

# The Essential Work of Family Child Care: The Effects of the COVID-19 Pandemic for Providers & Families

By Voices for Illinois Children

## Background & Motivation

The COVID-19 pandemic has worsened pre-existing issues for Family Child Care (FCC) providers across the state, including working across a disjointed system, inadequate funding, and low compensation for providers.<sup>1</sup> COVID-19 has only exacerbated pre-pandemic challenges and increased inequities, and it is essential that we respond by investing in resources to mitigate inequities and ensure providers have the information they need. Doing so will ensure quality care for children, support working parents, and protect providers' livelihoods.

To better understand the COVID-19 pandemic's impact on FCC providers and children, Voices for Illinois Children surveyed 184 providers and facilitated three focus groups with 35 providers from Kane, Lake, and DuPage counties. From our findings we developed four policy recommendations to address inequities and challenges exacerbated by the pandemic.

## Key Findings

- **84%** of providers reported reduced profits.
- **52%** of providers reported attendance decreased by 31% or more.
- **49%** of providers of color reported staff reductions.
- **56%** of licensed providers secured a Child Care Restoration Grant.
- **27%** of licensed providers who served a majority of Black children have secured a Child Care Restoration Grant.
- **26%** of license-exempt providers served a majority of Black children.

## Policy Recommendations

### Recommendation 1: Clear, Consistent COVID-Safety & Protocol Information for Providers

*DCFS should set uniform guidelines for disseminating clear and consistent COVID safety protocol information. These guidelines will ensure providers across the state are up to date on latest COVID safety protocols and keep providers, children, and families healthy.*

### Recommendation 2: Continue & Expand Financial Relief to Providers, Distributing Equitably

*Given our key findings that more than 1 in 4 license-exempt providers serve a majority of Black children, the state should expand grant eligibility to license-exempt providers. Also, the state should continue to award financial relief through a racial equity lens for providers and children in care. The expansion and equitable distribution of these funds help to provide necessary support to under resourced providers and children in care.*

### Recommendation 3: Study Licensed & License-Exempt Reimbursement Rates for Family Child Care Providers

*During COVID-19, both licensed and license-exempt providers faced a significant loss of revenue and higher expenditures. Illinois should require DCFS to conduct a study to evaluate whether current reimbursement rates for providers are fair and determine if an increase is necessary to cover the additional costs due to COVID-19.*

### Recommendation 4: Increase Number of Family Child Care Providers at the Table & Decision-Making Process

*Currently state-led meetings are held mid-day, while providers are caring for children making it impossible to step away from their work. The state should include evening meeting times for events so providers can attend. In addition, the state should collaborate with providers on a plan to increase representation on state commissions to ensure providers have a platform to share their expertise.*

<sup>1</sup>Illinois Commission on Equitable Early Childhood Education and Care Funding: Commission Report of Findings and Recommendations Spring 2021.