

## **Food Subsidy in Child Care: Correlates of Program Participation and Associations with Child Outcomes**

This study uses the Early Childhood Longitudinal Study – Birth Cohort (ECLS-B) to examine child care food subsidies provided through the Child and Adult Care Food Program (CACFP). Because of the very limited prior research on the CACFP (Glantz, 2004), we address three basic questions about participation in and effects of the program: (1) Does the CACFP program reach targeted children? (2) How do participating families and child care providers differ from non-participating families and providers? (3) How is attending CACFP-participating child care associated with children's milk consumption, weight, and food security?

*Data.* In 2001, the ECLS-B sampled newborns from Vital Statistics birth records in primary sampling units covering nearly every state. The response rate was 74%. With oversampling, large numbers of children were included across race-ethnicities and maternal education levels. The child's primary non-parental child care provider (the person who cared for the child for the most hours per week) was contacted for an interview at the two- and the four-year follow-ups. The response rate for providers was approximately 70%. We use the ZIP code file in addition to the main ECLS-B file to match characteristics of the child's ZIP code of residence.

*Does the CACFP program reach targeted children?* Figure 1 shows the rules for eligibility and reimbursement levels in the CACFP program. In the paper, we compare these rules to eligibility rules for related programs (primarily the Child Care Development Fund (CCDF), which provides child care subsidies to states through block grants, and the Food Stamp program). We examine the implications of these rules by describing participation rates by major eligibility categories in the ECLS-B. For example, whereas most states allow license-exempt providers to participate in CCDF, and many license-exempt children receive CCDF subsidies, fewer states have extended CACFP to license-exempt providers. In the ECLS-B, we find that almost no children in unlicensed care receive CACFP. This is so even though the majority of children in home-based care are in unlicensed rather than licensed settings. We also show that, based on the CACFP program eligibility rules, some higher-income children could attend CACFP-participating centers and home. We find that a substantial fraction indeed do so in the ECLS-B. On the other hand, children from low-income families are less likely to participate when they live in higher-income areas, apparently due to lesser incentives for centers to participate in these areas.

*How do participating families and child care providers differ from non-participating families and providers?* Many of the eligibility and reimbursement rules for CACFP result in different participation rates across well-studies categories, such as by family-income, neighborhood-income, and type of care. But, among low-income families using a certain type of care, we contribute new information about what characteristics distinguish those who attend participating and non-participating settings. For these analyses, we focus on centers attended by low-income 4-year olds because we have more statistical power to examine them (larger sample size in ECLS-B for centers than licensed homes) and there is substantial age progression into centers between the 2-year old 4-year old ECLS-B follow-up. We focus on non-Head Start centers because Head Start centers do not have a participation decision (through Head Start policies, all should participate and all attending kids should be eligible for full reimbursement; we observe close to 100% participation among Head Start centers in the ECLS-B). To examine this research question, we estimate a series of regression models in which we predict whether a child attends a CACFP-participating center. At the family-level, we focus on predictors that may distinguish families who choose child care settings for quality in general or for nutritional quality in particular (e.g., maternal education and income). At the provider-level, we include characteristics that should affect the provider's evaluation of the costs and benefits of participation (e.g., profit status, size of center, percentage of young children in the ZIP code who are poor).

*How is attending a CACFP-participating non-Head Start center associated with low-income four-year old children's milk consumption, overweight status, and food insecurity?* Again focusing on low-income four year olds in non-Head Start centers, we estimate a series of regression models to predict child outcomes based on CACFP-participation status and family-, provider- and area-characteristics. We focus on three outcomes: (1) milk consumption (two or more cups per day versus fewer than two cups per day), (2) overweight versus healthy weight status and (3) a standardized measure of child food insecurity. We re-estimate the regression model for children in care for 30 or more hours per week, expecting larger effects among these children who should consume more meals and snacks in child care than children who attend for fewer hours. To adjust for unmeasured characteristics of families and children, we also re-estimate the models for children who were not in child care at two years (and thus move into either CACFP-participating or non-participating centers by four years) and add lagged outcome measures (measured at two-years). Preliminary results suggest that attending a CACFP-participating center is associated with lower-income children's greater milk consumption and lesser overweight status but not less food insecurity.

## References

Glantz, Federic. 2004. "Child and Adult Care Food Program." Pp. 236-249 in *Effects of Food Assistance and Nutrition Programs on Nutrition and Health (Volume 3, Literature Review)*, edited by Mary Kay Fox, William Hamilton, and Biing-Hwan Lin. Food Assistance and Nutrition Research Report Number 19-3. United States Department of Agriculture, Economic Research Service.

**Figure 1. Rules for Eligibility and Reimbursement Levels for Child Care Providers Under the Child and Adult Care Food Program**

