Connecticut

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Child Care Provider Participation in Connecticut's Care 4 Kids Program

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Introduction

In Connecticut, the federal Child Care and Development Fund (CCDF) subsidy program, known as Care 4 Kids (C4K), is administered by the Office of Early Childhood (OEC). The C4K program helps reduce the cost of child care for eligible families with low incomes. In calendar year 2024, C4K served a monthly average of 17,012 children in both approved licensed centers and family child care providers.[1]

Education Development Center (EDC) and Yale University are collaborating with the OEC on an evaluation study to examine Connecticut's CCDF subsidy payment policies. The goals of this study are to evaluate the impact of OEC's subsidy payment policies on provider and family participation in C4K as well as explore how providers and families understand and experience payment policies. The study team is using a variety of data sources to investigate these research goals, including administrative data, surveys of child care providers and families, interviews with providers, and focus groups with families.

This report summarizes a selection of findings from the survey of licensed child care center and licensed family child care (FCC) providers conducted in spring 2025.[2] The survey was designed to help the research team examine how child care providers understand and experience the C4K program, as well as how they manage enrollment and payment processes. This report also focuses on survey findings related to providers' participation in C4K, reasons for participating or not participating, rate comparisons, and practices related to the collection of family fees and additional tuition payments. Subsequent reports will include information on providers' awareness of C4K policies and how they navigate the C4K system.

[1] Policies include provider payment rates and family co-payment structures. Over the past several years, OEC has implemented multiple changes to subsidy payment policies, including increases to both base payment rates and the quality bonuses offered to providers with national accreditation, such as from the National Association for the Education of Young Children (NAEYC) or the National Association for Family Child Care (NAFCC). These rate increases were designed to promote families' access to affordable child care by incentivizing providers to participate in the C4K program.

[2] The survey opened on March 31 and closed on May 12.

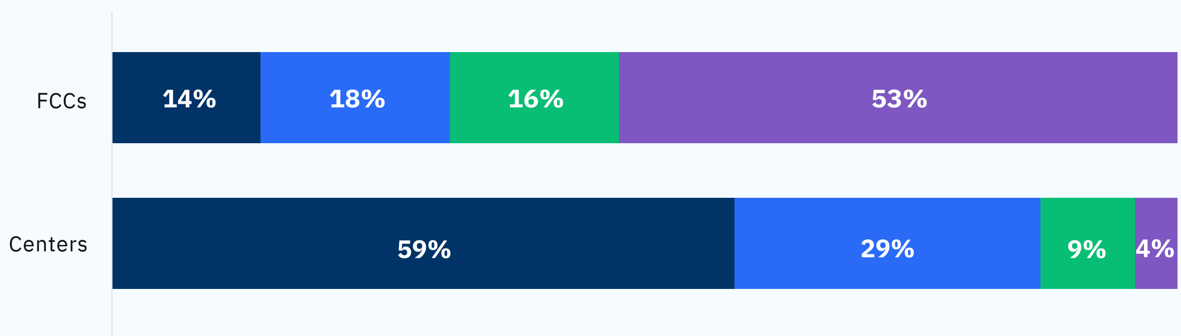
Survey Findings

Participation in Care 4 Kids (C4K)

Among the 412 valid survey respondents, 57% were FCC providers and 43% were centers.[3] Overall, 81% of the respondents were currently serving families using C4K subsidies, while 19% were not (these percentages were nearly identical for FCC providers and centers).[4]

Over half of the FCC providers (52%) reported that children using C4K made up over 75% of their enrollment compared to only 4% of centers. The majority of centers (59%) reported that children using C4K made up less than one-quarter of their overall enrollment. While FCC providers have a much smaller capacity than centers—serving a maximum of 12 children, with most licensed to serve 6 or fewer—they are more likely to serve a higher concentration of children using C4K compared to centers. Figure 1 displays the percentage of enrollment at FCC providers and centers made up of children using C4K.

Figure 1: C4K child enrollment by provider type (FCCs and centers)



FCCs subsidy enrollment:
14% of FCCs reported 0–25%
18% reported >25–50%
16% reported >50–75%
53% reported >75%

Centers subsidy enrollment:
59% of Centers reported 0–25%
29% reported >25–50%
9% reported >50–75%
4% reported >75%

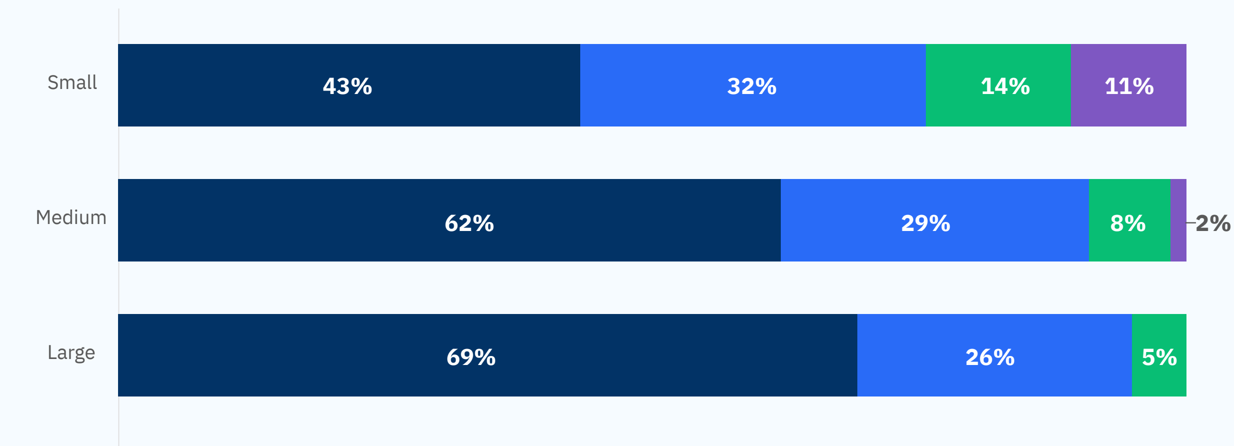
Across center sizes,[5] the percentage of children enrolled in C4K was generally low. There was an inverse relationship between the size of the center and the proportion of enrollment represented by children using C4K subsidies (see Figure 2). More small centers (25%) had over 50% C4K enrollment compared to medium centers (10%) and large centers (5%).

3 We include group child care homes (up to 12 children) within the FCC category.

4 In 2024, of Connecticut's 1,370 licensed centers, 1,077 (79%) served C4K families. Of 1,796 licensed FCCs, 1,113 (62%) served C4K families. Thus, our survey respondent sample is representative of center-based provider participation in C4K and overrepresents FCC provider participation in C4K.

5 Center sizes are defined as follows: small (up to 40 children), medium (41–100 children), and large (over 100 children).

Figure 2: C4K enrollment as a function of child care center size



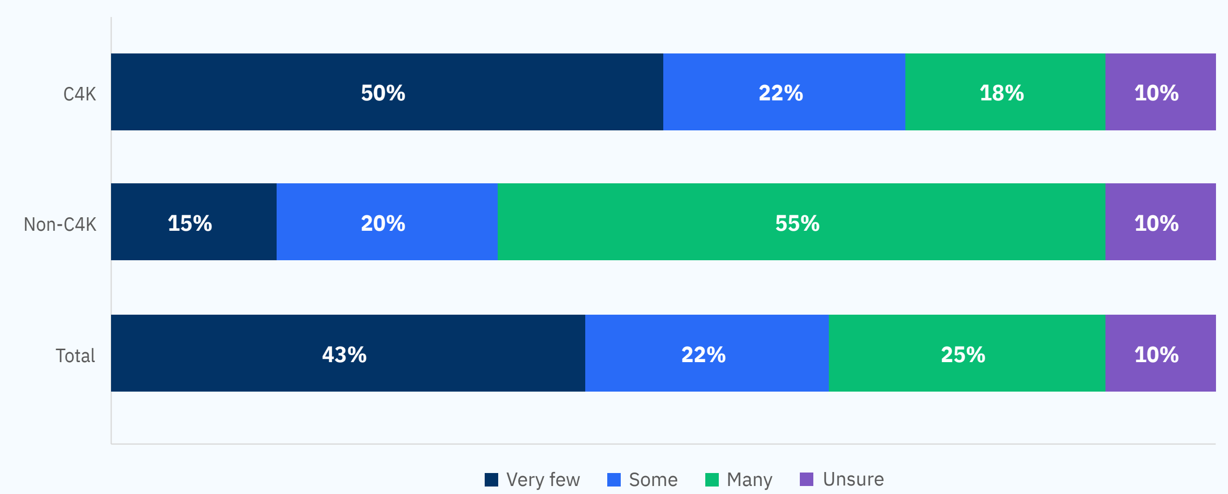
Small center size
43% reported 0–25%
32% reported >25–50%
14% reported >50–75%
11% reported >75%

Medium center size
62% reported 0–25%
29% reported >25–50%
8% reported >50–75%
2% reported >75%

Large center size
69% reported 0–25%
26% reported >25–50%
5% reported >50–75%
0% reported >75%

Among providers currently serving families using C4K, 50% believed that very few families in their area would be able to pay a child care program's full price for care, compared to just 15% of non-C4K-serving providers who perceived this to be true (Figure 3). In contrast, only 18% of C4K-serving providers felt that many families in their area *would* be able to pay a program's full cost for care, while 55% of non-C4K-serving providers felt that way.

Figure 3: Provider perceptions of families' ability to pay full price for child care



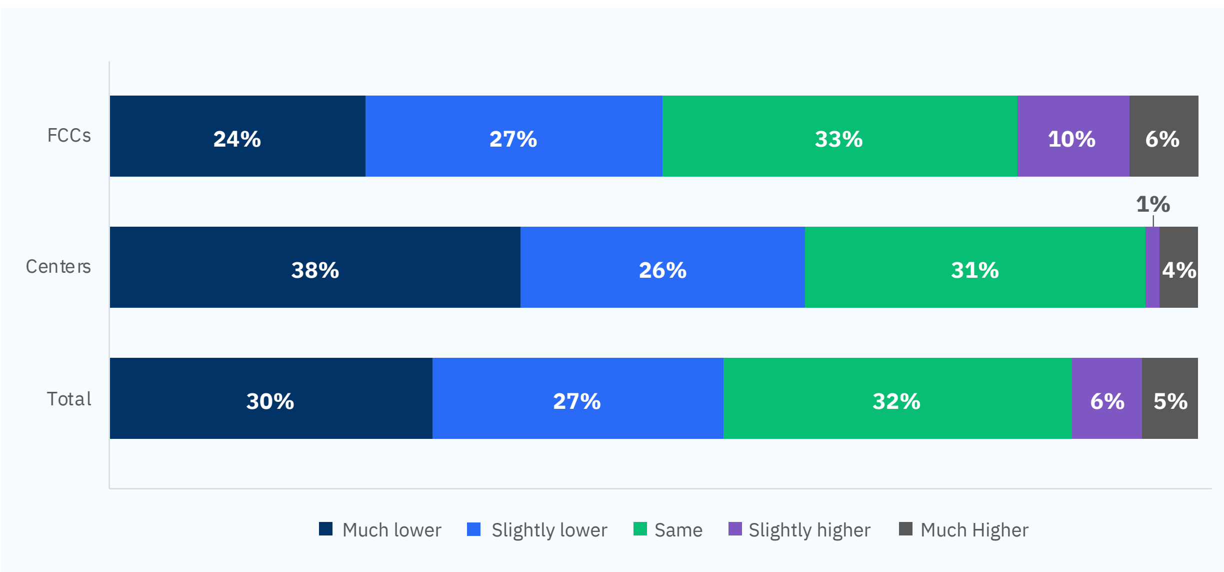
C4K Rate Comparison

The C4K rate is the total amount that providers receive for each child based on the child's age and the hours of care. The OEC sets the C4K rate based on a variety of factors, including market rate for care in the region. Survey respondents reported the following about how the C4K rate compares to their standard tuition rate:

- About one-third (32%) reported that the C4K rate was about the same as their standard tuition rate (i.e., the amount they charge full-pay families).
- More than one-half (57%) reported that the C4K rate was lower than their standard rate, and nearly one-third (30%) reported that the C4K rate was *much* lower than their standard rate. More centers reported this was the case (38%) than FCC providers (24%).
- A small percentage (11%) reported that the C4K rate was higher than their standard tuition rate. More FCC providers (16%) reported this to be true than centers (5%).

Figure 4 presents how the C4K rate compares to standard tuition rates for FCC providers and centers.

Figure 4: C4K rate compared to standard tuition rate



The survey asked whether providers limit the number of slots that can be filled by children who receive C4K. The majority (78%) of C4K-serving providers do not limit the number of C4K slots, while 16% do.[6] Among providers who do place limits, the three most reported reasons were the following:

[6] Six percent of respondents were unsure whether their program limited C4K slots.

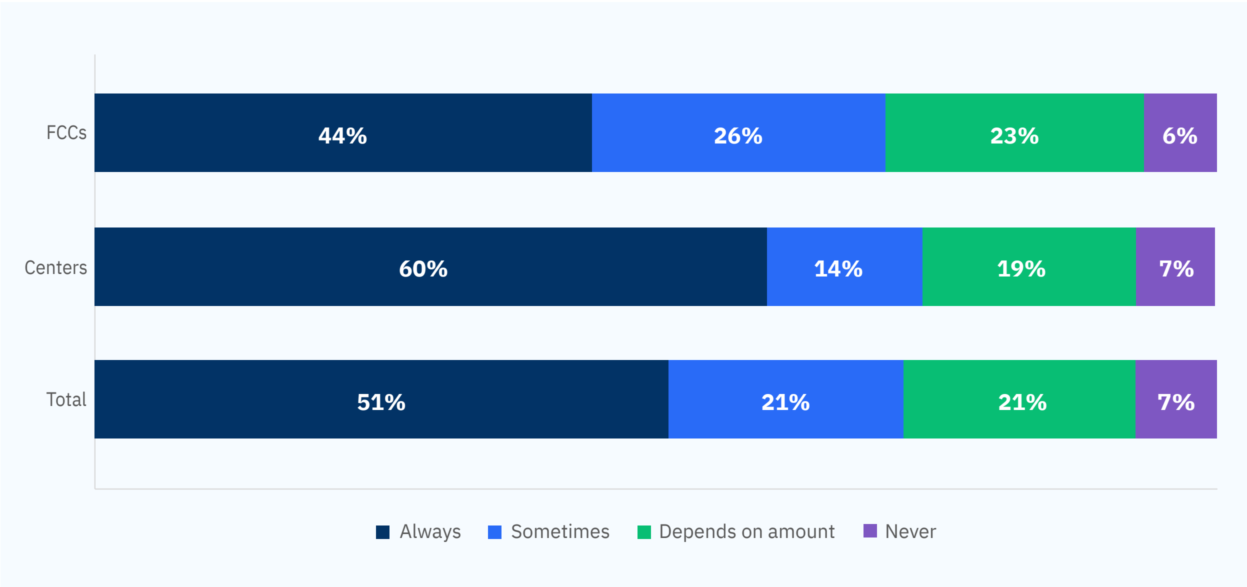
1. The C4K rate being lower than their standard tuition rate – **33%**
2. Concerns about whether families using C4K will pay the family fee – **14%**
3. Concerns about the reliability or timeliness of C4K payments – **12%**

Payment Collection Practices

The C4K rate is divided into two portions: (1) the amount that OEC pays directly to the provider and (2) the family fee, which is the portion the family is responsible for paying to the provider. The family fee is calculated by OEC based on family income and size.

Some C4K families have difficulty paying the family fee, a reality that providers address in different ways. Overall, about half (51%) of C4K-serving providers report that they always collect the family fee, but responses vary somewhat across provider types. Less than half (44%) of FCC providers say they always collect the family fee compared to nearly two-thirds (60%) of centers. Figure 5 displays family fee collection practices across provider types.

Figure 5: Provider practices related to collection of C4K family fees



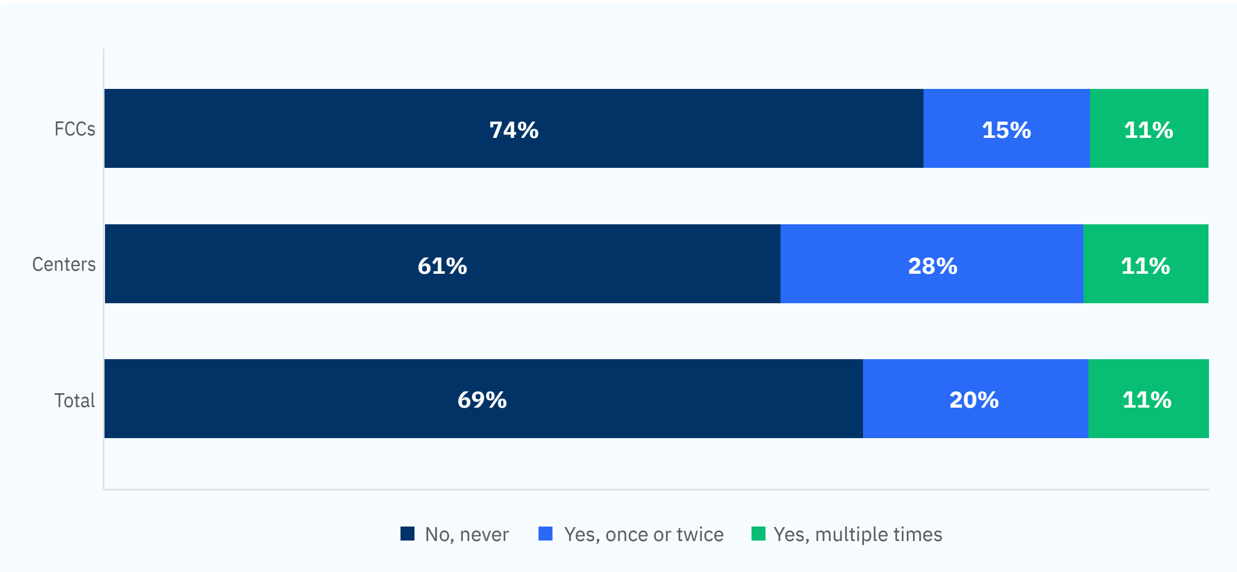
As noted above, the C4K rate is made up of the C4K payment and the family fee, which means that providers rely on reliable and timely payment from C4K **and** from families.

- Over two-thirds (69%) of C4K-serving providers have never asked a family to leave their program because of nonpayment or a late payment of the family fee. More FCC providers said this is true (74%) than centers (61%).
- Almost twice as many centers than FCC providers reported having asked a family to leave for this reason once or twice (28% to 15%).

- FCC providers and centers equally reported (11%) having asked a family to leave for this reason multiple times.

Figure 6 presents the frequency of this practice across provider types.

Figure 6: Whether provider has asked families to leave due to nonpayment of fees

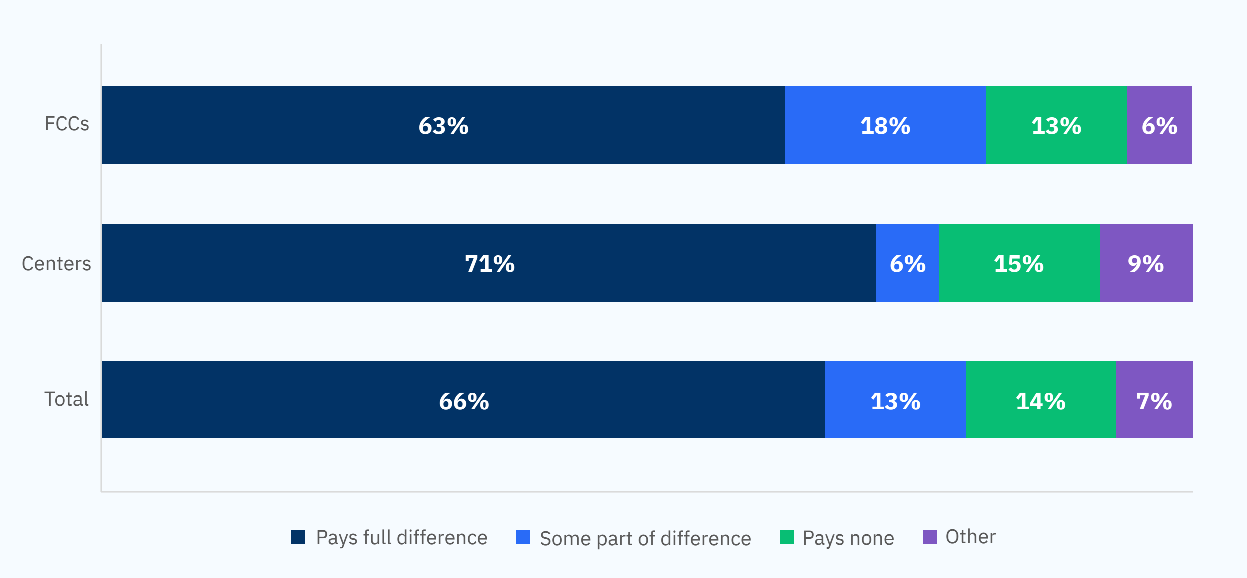


If the C4K rate (sum of C4K payment and family fee) is less than a child care provider's standard tuition rate, the provider may charge families the difference between the C4K rate and their standard rate, in addition to the family fee.

- Two-thirds (66%) of C4K-serving providers reported that they ask families to pay the full difference between the C4K rate and their standard tuition rate.
- 13% ask families to pay some part of the difference.
- 14% do not ask families to pay for any part of the difference.

Centers and FCC providers reported different practices in this regard, with centers more likely to ask families for the full difference between the C4K rate and their standard tuition rate. Figure 7 displays extra tuition collection practices by provider type.

Figure 7: Whether provider asks families to pay difference between C4K rate and standard tuition rate



Provider Interactions with C4K-Eligible Families

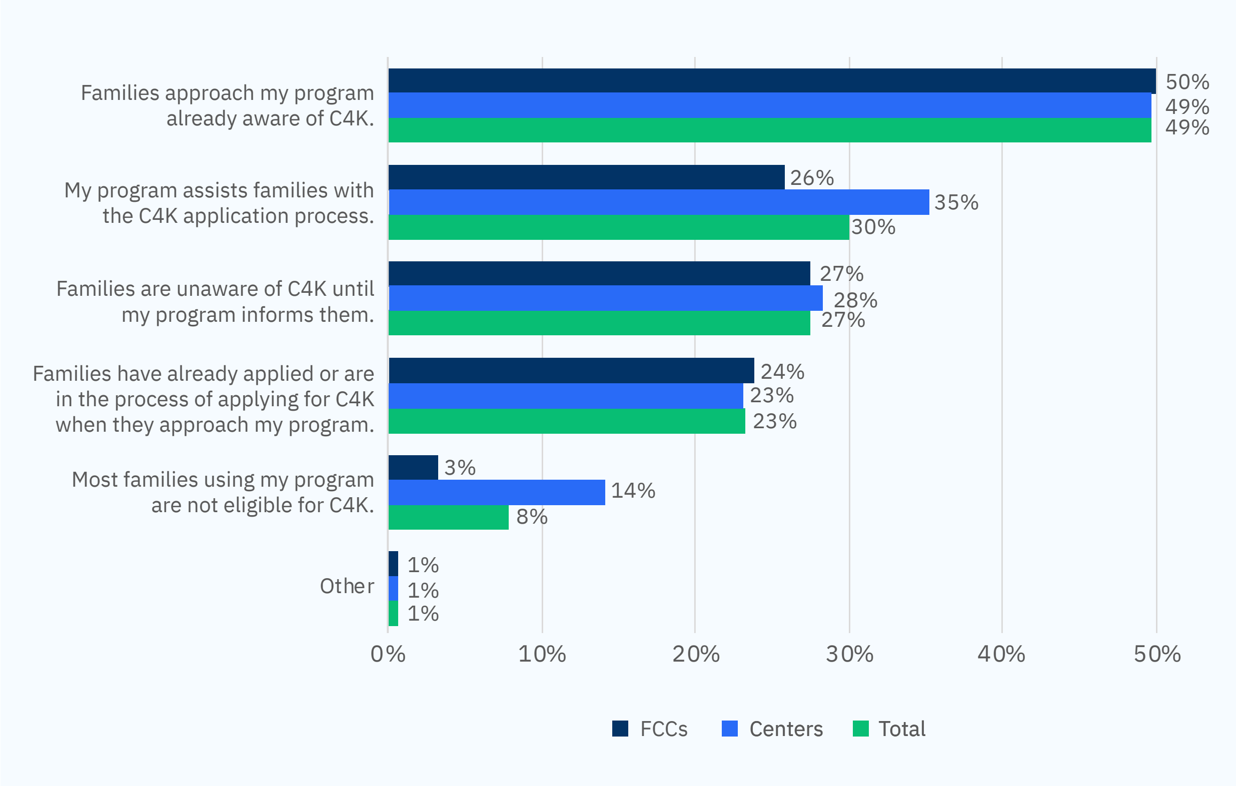
The survey asked providers about different ways they interact with families who are eligible for C4K. Based on survey responses, some C4K-eligible families come to providers already aware of and/or enrolled in C4K, while others rely on providers to tell them about C4K and how to apply.

The survey asked providers to rank how frequently they encounter various types of interactions with C4K-eligible families. Across both centers and FCC providers, the three most reported types of interactions were the following:

1. Families approaching the program already aware of C4K – **49%**
2. Provider assisting families with the C4K application process – **30%**
3. Families being unaware of C4K until the provider informed them about the program – **27%**

These responses show that providers who participate in C4K play an important role in helping to connect families with child care assistance they might not otherwise know how to access. Figure 8 displays the frequency with which each type of interaction was ranked first or second by survey respondents.

Figure 8: How providers engage with C4K-eligible families



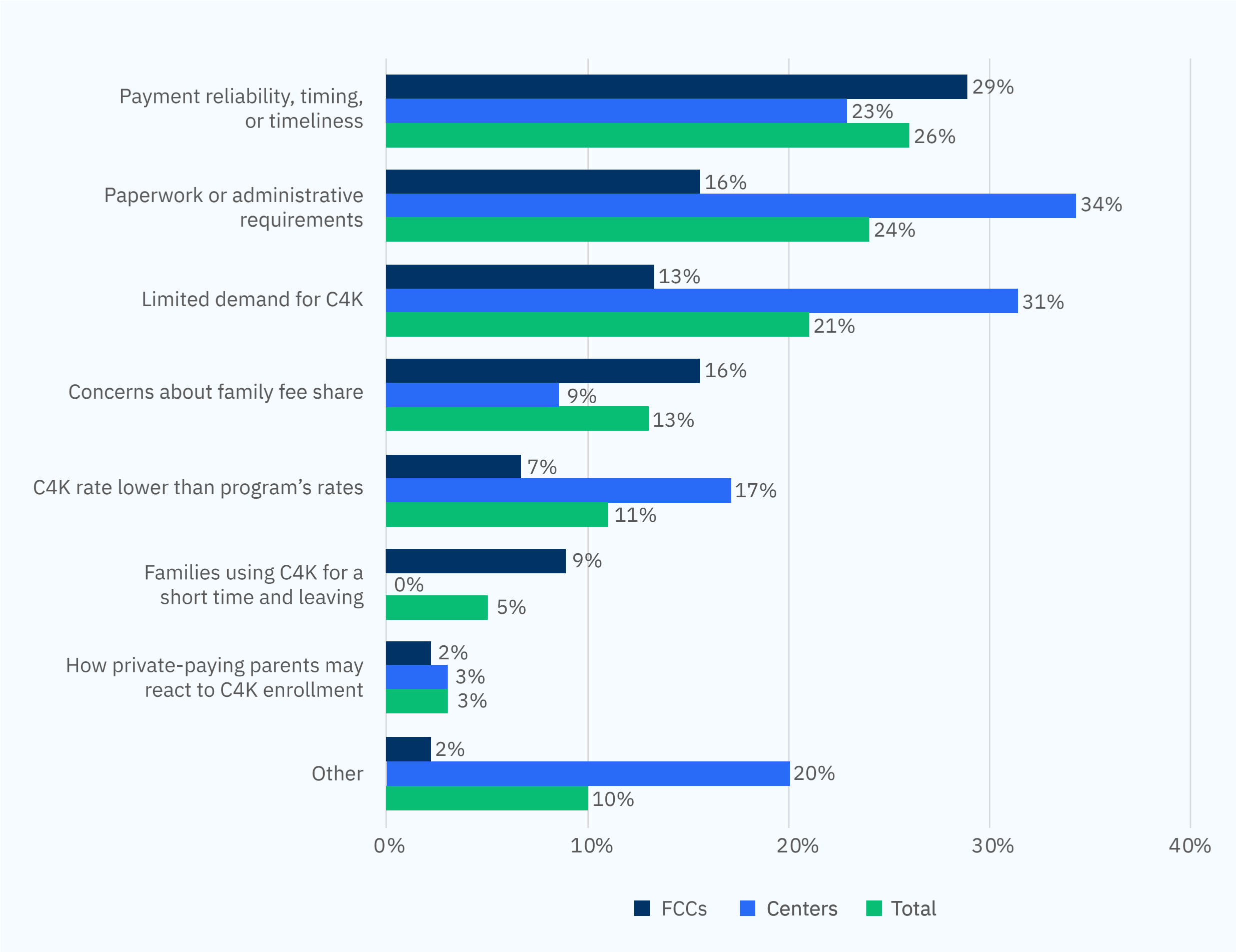
Nonparticipation in C4K

The survey asked non-C4K-participating providers about their reasons for not serving C4K families and whether they would be willing to do so. Over two-thirds (68%) of providers in this group reported that they *would* be willing to serve such children, with a higher percentage of FCC providers expressing this sentiment than centers (73% to 60%).

Providers who do not currently serve C4K children reported a range of reasons, with differences across provider type. Both centers and FCC providers ranked concerns about whether families would pay the family fee share and a limited demand for C4K in their area among the top reasons for not serving families using C4K.

Centers were more likely than FCC providers to cite concerns about C4K payment reliability and timeliness as a top reason for not serving C4K families. FCC providers were more likely than centers to cite concerns about C4K families only enrolling for a short time and then leaving as a reason for not serving C4K families. Figure 9 displays the frequency with which each reason was ranked first or second by survey respondents.

Figure 9: Reasons given for not serving families using C4K



Conclusion

Although more than half of providers reported that the C4K rate is lower than their standard tuition rate, most survey respondents said they served families using C4K subsidies. Of the child care providers serving families who use C4K subsidies, 89% said it was "very" or "extremely" important to their program's mission to serve families eligible for C4K.

While most providers do collect family fees, only a small percentage have asked a family to leave their program because of nonpayment or late payment. Few providers place limits on the number of C4K children their program will serve, and providers often help families learn about and apply for C4K, thus helping to connect eligible families with a vital resource to make care more affordable.