.5	(10.8–16.7)	1.8	4	14.4	(9.8–20.7)	3.3	11	
More than 5 contacts	12.7	(9.2–17.2)	2.4	43.8	(40.0–47.8)	2.4	13	8.3	(4.8–14.1)	2.8	6	*.000*
San Diego												
No contact	25.6	(18.6–34.2)	4.8	18.7	(12.3–27.5)	4.6	11	27.3	(18.8–37.8)	5.8	16	
1–2 contacts	31.4	(24.5–39.1)	4.5	35.2	(26.3–45.3)	5.8	20	30.4	(22.4–39.9)	5.3	21	
3–5 contacts	28.3	(21.0–37.0)	4.9	25.1	(17.5–34.6)	5.2	14	29.1	(20.4–39.8)	5.9	18	
More than 5 contacts	14.7	(9.5–21.9)	3.7	21.0	(13.9–30.4)	5.0	12	13.2	(7.4–22.4)	4.5	8	.465
p-value[b]	*.005*			*.000*				*.006*				

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent for centers and homes within the county.
[b] *p*-value shows result of test hypothesizing that the distribution of population values is equivalent across all five counties.

TABLE D26. Subsidized Providers Reporting It Was Rarely or Never Easy to "Reach the Person I Need to Talk With" When Contacting the Subsidy Agency by Telephone

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	28.3	(22.5–34.9)	3.8	120	25.3	(17.7–34.7)	5.2	58	35.2	(29.6–41.1)	3.5	62	-9.9	(-20.3–0.5)	.118
Hudson	37.3	(31.0–44.1)	4.0	117	42.1	(32.8–51.9)	5.9	60	33.0	(24.8–42.4)	5.4	57	9.1	(-4.2–22.3)	.261
King	70.2	(63.5–76.1)	3.8	132	63.5	(53.3–72.6)	5.9	58	73.4	(64.5–80.6)	4.9	74	-9.9	(-22.6–2.9)	.204
Monterey	40.9	(34.0–48.2)	4.3	100	46.2	(42.4–50.0)	2.3	30	40.1	(32.3–48.5)	5.0	70	6.1	(-3.0–15.1)	.271
San Diego	37.2	(29.1–46.1)	5.2	115	33.3	(24.3–43.6)	5.9	52	38.1	(28.4–48.8)	6.3	63	-4.8	(-19.1–9.5)	.578
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.100	*.000*	*.029*	.169	*.034*	*.000*	*.000*	.312	.740	*.000*	.415	.686
Hudson		*.000*	.545	.984		*.011*	.514	.293		*.000*	.334	.543
King			*.000*	*.000*			*.007*	*.000*			*.000*	*.000*
Monterey				.587				*.043*				*.797*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D27. Among Subsidized Providers Reporting It Was Rarely or Never Easy to Reach the Right Person by Telephone at the Voucher Agency, Providers for Whom It Was Difficult Because They Had to Leave Multiple Messages or Wait a Long Time for a Call to Be Returned, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ- ence	90% CI	*p*-value[a]
Jefferson	96.6	(93.6–98.2)	1.3	37	100.0	(82.0–100.0)	n/c	15	91.0	(83.2–95.4)	3.5	22	9.0		n/c
Hudson	84.0	(74.4–90.5)	4.8	43	93.1	(81.1–97.7)	4.5	24	73.5	(56.4–85.7)	9.0	19	19.6	(2.6–36.6)	n/c
King	82.1	(74.6–87.8)	4.0	88	90.8	(79.6–96.2)	4.7	34	78.5	(68.6–85.9)	5.3	54	12.3	(0.5–24.1)	*.086*
Monterey	95.4	(87.0–98.5)	3.0	42	93.0	(90.1–95.0)	1.5	14	95.9	(84.3–99.0)	3.5	28	-2.9	(-9.3–3.5)	n/c
San Diego	90.7	(75.1–96.9)	6.0	40	94.1	(76.6–98.7)	5.3	17	90.1	(71.1–97.1)	7.1	23	4.0	(-11.0–19.0)	n/c
p-value[b]	n/c				n/c				n/c						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	n/c	*.001*	n/c	n/c	n/c	n/c	n/c	n/c	n/c	n/c	n/c	n/c
Hudson		.756	n/c	n/c		n/c	n/c	n/c		n/c	n/c	n/c
King			*.008*	.232			n/c	n/c			n/c	n/c
Monterey				n/c				n/c				n/c

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations (*p*-value) or no variation in sample responses (SE)

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Confidence intervals for n/c standard errors are based on the adjusted Wald interval (Agresti and Coull 1998).
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D28. Among Subsidized Providers Reporting It Was Rarely or Never Easy to Reach the Right Person by Telephone at the Voucher Agency, Providers for Whom It Was Difficult Because They Were Transferred to Multiple People before Reaching the Right Person, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	38.4	(27.7–50.3)	7.0	37	25.6	(12.0–46.3)	10.6	15	59.5	(49.6–68.6)	5.9	22	-33.9	(-54.5–-13.3)	*.009*
Hudson	71.5	(60.7–80.4)	6.0	43	72.5	(57.6–83.7)	8.0	24	70.4	(53.6–83.0)	9.1	19	2.1	(-18.4–22.6)	.865
King	52.5	(44.0–60.8)	5.2	88	43.9	(31.3–57.3)	8.1	34	56.0	(45.2–66.3)	6.5	54	-12.1	(-29.3–5.1)	.245
Monterey	54.3	(42.9–65.3)	6.9	42	35.2	(31.1–39.5)	2.5	14	57.5	(44.0–70.0)	8.1	28	-22.3	(-36.6–-8.0)	*.012*
San Diego	59.3	(43.7–73.2)	9.2	40	46.7	(29.4–64.8)	11.3	17	61.8	(43.2–77.4)	10.8	23	-15.1	(-41.4–11.2)	.339
p-value[b]	*.011*				*.001*				.778						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	.107	.108	*.072*	*.001*	.174	n/c	.177	.315	.692	.842	.853
Hudson		*.017*	*.062*	.268		*.014*	*.000*	*.065*		.201	.291	.541
King			.834	.518			.306	.842			.887	.649
Monterey				.663				.323				.752

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D29. Among Subsidized Providers Reporting It Was Rarely or Never Easy to Reach the Right Person by Telephone at the Voucher Agency, Providers for Whom It Was Difficult Because They Were Placed on Hold for a Long Time, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	23.5	(16.3–32.5)	4.9	37	10.1	(3.1–28.0)	6.8	15	45.5	(35.0–56.4)	6.6	22	-35.4	(-51.5–-19.3)	n/c
Hudson	62.4	(51.3–72.4)	6.5	43	50.1	(35.0–65.1)	9.4	24	76.7	(59.4–88.1)	8.8	19	-26.6	(-48.3–-4.9)	*.046*
King	79.8	(72.3–85.7)	4.1	88	71.4	(58.1–81.8)	7.3	34	83.2	(73.6–89.9)	4.9	54	-11.8	(-26.5–2.8)	.183
Monterey	44.2	(33.3–55.7)	6.9	42	14.1	(11.1–17.6)	2.0	14	49.2	(36.3–62.2)	8.1	28	-35.1	(-49.2–-21.1)	*.000*
San Diego	44.2	(29.6–59.9)	9.5	40	23.7	(11.5–42.7)	9.6	17	48.2	(30.8–66.0)	11.2	23	-24.5	(-49.4–0.5)	.106
p-value[b]	*.000*				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.000*	*.016*	*.054*	*.001*	*.000*	n/c	n/c	*.005*	*.000*	.723	.838
Hudson		*.024*	*.056*	.115		*.077*	n/c	*.054*		n/c	*.023*	*.047*
King			*.000*	*.001*			*.000*	*.000*			*.000*	*.005*
Monterey				.998				n/c				.939

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D30. Subsidized Providers Reporting Voucher Agency Staff Were Rarely or Never Knowledgeable about the Voucher Program Rules, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	11.5	(7.5–17.1)	2.9	118	14.4	(8.9–22.4)	4.1	57	4.8	(2.8–8.1)	1.6	61	9.6	(2.4–16.8)	*.030*
Hudson	14.5	(10.3–20.0)	3.0	111	10.7	(5.9–18.7)	3.8	55	17.8	(11.6–26.3)	4.4	56	-7.1	(-16.8–2.5)	.224
King	15.0	(10.4–21.0)	3.2	126	12.4	(7.0–21.1)	4.2	57	16.2	(10.3–24.6)	4.3	69	-3.8	(-13.8–6.1)	.525
Monterey	19.1	(14.1–25.4)	3.4	100	17.5	(14.4–21.1)	2.1	29	19.4	(13.7–26.6)	3.9	71	-1.9	(-9.2–5.5)	.673
San Diego	12.5	(7.9–19.4)	3.5	118	21.9	(14.6–31.5)	5.2	55	10.4	(5.3–19.3)	4.1	63	11.5	(0.6–22.5)	*.082*
p-value[b]	.519				.330				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.465	.416	*.087*	.812	.504	.734	.496	.253	*.006*	*.013*	*.001*	n/c
Hudson		.914	.305	.671		.760	n/c	*.080*		.798	.795	.218
King			.372	.609			n/c	.154			.591	.322
Monterey				.178				.427				.113

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D31. Subsidized Providers Reporting a Problem with Time-Consuming or Difficult Paperwork in the Six Months before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	21.3	(15.8–28.3)	3.8	119	27.2	(19.2–37.0)	5.4	57	8.2	(5.4–12.5)	2.1	62	19.0	(9.3–28.6)	*.001*
Hudson	22.3	(17.3–28.3)	3.3	116	30.4	(22.2–40.1)	5.5	60	14.8	(9.4–22.6)	4.0	56	15.6	(4.4–26.9)	*.023*
King	27.1	(21.3–33.9)	3.8	133	20.6	(13.5–30.2)	5.1	59	30.2	(22.5–39.2)	5.1	74	-9.6	(-21.5–2.4)	.188
Monterey	17.4	(12.6–23.5)	3.3	102	20.9	(17.6–24.6)	2.1	29	16.9	(11.6–24.0)	3.7	73	4.0	(-3.2–11.2)	.355
San Diego	34.8	(26.9–43.7)	5.1	117	37.1	(27.7–47.5)	6.1	54	34.3	(25.0–45.0)	6.2	63	2.8	(-11.6–17.1)	.751
p-value[b]	*.052*				*.071*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.852	.288	.432	*.036*	.674	.378	.281	.227	.146	*.000*	*.045*	*.000*
Hudson		.345	.297	*.042*		.191	.106	.419		*.018*	.702	*.008*
King			*.056*	.230			.961	*.039*			*.037*	.610
Monterey				*.005*				*.013*				*.017*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D32. Number of Hours a Month That Subsidized Providers Report Typically Spending on Voucher Paperwork, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	Mean hours	90% CI	SE	*n*	Mean hours	90% CI	SE	*n*	Mean hours	90% CI	SE	*n*	Mean hours	90% CI	*p*-value[a]
Jefferson	4.6	(3.7–5.4)	0.5	108	4.7	(3.5–5.8)	0.7	49	4.4	(3.5–5.4)	0.6	59	0.3	(-1.3–1.8)	.781
Hudson	7.4	(4.6–10.1)	1.7	101	14.3	(8.1–20.5)	3.8	48	1.8	(1.5–2.2)	0.2	53	12.5	(6.2–18.7)	*.001*
King	5.2	(4.1–6.2)	0.7	129	10.2	(7.3–13.2)	1.8	57	2.7	(2.0–3.5)	0.5	72	7.5	(4.4–10.5)	*.000*
Monterey	7.1	(5.1–9.1)	1.2	97	15.9	(13.3–18.4)	1.5	27	5.9	(3.7–8.2)	1.4	70	10.0	(6.5–13.4)	*.000*
San Diego	4.9	(3.8–5.9)	0.7	111	9.2	(5.4–13.0)	2.3	49	4.0	(2.9–5.0)	0.6	62	5.2	(1.3–9.2)	*.031*
p-value[b]	.244				*.000*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.116	.492	*.062*	.730	*.013*	*.004*	*.000*	*.063*	*.000*	*.024*	.314	.591
Hudson		.226	.890	.170		.333	.694	.250		*.076*	*.003*	*.001*
King			.171	.756			*.017*	.719			*.028*	.115
Monterey				.114				*.016*				.194

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D33. Subsidized Providers Agreeing with the Statement "Voucher Programs Have Rules That Are Straightforward and Easy to Understand," 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	85.8	(79.9–90.2)	3.1	118	85.4	(76.8–91.2)	4.3	57	86.8	(81.9–90.5)	2.6	61	-1.4	(-7.0–9.7)	.783
Hudson	83.4	(77.9–87.7)	3.0	117	74.4	(64.9–82.1)	5.2	61	91.9	(85.4–95.7)	3.0	56	-17.5	(7.5–27.5)	*.005*
King	65.0	(58.1–71.3)	4.0	138	71.2	(61.3–79.5)	5.6	62	62.0	(52.9–70.3)	5.3	76	9.2	(-22.0–3.5)	.233
Monterey	74.3	(67.5–80.0)	3.8	105	77.3	(73.7–80.5)	2.1	31	73.8	(66.1–80.3)	4.3	74	3.5	(-11.4–4.5)	.473
San Diego	87.6	(80.1–92.5)	3.7	113	86.9	(78.2–92.5)	4.3	53	87.7	(78.3–93.4)	4.5	60	-0.8	(-9.4–11.0)	.897
p-value[b]	*.000*				*.066*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.570	*.000*	*.019*	.718	.107	*.045*	*.092*	.801	.198	*.000*	*.011*	.857
Hudson		*.000*	*.060*	.379		.677	.610	*.065*		*.000*	*.001*	.438
King			*.095*	*.000*			.308	*.026*			*.086*	*.000*
Monterey				*.013*				*.043*				*.027*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D34. Subsidized Providers Reporting They Told a Parent about the Availability of Vouchers, or Helped a Parent Apply or Work Out a Voucher-Related Problem in the Six Months before the Interview, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	85.9	(81.0–89.8)	2.7	121	88.1	(80.7–92.9)	3.6	59	81.0	(76.0–85.1)	2.8	62	7.1	(-0.5–14.6)	.123
Hudson	74.3	(68.6–79.3)	3.3	119	90.1	(83.6–94.2)	3.1	61	59.8	(50.4–68.6)	5.6	58	30.3	(19.7–40.9)	*.000*
King	73.4	(66.9–79.0)	3.7	137	89.3	(82.2–93.8)	3.4	62	65.7	(56.7–73.7)	5.2	75	23.6	(13.2–33.9)	*.000*
Monterey	68.9	(61.7–75.3)	4.2	101	92.7	(90.8–94.3)	1.0	27	65.9	(57.9–73.2)	4.7	74	26.8	(18.9–34.7)	n/c
San Diego	75.2	(66.6–82.1)	4.7	118	77.0	(67.5–84.4)	5.2	56	74.7	(64.2–83.0)	5.7	62	2.3	(-10.5–15.1)	.768
p-value[b]	*.002*				*.033*				*.001*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.006*	*.006*	*.001*	*.048*	.670	.810	.216	*.080*	*.001*	*.010*	*.006*	.327
Hudson		.856	.305	.883		.858	.426	*.031*		.442	.400	*.064*
King			.414	.771			.337	*.049*			.972	.245
Monterey				.319				*.003*				.236

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D35. Subsidized Providers Reporting They Often or Always Agreed to Serve a Family for Free or for a Reduced Fee When the Family Lost Its Voucher, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	12.7	(8.9–17.8)	2.7	120	9.8	(5.2–17.7)	3.7	58	19.3	(14.9–24.7)	3.0	62	-9.5	(-17.3--1.7)	*.046*
Hudson	36.4	(30.3–43.0)	3.9	114	50.8	(40.9–60.6)	6.0	58	23.7	(16.5–32.8)	5.0	56	27.1	(14.1–40.0)	*.001*
King	20.5	(15.3–26.8)	3.5	130	19.5	(12.6–28.9)	4.9	58	20.9	(14.3–29.5)	4.6	72	-1.4	(-12.6–9.8)	.832
Monterey	26.9	(20.9–33.9)	3.9	97	18.4	(15.5–21.6)	1.9	27	28.0	(21.3–35.9)	4.5	70	-9.6	(-17.7--1.7)	*.048*
San Diego	21.1	(15.2–28.6)	4.1	118	23.3	(15.8–32.9)	5.2	55	20.6	(13.7–29.8)	4.9	63	2.7	(-9.1–14.5)	.707
p-value[b]	*.000*				*.000*				.583						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	*.000*	*.080*	*.003*	*.086*	*.000*	.116	n/c	*.035*	.449	.770	.105	.823
Hudson		*.002*	*.086*	*.007*		*.000*	*.000*	*.001*		.683	.519	.656
King			.223	.904			.827	.597			.270	.961
Monterey				.308				.371				.263

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D36. Subsidized Providers Agreeing with the Statement "Compared to Other Families, There Is a Lot of Child Care Turnover among Families Receiving Vouchers," 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	46.3	(39.1–53.6)	4.4	114	47.1	(37.5–57.0)	6.0	57	44.3	(38.1–50.6)	3.8	57	2.8	(-9.0–14.7)	.687
Hudson	47.6	(40.7–54.5)	4.2	110	52.6	(42.7–62.3)	6.0	57	42.6	(33.3–52.5)	5.9	53	10.0	(-4.0–24.0)	.239
King	47.9	(41.0–54.9)	4.2	135	40.9	(31.4–51.1)	6.1	61	51.4	(42.3–60.5)	5.6	74	-10.5	(-24.2–3.1)	.204
Monterey	39.7	(32.9–47.0)	4.3	101	22.9	(19.6–26.6)	2.1	31	42.2	(34.4–50.5)	4.9	70	-19.3	(-28.2–-10.4)	*.001*
San Diego	42.6	(33.8–52.0)	5.6	111	33.8	(25.0–43.9)	5.8	56	45.0	(34.0–56.4)	6.9	55	-11.2	(-26.2–3.8)	.219
p-value[b]	.625				*.000*				.771						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.839	.791	.286	.604	.522	.466	*.000*	.113	.817	.292	.746	.929
Hudson		.949	.194	.480		.172	*.000*	*.026*		.280	.959	.797
King			.174	.448			*.006*	.400			.219	.469
Monterey				.682				*.081*				.748

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D37. Subsidized Providers Agreeing with the Statement "Children with Vouchers Have More Behavior Problems than Other Children," 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	12.8	(8.8–18.2)	2.8	120	13.3	(8.0–21.1)	3.9	59	11.6	(8.1–16.3)	2.5	61	1.7	(-6.0–9.3)	.719
Hudson	14.1	(10.1–19.5)	2.9	119	9.8	(5.4–17.2)	3.5	61	18.2	(11.9–26.7)	4.5	58	-8.4	(-17.8–1.0)	.141
King	20.6	(15.6–26.8)	3.4	138	19.4	(12.7–28.5)	4.8	62	21.2	(14.7–29.6)	4.5	76	-1.8	(-12.7–9.1)	.782
Monterey	23.9	(18.2–30.7)	3.8	105	3.4	(2.0–5.7)	1.1	31	26.8	(20.3–34.5)	4.3	74	-23.4	(-30.9–-16.0)	*.000*
San Diego	21.0	(14.6–29.3)	4.5	120	13.5	(8.1–21.8)	4.1	58	22.9	(15.0–33.2)	5.5	62	-9.4	(-20.7–2.1)	.178
p-value[b]	*.080*				*.000*				*.020*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.735	*.077*	*.019*	.122	.507	.321	n/c	.960	.197	*.062*	*.002*	*.063*
Hudson		.145	*.040*	.198		.105	n/c	.485		.631	.166	.510
King			.524	.949			n/c	.352			.373	.820
Monterey				.622				n/c				.573

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D38. Subsidized Providers with Access to a Computer That Could Be Used for Program Administration, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	73.9	(67.1–79.7)	3.8	120	74.5	(64.8–82.3)	5.3	58	72.6	(66.7–77.8)	3.4	62	1.9	(-8.5–12.4)	.760
Hudson	75.9	(69.9–81.0)	3.4	118	87.7	(79.6–92.9)	4.0	60	65.3	(56.0–73.5)	5.4	58	22.4	(11.4–33.5)	*.001*
King	91.4	(86.6–94.6)	2.4	135	91.2	(83.7–95.4)	3.4	61	91.6	(84.8–95.5)	3.1	74	-0.4	(-8.1–7.3)	.932
Monterey	75.6	(68.7–81.3)	3.8	103	90.2	(88.3–91.9)	1.1	30	73.5	(65.7–80.1)	4.4	73	16.7	(9.2–24.2)	*.000*
San Diego	89.7	(83.3–93.8)	3.1	120	86.0	(77.5–91.6)	4.2	57	90.6	(82.4–95.2)	3.7	63	-4.6	(-14.0–4.8)	.417
p-value[b]	*.000*				*.055*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.704	*.000*	.764	*.002*	*.048*	*.009*	*.004*	*.092*	.248	*.000*	.867	*.000*
Hudson		*.000*	.951	*.003*		.504	n/c	.774		*.000*	.234	*.000*
King			*.000*	.662			n/c	.343			*.001*	.846
Monterey				*.004*				n/c				*.003*

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D39. Among Subsidized Providers with Access to a Computer, Providers with Internet Access, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	73.1	(65.3–79.7)	4.4	90	74.7	(63.6–83.4)	6.0	45	69.2	(62.4–75.3)	4.0	45	5.5	(-6.5–17.5)	.448
Hudson	74.5	(67.2–80.6)	4.1	89	81.8	(72.5–88.5)	4.8	53	65.3	(53.1–75.7)	7.0	36	16.5	(2.5–30.6)	*.054*
King	86.1	(80.4–90.4)	3.0	122	79.4	(69.2–86.8)	5.4	55	89.5	(81.9–94.1)	3.6	67	-10.1	(-20.8–0.6)	.120
Monterey	83.2	(76.9–88.1)	3.4	80	68.7	(64.5–72.7)	2.5	26	85.6	(77.9–91.0)	3.9	54	-16.9	(-24.6–9.2)	*.001*
San Diego	81.1	(72.8–87.2)	4.4	106	75.3	(64.8–83.5)	5.7	49	82.4	(72.1–89.4)	5.2	57	-7.1	(-19.9–5.8)	.363
p-value[b]	*.060*				.104				*.001*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.821	*.015*	*.068*	.199	.360	.567	.360	.944	.621	*.000*	*.004*	*.046*
Hudson		*.022*	*.099*	.271		.734	*.017*	.385		*.002*	*.011*	*.050*
King			.522	.340			*.073*	.605			.469	.264
Monterey				.694				.291				.619

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D40. Subsidized Providers Reporting an Interest in Submitting Attendance Records or Other Paperwork to the Voucher Agency via the Internet, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	65.4	(58.6–71.6)	4.0	116	71.6	(61.9–79.6)	5.4	57	50.7	(44.4–57.1)	3.9	59	20.9	(9.8–31.9)	*.002*
Hudson	73.3	(67.2–78.7)	3.5	114	85.1	(76.3–90.9)	4.4	58	62.7	(53.5–71.0)	5.4	56	22.4	(10.9–33.9)	*.002*
King	56.7	(49.8–63.3)	4.1	132	76.8	(67.0–84.3)	5.3	59	46.9	(38.0–56.0)	5.5	73	29.9	(17.2–42.5)	*.000*
Monterey	74.9	(68.2–80.6)	3.8	98	81.9	(79.4–84.2)	1.5	27	74.0	(66.4–80.4)	4.3	71	7.9	(0.5–15.5)	*.080*
San Diego	68.0	(59.4–75.6)	5.0	116	69.8	(59.5–78.5)	5.8	53	67.6	(57.2–76.6)	6.0	63	2.2	(-11.6–16.0)	.792
p-value[b]	*.009*				*.080*				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.135	.129	*.083*	.677	*.055*	.496	*.067*	.824	*.073*	.572	*.000*	*.018*
Hudson		*.002*	.763	.386		.228	n/c	*.038*		*.042*	.101	.537
King			*.001*	*.079*			.345	.379			*.000*	*.011*
Monterey				.273				*.045*				.387

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D41. Subsidized Providers with Access to a Computer and Internet Access, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	54.0	(46.9–61.0)	4.3	120	55.7	(45.8–65.2)	6.0	58	50.2	(44.1–56.3)	3.7	62	5.5	(-6.2–17.1)	.442
Hudson	56.3	(49.8–62.6)	3.9	117	71.7	(62.2–79.7)	5.3	60	42.2	(33.2–51.7)	5.7	57	29.5	(16.7–42.5)	*.000*
King	78.7	(72.5–83.8)	3.4	134	72.4	(62.4–80.5)	5.6	61	81.8	(73.6–87.9)	4.4	73	-9.4	(-21.2–2.2)	.182
Monterey	62.8	(55.6–69.5)	4.2	102	61.8	(57.7–65.7)	2.4	29	62.9	(54.8–70.4)	4.8	73	-1.1	(-10.1–7.8)	.830
San Diego	72.7	(64.4–79.7)	4.7	120	64.8	(54.7–73.7)	5.8	57	74.6	(64.3–82.8)	5.6	63	-9.8	(-23.3–3.6)	.226
p-value[b]	*.000*				.137				*.000*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.696	*.000*	.147	*.003*	*.046*	*.042*	.346	.277	.235	*.000*	*.037*	*.000*
Hudson		*.000*	.260	*.007*		.936	*.091*	.380		*.000*	*.005*	*.000*
King			*.004*	.306			*.083*	.348			*.004*	.314
Monterey				.116				.636				.114

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D42. Among Subsidized Providers with Internet Access, Providers Reporting an Interest in Submitting Attendance Records or Other Paperwork to the Voucher Agency via the Internet, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Differ-ence	90% CI	*p*-value[a]
Jefferson	69.9	(60.8–77.7)	5.2	63	76.8	(63.9–86.0)	6.8	34	51.5	(42.3–60.6)	5.6	29	25.3	(10.5–40.0)	*.006*
Hudson	78.4	(70.3–84.8)	4.4	65	90.5	(80.1–95.8)	4.5	41	60.3	(45.5–73.4)	8.7	24	30.2	(13.8–46.6)	n/c
King	56.3	(48.6–63.8)	4.7	102	79.3	(67.7–87.5)	6.0	43	46.4	(36.5–56.6)	6.2	59	32.9	(18.6–47.2)	*.000*
Monterey	72.7	(64.0–79.9)	4.9	61	73.8	(69.9–77.4)	2.3	15	72.5	(62.8–80.5)	5.4	46	1.3	(-8.5–11.1)	n/c
San Diego	65.6	(54.9–74.8)	6.1	82	63.1	(50.0–74.5)	7.6	35	66.0	(53.5–76.7)	7.2	47	-2.9	(-20.3–14.4)	.779
p-value[b]	*.014*				*.009*				*.013*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.213	*.052*	.701	.584	*.093*	.781	.681	.181	.398	.543	*.008*	.112
Hudson		*.001*	.384	*.089*		.137	*.001*	*.002*		.195	.234	.611
King			*.016*	.231			n/c	*.096*			*.002*	*.039*
Monterey				.363				.178				.470

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

TABLE D43. Among Subsidized Providers without Internet Access, Providers Reporting That If They Had Access to a Computer with Internet They Would Have an Interest in Submitting Attendance Records or Other Paperwork to the Voucher Agency via the Internet, 2003

	Centers and Homes Combined				Centers Only				Homes Only				Center - Home Difference		
County	% of providers	90% CI	SE	*n*	% of centers	90% CI	SE	*n*	% of homes	90% CI	SE	*n*	Difference	90% CI	*p*-value[a]
Jefferson	59.9	(49.3–69.6)	6.2	53	64.8	(49.1–77.8)	8.9	23	50.0	(41.0–59.0)	5.5	30	14.8	(-2.8–32.4)	.165
Hudson	68.4	(58.5–76.9)	5.7	48	71.8	(52.5–85.5)	10.3	17	66.8	(54.9–76.9)	6.8	31	5.0	(-15.7–25.7)	.685
King	60.5	(44.9–74.1)	9.1	29	70.4	(49.7–85.1)	11.1	16	52.9	(31.4–73.4)	13.6	13	17.5	(-12.4–47.5)	n/c
Monterey	78.5	(66.6–87.0)	6.2	36	91.2	(87.7–93.8)	1.8	11	76.6	(62.9–86.3)	7.2	25	14.6	(2.1–27.1)	n/c
San Diego	74.8	(60.0–85.4)	7.8	34	82.8	(64.9–92.6)	8.3	18	72.3	(53.8–85.4)	9.8	16	10.5	(-11.3–32.3)	n/c
p-value[b]	.220				n/c				*.038*						

Pairwise *p*-values[c]	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego	Huds.	King	Mont.	San Diego
Jefferson	.313	.960	*.036*	.138	.609	.696	n/c	.143	*.057*	.844	*.004*	*.050*
Hudson		.459	.232	.511		n/c	n/c	n/c		.363	.321	.644
King			.104	.234			n/c	n/c			n/c	n/c
Monterey				.708				n/c				n/c

Source: The Urban Institute, 2008.
CI = confidence interval
SE = standard error
n/c = not calculated, more than 20 percent of cells had less than five expected observations

Notes: Subsidized providers are those currently or recently (within six months) caring for at least one child whose fees were paid through a voucher program.
Confidence intervals may be used in lieu of n/c tests of significance to assess the likelihood that observed differences across the groups result from sampling error rather than actual differences in the population.
Standard errors and related confidence intervals account for the sample design and use a finite population correction factor.
p-values are not adjusted to account for multiple tests.
p-values are italicized if $p < .10$, the threshold for significance used in the report text.
[a] *p*-value shows result of test hypothesizing that the population values for centers and homes within the county are equal.
[b] *p*-value shows result of test hypothesizing that the population values are equal across all five counties.
[c] *p*-values show results of each (pairwise) test hypothesizing that the population values for the pair of counties are equal.

APPENDIX E

Quantitative Methods

Analysis was carried out with version 9 of Stata statistical software (StatCorp 2005a). Stata's survey (svy) commands were used to incorporate sample design information (including weights, sampling strata, and finite population correction factors) into the standard errors and related statistics for the weighted point estimates. To ensure adequate representation of providers caring for—and not caring for—children receiving vouchers in each county, sampling frames were stratified by voucher involvement prior to sample section. Stratum-specific weights were applied to adjust for probability of selection into the sample and for survey nonresponse. The finite population correction factor was used to adjust the standard error for the share of the population in each county that was included in the sample.

Among centers, the finite population correction made the greatest improvement in the precision of estimates in Monterey County, where the full population of centers in the sampling frame was sampled (and therefore the only variance is due to survey non-response). The finite population correction made the smallest difference for precision in San Diego and King Counties, where only about a quarter of centers in the sampling population were selected for the sample. Among homes, the finite population correction made the greatest difference in the precision of estimates in Jefferson County (where an estimated 75 percent of eligible homes in the sampling frame were sampled), and it made the smallest difference in San Diego County (where only 4 percent of eligible homes in the sampling frame were sampled).

Most of the results are based on the default options for the svy: tabulate commands that are documented in the Stata Survey Data Reference Manual. Measures expressed as mean values, rather than proportions, and 90 percent confidence intervals and standard errors of differences between centers and homes are generally based on the default options for the svy: mean command. The tests for equality of estimates across counties and for subgroups within counties, however, are based on the adjusted Wald test of independence (StataCorp 2005b). In addition, when all or none of the providers in a given county had a particular characteristic, the Stata svy commands did not permit calculation of a confidence interval for that county. In those cases, for simplicity, an unweighted Wald binomial confidence interval (Agresti and Coull 1998) was estimated instead.

The adjusted Wald test of independence may not be not valid when any cells have fewer than one case expected under an assumption of independence or when more than 20 percent of cells have fewer than five expected cases. Consequently, statistical tests for independence were not conducted when the data tables met those conditions. Even without tests for significance, it is possible to calculate confidence intervals for those estimates and to use those intervals to assess how confident we may be that observed differences between those groups and others actually result from population differences (rather than sampling error).

To thoroughly explore possible differences across counties and subgroups of providers, the analysis includes a large number of statistical tests. As the number of related statistical tests increases, there is an increased probability of, on at least one test, mistakenly finding a significant difference when one does not exist (Type I error). Analytic techniques exist to maintain a more consistent limit on this type of error across each family of tests that is carried out (Keselman, Cribbie, and Holland 2004). However, because those techniques also work to increase the chance that an individual test will not show a significant difference when one exists (Type II error) and because the techniques add to the complexity of analysis, reporting, and interpretation, there is some debate about the appropriateness of those methods for certain types of research (Ahmed 1992; Moran 2003; Roback and Askins 2003; Saville 2003). Since this is an exploratory study designed to highlight areas in which there is some evidence of differences that should be confirmed with future research, we did not make corrections to account for the multiplicity of tests. Although there is a somewhat greater risk than implied by our chosen alpha level that some of the observed statistically significant differences are the result of chance, we determined that this level risk was acceptable to better ensure that real and potentially important differences were not overlooked.

Notes

1. For the purpose of this report, the terms copayment and parent fees are used interchangeably to refer to the amount of the total authorized voucher reimbursement rate that parents must pay. Most states use the term "copayment" to refer to this share. California uses different terminology. In California, "parent fees" refers to the amount of the voucher reimbursement rate that parents must cover, and "copayments" refers to the amount above the rate that parents must pay if the provider they choose charges more than the reimbursement ceiling allowed by the state.
2. Research suggests that families do not receive subsidies for very long periods. One study of five states found that the average voucher spell lasted from three to seven months (Meyers et al. 2002).
3. Child Care Bureau, "2006 CCDF Data Tables (Preliminary Estimates)," http://www.acf.hhs.gov/programs/ccb/data/ccdf_data/06acf800_preliminary/table2.htm.
4. To ensure adequate representation of providers caring for—and not caring for—children receiving vouchers, sampling frames were stratified by voucher receipt before sample selection. Weights differ across these strata and across counties. The overall response rate for the survey was 82 percent for centers and 87 percent for family child care homes. The response rate among centers in individual counties ranged from 79 to 92 percent. Response rates among family child care providers ranged from 84 to 91 percent, depending on the county.
5. This standard for significance does, however, increase the risk of finding a difference observed in the sample to be statistically significant when a difference does not in fact exist in the population.
6. As the number of tests increases, there is an increased probability of, on at least one test, mistakenly finding a significant difference when one does not exist. Because this study is exploratory, designed to highlight areas in which there is some evidence of possible differences that could be confirmed with future research, and because there are drawbacks to doing so, we did not make corrections to account for the multiplicity of tests. See appendix E for additional discussion of this issue.
7. A 90 percent confidence interval means that, if repeated samples were drawn and repeated confidence intervals were constructed using identical procedures, approximately 90 percent of the intervals would contain the true population value. For ease, a 90 percent confidence interval may be loosely interpreted as having an approximately 90 percent chance of containing the true population value.
8. Although the City of Seattle voucher program was not funded by the CCDF, we did collect survey data about how many providers were caring for children through this program. For providers that had a larger share of children with vouchers through the City of Seattle than through the state voucher program, we asked about their experiences with the City of Seattle program. Consequently, about 6 percent of respondents caring for children with vouchers in King County reported about their experiences with the City of Seattle voucher program. Because the survey results primarily reflect providers' experiences with the state voucher program, we did not collect qualitative data about the policies and implementation practices for the City of Seattle voucher program.

9. While the funding streams are separated, there actually is overlap in the characteristics of the populations served across the two agencies, primarily because families are only moved out of Stage 1 (and therefore to CSI) if funds are available. Yet because of program barriers and fluctuations in funding, there is considerable overlap in Monterey County of populations of parents served in CalWORKS Stage 1 compared with CalWORKS Stages 2 and 3. As a result, at times not all families in Stage 1 who are stable in employment or who are discontinued from CalWORKS (TANF) are transferred to Stage 2, but may be held in Stage 1 for varying periods.

10. The colocation of TANF and child care caseworkers also differed across local offices. In one office at the time of our site visit, the child care payment unit was colocated with the TANF unit; this office was one in which providers indicated they experienced better service, probably because the colocation of workers facilitated communication and coordination, allowed paperwork to move between workers more quickly, and allowed clients to meet with both workers if needed. The other office—where providers were less satisfied with customer service—did not have this approach, though they have since colocated staff as well.

11. The HHSA in San Diego County, which administered vouchers for Stage 1 as well as stages 2 and 3, had different administrative approaches for these programs. For Stage 1, case managers determined eligibility set up and approved clients, with separate payment technicians who handled provider payments. In Stage 2/3, the agency had one set of workers that handled the initial intake process for both parents and providers, and another set that was responsible for managing ongoing parent eligibility and provider payments. The Urban League in Hudson County had separate staff assigned to work with TANF parents receiving WFNJ child care vouchers and to work with non-TANF parents receiving NJCK vouchers. Because the Urban League was responsible for issuing payments for the NJCK program, it also had separate financial staff for this purpose. (Payments for WFNJ were issued by the state.)

12. While local respondents report otherwise, state-level respondents report that there were no staffing cutbacks at the local agency, and caseloads were below recommended levels.

13. In this paper, we use the term "policy" to refer to the range of laws, regulations, and policies that govern the voucher program.

14. In addition, voucher agencies also paid for some holidays, though again the levels varied. For example, in Alabama, providers could choose up to 13 holidays a year and providers in New Jersey received federal holidays. DSS in Monterey County covered up to 11 holidays, and San Diego agencies covered up to 10 days as long as this was consistent with a provider's policy for parents who paid the full fee.

15. Interestingly, providers felt that there were different policies for absent days across the two agencies in Monterey County, though site visitors had trouble clarifying what the policies were for each agency. In particular, CSI definitely paid for some absent days, but the number was unclear. The absent day policies for DSS were also unclear. One DSS worker said the agency paid for up to 20 days a year, though it may also depend on the provider's own policy, and at least some providers reported difficulties in being reimbursed by DSS for absent days. Sometimes, TANF workers had the authority to determine whether to pay for absent days (by comparing them against the parent's work activity). Finally, DSS did not pay for absent days for families in license-exempt care.

16. At the time of the study, Monterey County had a written absent day policy that allowed up to 20 excused (paid) absences per family a calendar year. However, local policy was superseded in some aspects by new state payment regulations effective December 1, 2003. The regulations included definitions and limits on paid provider holidays, excluded some providers who were paid hourly or daily from being paid for holidays and absences, and required that providers only be paid for holidays and absences if they also bill unsubsidized families for these days. Staff was informed of these changes in written instructions issued October 6, 2003. Given this timing, it is not surprising that some staff may not yet have had a full understanding of how the new state regulations affected the local policies.

17. Providers may still choose to serve the child under these circumstances if they do know, but that reflects a conscious choice on their part.

18. For example, whether families can receive vouchers, and the level of the subsidy, depends on a host of factors that can change frequently for low-income families. These factors include work status, work patterns, work schedule, participation in work-activities required by TANF, income, and household composition. Balancing the need to ensure that subsidies are set at appropriate levels with the need to minimize parent and administrative burden is a challenging balancing act for many agencies. See Adams et al. (2008) for more information.

19. This may be because families on TANF are likely to be in short-term work-related activities—sometimes as short as several weeks—and may have subsidy certification periods tied to the length of their work activity (Adams, Holcomb et al. 2006). For example, the WFNJ program in Hudson County issued a new contract for each activity for TANF parents.

20. Providers were asked to answer whether the following statement was always, often, rarely, or never true: "When I start caring for a child with vouchers from (name of local voucher agency), I am paid for the first days that I care for that child."

21. Providers in some sites reported concerns about part-time slots, as they felt they were hard to manage. Some concerns they highlighted were that they had to have the staff there regardless, they could not necessarily find children who wanted the complementary time (i.e., if one child is served from 8am 1pm, finding another child who will be there from 1 to 6pm), and it created challenges around being sure to meet licensing regulations in terms of group size and child-to-staff ratios (for example, if the children sharing the slot overlapped inadvertently). As a result, some providers do not accept children on a part-time basis.

22. These timelines may be more comparable than they appear, as some policies may have been expressed in terms of business days while others may have been expressed in terms of calendar days.

23. This policy changed during our study. According to both state and local respondents, California changed its approach in December 2003. With these changes, more providers are paid at a flat monthly rate (part-time or full-time) or a flat weekly rate, and fewer providers are paid daily or hourly. Hourly or daily payment arrangements are usually used only when a client's CalWORKS (TANF) activity is very short-term or one-time only, or when a client works sporadically (such as on an on-call basis). As a result of these changes, individual days are less likely to be disallowed. Thus, it is likely that the issue cited here occurred less frequently after December 2003.

24. See note 1.

25. Results in Monterey County may reflect the fact that, at the time of the interviews, one voucher agency in the county was collecting the parent fees rather than delegating responsibility for parent fee collection to providers.

26. Providers serving CalWORKS Stage 1 parents in HHSA in San Diego were divided into two payment groups. For a service period of January 1 to January 31, the first group was required to submit invoices anytime between February 1 and February 15, and they would be paid within 10 days of submitting the invoice (i.e., by February 11 at the earliest). The second group was required to submit invoices anytime between the February 16 and the last day of February, and they would paid within 10 days of submitting the invoice (i.e., by February 26 at the earliest). Providers serving CalWORKS Stage 2 parents with vouchers from HHSA could submit invoices anytime in the month after the service period, and agency policy was to issue the payment within 10 days.

27. See note 23.

28. This survey question was part of a series that asked whether providers had a problem during the previous six months with "any of the following…." Because this item about working with multiple agencies appeared near the end of the series, and offering a reminder that the series related to "problems" was

left to the discretion of the interviewers, we are not confident that all respondents remembered the instructions throughout the entire series. The uncertainty around the interpretation of this item is compounded by the fact that many earlier items in the series (such as late payments or not receiving adequate notice) were obvious problems while this item could, or could not, be a problem for providers.

29. See note 12.

30. Staff at the state level in Alabama and at DSS in Monterey report that there were no staffing cuts at the time of the site visits. However, local staff in Jefferson County corroborated these perceptions of staffing cutbacks.

31. Centers were slightly more likely than homes to report being in touch with the agency at least once (between 81 and 87 percent for centers compared with 66–76 percent of homes), though these differences were only statistically significant in some sites. This finding is to be expected given that centers serve more children.

32. Since 2003-04, Monterey County has implemented several strategies to decrease the response time to inquiries and reduce the need for multiple calls on the same issue. At this point, the county reports that very few inquiries go beyond a worker (to a supervisor or manager) in order to be resolved. Having the child care payment unit fully staffed since December 2005 has helped ensure that calls are returned promptly and that corrective action can be completed without repeated contact on the same issue.

    Another step that helped the efficiency of the program was when the child care payment unit that serves the largest number of CalWORKS families (those families in Salinas, North Monterey County, and the Salinas Valley) was moved to the same building as Salinas CWES in June 2004. The child care payment unit that serves the Monterey Peninsula and Big Sur areas was already co-located with CWES staff at the time of the study, and that may have contributed to providers showing more satisfaction with the service provided by that office. Co-location eliminated the need to fax information back and forth or send it by interoffice mail. It is much easier to resolve a problem when the employment (CWES) and child care worker can talk face to face and hand carry information to each other as needed. Customers can now meet with both their welfare-to-work and child care worker in the same visit, if needed, since they are now in the same building.

33. The California Department of Education does not allow backdating, though the Department of Social Services does.

34. New Hampshire implemented voluntary web billing as a pilot in 2005, and now over 50 percent of children are billed via the web. This system allows providers to confirm children are eligible, pre-fills the identifying information, and only requires providers to enter dates, times, and rates. The state has a fail-safe mechanism built into the system to limit the possibility that providers will enter information that is incorrect (e-mail communication with Ellen Wheatley, Child Development Bureau Administrator, New Hampshire Division for Children, Youth and Families, January 29, 2008).

35. See note 7.

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