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PRENATAL-TO-3 POLICY IMPACT CENTER

Research for Action and Outcomes

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Our Earliest Experiences Shape Our Lives

- Nurturing relationships in the earliest years lead to healthier brains and bodies, which influence health and wellbeing over the life course
- Brains form more than 1 million neural connections *per second*, in first 3 years
- Chronic adversity harms children's neurological, biological, and social development, and can have lifelong consequences
- Millions of children lack the opportunities to the healthy start they deserve
- Children of color are most likely to face adversity and least likely to have the opportunities all children deserve



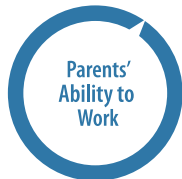
State Policy Choices Shape Opportunities

- State policy choices can empower parents and support healthy development
- We must care for the caregivers so that they can care for the children
- Systems of support require a combination of broad based economic and family supports and targeted interventions
- Variation in state policy choices leads to a patchwork of supports for families, depending on where they live

Eight Prenatal-to-3 Policy Goals



Families have access to necessary services through expanded eligibility, reduced administrative burden and fewer barriers to services, and identification of needs and connection to services.



Parents have the skills and incentives for employment and the resources they need to balance working and parenting.



Parents have the financial and material resources they need to provide for their families.



Children are born healthy to healthy parents, and pregnancy experiences and birth outcomes are equitable.



Parents are mentally and physically healthy, with particular attention paid to the perinatal period.



Children experience warm, nurturing, stimulating interactions with their parents that promote healthy development.



When children are not with their parents, they are in high-quality, nurturing, and safe environments.



Children's emotional, physical, and cognitive development is on track, and delays are identified and addressed early.



ALABAMA

State Prenatal-to-3 Outcome Measures

Policy Goal	Outcome Measure	Worst State		Best State	Rank
Access to Needed Services	% Low-Income Women Uninsured	47.8%	28.2% AL	3.8%	41
	% Births to Women Not Receiving Adequate Prenatal Care	23.3%	18.6% AL	5.1%	45
	% Eligible Families with Children < 18 Not Receiving SNAP	26.7%		3.0% AL	3
	% Children < 3 Not Receiving Developmental Screening	73.9%	57.4% AL	40.2%	21
Parents' Ability to Work	% Children < 3 Without Any Full-Time Working Parent	39.0%	29.6% AL	14.8%	45
Sufficient Household Resources	% Children < 3 in Poverty	33.1%	23.1% AL	8.6%	45
	% Children < 3 Living in Crowded Households	35.8%		12.6% AL	10
	% Households Reporting Child Food Insecurity	16.7%		2.9% AL	6
Healthy and Equitable Births	% Babies Born Preterm (< 37 Weeks)	14.2%	12.9% AL	7.6%	49
	# of Infant Deaths per 1,000 Births	8.3	7.2 AL	3.7	46



ALABAMA

State Prenatal-to-3 Outcome Measures

Policy Goal	Outcome Measure	Worst State		Best State	Rank
Parental Health and Emotional Wellbeing	% Children < 3 Whose Mother Reports Fair/Poor Mental Health	12.6%	5.6% AL	2.3%	33
	% Children < 3 Whose Parent Lacks Parenting Support	23.5%	13.2% AL	5.4%	22
Nurturing and Responsive Child-Parent Relationships	% Children < 3 Not Read to Daily	75.4%	70.2% AL	47.7%	45
	% Children < 3 Not Nurtured Daily	51.7%	44.4% AL	27.6%	40
	% Children < 3 Whose Parent Reports Not Coping Very Well	45.0%	25.4% AL	20.8%	5
Nurturing and Responsive Child Care in Safe Settings	% Providers Not Participating in QRIS^	Not Reported			
	% Children Without Access to EHS	96.2%	94.0% AL	69.0%	44
Optimal Child Health and Development	% Children Whose Mother Reported Never Breastfeeding	34.0%	24.9% AL	6.0%	47
	% Children < 3 Not Up to Date on Immunizations	36.0%	26.1% AL	14.2%	21
	Maltreatment Rate per 1,000 Children < 3	34.7	19.6 AL	1.9	33

GOALS

To achieve a science-driven PN-3 goal:



POLICIES

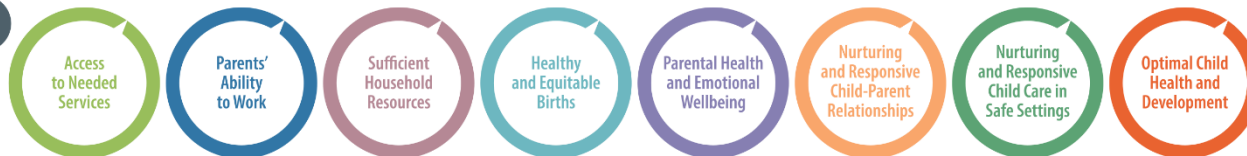
Adopt and fully implement the **effective policies** aligned with the goal

	Access to Needed Services	Parents' Ability to Work	Sufficient Household Resources	Healthy and Equitable Births	Parental Health and Emotional Wellbeing	Nurturing and Responsive Child-Parent Relationships	Nurturing and Responsive Child Care in Safe Settings	Optimal Child Health and Development
Expanded Income Eligibility for Health Insurance	●		●	●				●
Reduced Administrative Burden for SNAP	●		●					
Paid Family Leave Program of at Least 6 weeks	●	●	●		●	●		●
State Minimum Wage of \$10.00 or Greater			●	●				●
Refundable State Earned Income Tax Credit of at Least 10%		●	●	●				
OUTCOMES	Health Insurance Adequate Prenatal Care Access to SNAP Developmental Screenings	Parental Employment	Child Poverty Crowded Housing Food Insecurity	Preterm Births Infant Mortality	Maternal Mental Health Parenting Support	Daily Reading Daily Nurturing Behaviors Parenting Stress	Child Care Providers Participating in QRIS Access to EHS	Breastfeeding Immunizations Child Maltreatment

Measure progress toward achieving the PN-3 goal.

GOALS

To achieve a science-driven PN-3 goal:



STRATEGIES

Make substantial progress relative to other states toward implementing the **effective strategies** aligned with the goal

Comprehensive Screening and Connection Programs								
Child Care Subsidies								
Group Prenatal Care								
Evidence-Based Home Visiting Programs								
Early Head Start								
Early Intervention Services								
OUTCOMES	Health Insurance Adequate Prenatal Care Access to SNAP Developmental Screenings	Parental Employment	Child Poverty Crowded Housing Food Insecurity	Preterm Births Infant Mortality	Maternal Mental Health Parenting Support	Daily Reading Daily Nurturing Behaviors Parenting Stress	Child Care Providers Participating in QRIS Access to EHS	Breastfeeding Immunizations Child Maltreatment
Measure progress toward achieving the PN-3 goal.								

THE PRENATAL-TO-3 SYSTEM OF CARE IN ALABAMA

Effective Roadmap Policy		2022 Policy Snapshot
Expanded Income Eligibility for Health Insurance	▶ 18%	Alabama is one of 12 states that has not expanded Medicaid eligibility under the Affordable Care Act; thus, only parents earning up to 18% of the FPL are eligible for Medicaid coverage in AL.
✓ Reduced Administrative Burden for SNAP	▶ 12 months	Alabama offers all three policies to reduce administrative burden (12-month recertification intervals, simplified reporting, and at least an online application) to all families.
Paid Family Leave Program of at Least 6 Weeks	▶ 0 weeks	Alabama does not have a statewide paid family leave program.
State Minimum Wage of \$10.00 or Greater	▶ \$7.25	The current state minimum wage in Alabama is \$7.25. Because state statutes do not specify a state minimum wage, the minimum wage defaults to the federal minimum.
Refundable State Earned Income Tax Credit of at Least 10%	▶ No EITC	Alabama does not have a refundable state EITC.
<div> <div>✓ State has adopted and fully implemented the policy</div> <div>+1 State has newly adopted and fully implemented the policy since October 1, 2021</div> </div>		

THE PRENATAL-TO-3 SYSTEM OF CARE IN ALABAMA

Effective Roadmap Strategy		2022 Strategy Snapshot
Comprehensive Screening and Connection Programs	1	Families had access to 1 evidence-based comprehensive screening and connection program in Alabama in 2021.
Child Care Subsidies	82.0%	Alabama's base reimbursement rates cover 82.0% of the true cost of providing base-quality care for infants in center-based care.
Group Prenatal Care	3	Alabama served pregnant people in 3 group prenatal care sites across the state in 2021.
Evidence-Based Home Visiting Programs	2.2%	Alabama served an estimated 2.2% of children under age 3 in families with incomes of less than 150% of the FPL in the state's home visiting programs in 2019.
Early Head Start	6.0%	Approximately 6.0% of income-eligible infants and toddlers had access to Early Head Start programs in Alabama in 2019.
Early Intervention Services	4.4%	Alabama served 4.4% of its birth-to-3 population in Early Intervention services (Part C) over the course of a year (2020-2021).

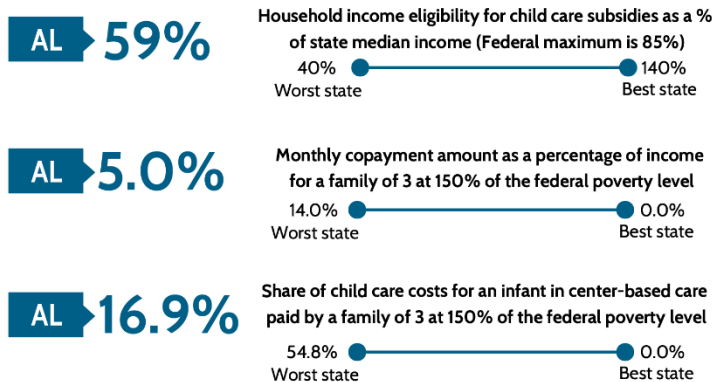


Leading state on effective strategy

STRATEGY

CHILD CARE SUBSIDIES

Alabama



State Leaders

in child care subsidies:

- Increase reimbursement rates to meet or exceed the providers' true cost of care;
- Decrease or eliminate family copays;
- Reduce the family share of the total cost of child care; and/or
- Expand income eligibility thresholds.

2022 State Leaders:

CA

LA

MI

NM

OR

Over the past year, Alabama has expanded eligibility for subsidies and increased its base reimbursement rate by 30.0% for infants in center-based care. For that same group, the state now meets the equal access target (75th percentile of MRS), but would need to increase its reimbursement rates by an additional \$186/month to meet the estimated true cost of providing base-quality care.

For families with incomes at 150% of the FPL, the family share of the cost of child care has decreased by 20 percentage points since August 2021. However, Alabama remains among the half of states in which families pay the largest share of child care costs.

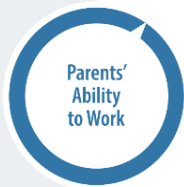
STRATEGY

Child Care Subsidies

How Do Child Care Subsidies Start Impact PN-3 Outcomes?



- Higher state subsidy spending per child (of \$1,000) led to 86% higher odds of enrollment in a single center-based care arrangement, rather than multiple care arrangements (B)



- A 10% increase in Child Care Development Fund subsidy expenditures led to a 0.7% increase in mothers' employment rate (A)
- \$1,000 higher annual state subsidy spending per child led to a 3.5 percentage point increase in the likelihood of maternal employment (D)



- Subsidy receipt led to an increase in monthly earnings by 250% (E)

STRATEGY

Child Care Subsidies



ALABAMA

\$1.3B

Estimated annual economic impact of the infant-and-toddler child care crisis

State	Economic Impact
Alabama	\$1.3B
Alaska	\$305M
Arizona	\$2.2B
Arkansas	\$793M
California	\$17B
Colorado	\$2.3B
Connecticut	\$1.5B
Delaware	\$415M
District of Columbia	\$769M
Florida	\$6.6B
Georgia	\$3.6B
Hawaii	\$476M
Idaho	\$525M
Illinois	\$4.9B
Indiana	\$2.2B
Iowa	\$1.1B
Kansas	\$1.0B

State	Economic Impact
Kentucky	\$1.2B
Louisiana	\$1.3B
Maine	\$403M
Maryland	\$2.2B
Massachusetts	\$3.3B
Michigan	\$3.0B
Minnesota	\$2.1B
Mississippi	\$659M
Missouri	\$1.9B
Montana	\$317M
Nebraska	\$781M
Nevada	\$1.0B
New Hampshire	\$500M
New Jersey	\$3.6B
New Mexico	\$586M
New York	\$9.8B
North Carolina	\$3.5B

State	Economic Impact
North Dakota	\$354M
Ohio	\$3.9B
Oklahoma	\$1.2B
Oregon	\$1.4B
Pennsylvania	\$4.4B
Rhode Island	\$342M
South Carolina	\$1.4B
South Dakota	\$329M
Tennessee	\$2.3B
Texas	\$11.4B
Utah	\$1.2B
Vermont	\$195M
Virginia	\$3.1B
Washington	\$3.5B
West Virginia	\$464M
Wisconsin	\$1.9B
Wyoming	\$232M

US TOTAL: \$122B

Source: ReadyNation Report - \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis

Estimates were calculated by examining the proportion of the US Gross Domestic Product (GDP) each state represents. Due to the method of deriving the cost estimates (i.e., multiplying each state's percentage of the national GDP by the total national \$122B impact) the estimated costs for each state are relative to its GDP.

Goals for an Effective Child Care System

- Operators provide high quality care at an affordable rate and have a viable business model
- Professional early educators are compensated at rates commensurate with their skills and remain in the ECE field
- Families can afford high quality care that allows them to work and care for their children

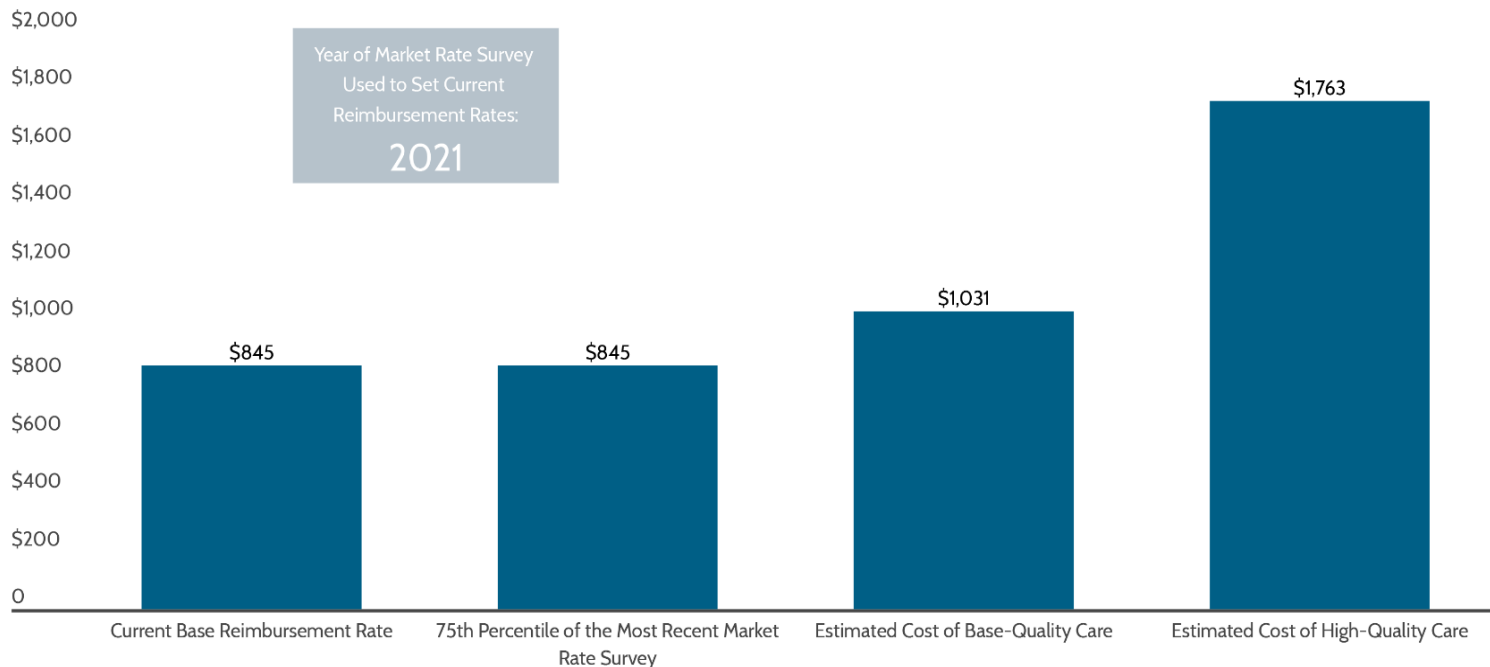
Current Concerns with Child Care System

- Providers are not reimbursed enough to cover true cost of care, and have difficulties hiring and retaining educators
 - TCC is 2X more than base reimbursement rates
 - 97% of TX providers note retention is a big problem
- Educators earn too little and have limited access to benefits
 - Avg wage is \$12 per hour
 - Very little increase with experience or education
- Families cannot afford to pay more for child care and it affects their ability to work

STRATEGY

Child Care Subsidies

Child Care Subsidy Reimbursement Rates for Infants in Center-Based Care in Alabama (as of March 2023)

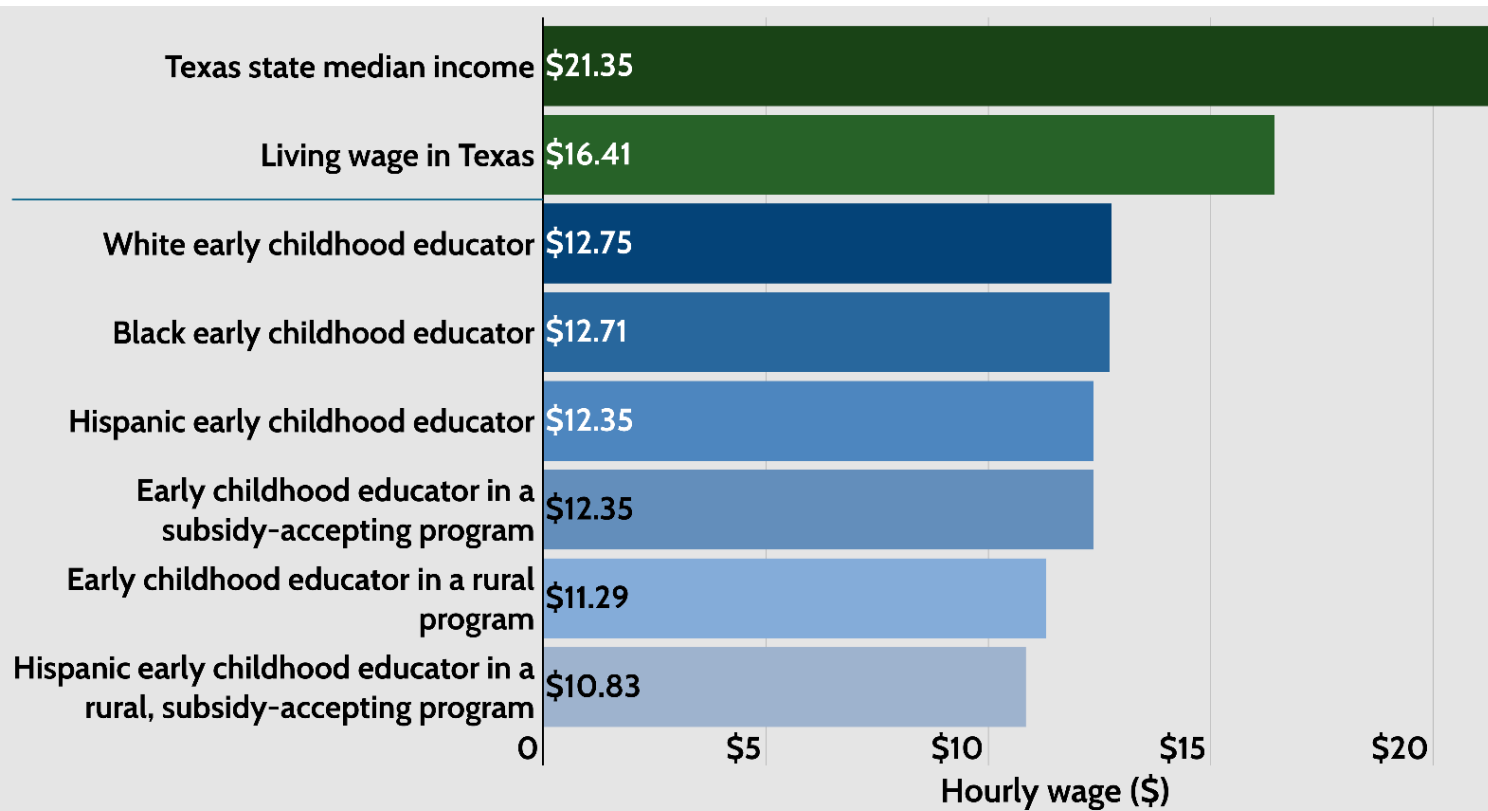


STRATEGY

Child Care Subsidies



Hourly wages of Texas early childhood educator by characteristic

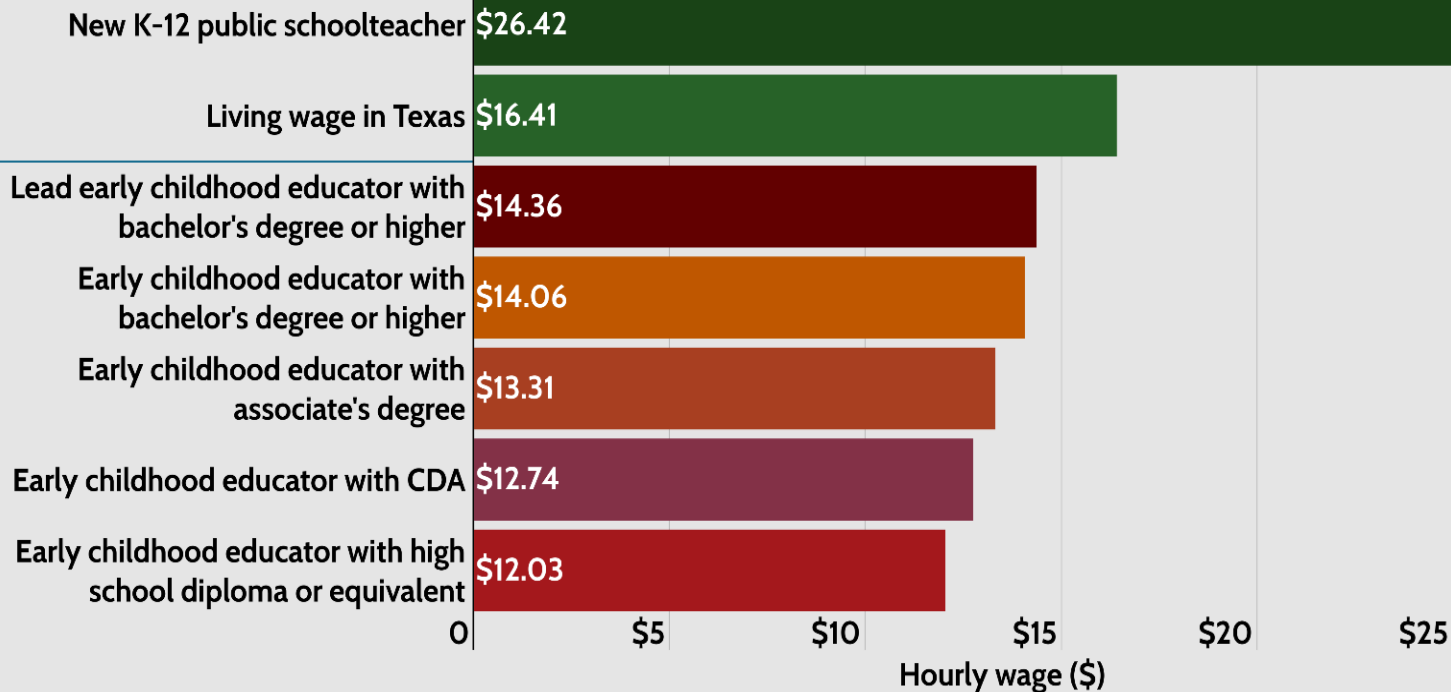


STRATEGY

Child Care Subsidies



Hourly wages of Texas early childhood educators by highest level of education



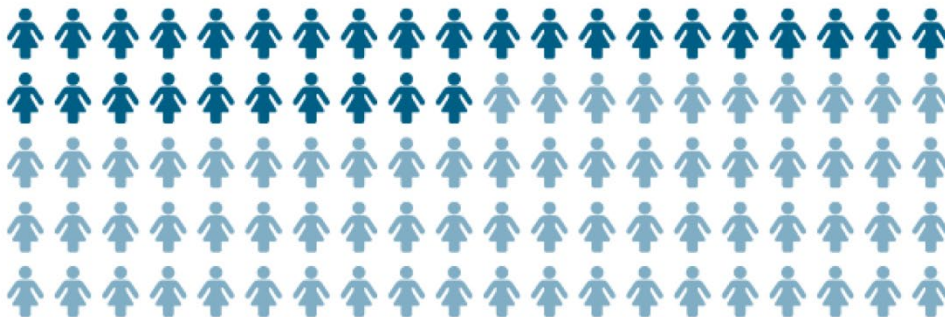
STRATEGY

Child Care
Subsidies



Child Care in
Crisis: Texas
Case Study

Fewer than 1 in 3 Texas early childhood educators have access to health insurance through their employer



- Have access to health insurance through their employer
- Do not have access to health insurance through their employer

POLICY

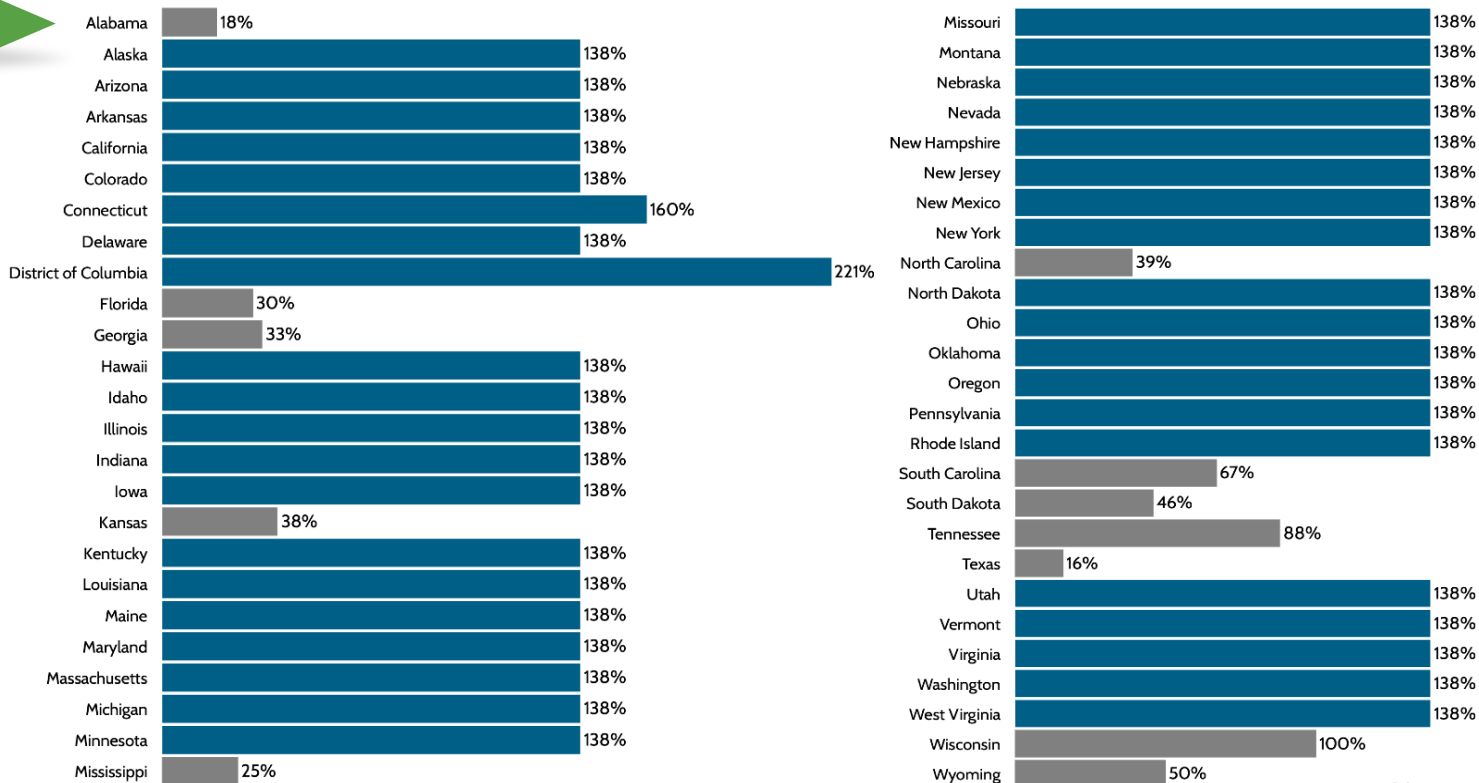
Medicaid Expansion



ALABAMA

18%

Variation Across States in Parents' Medicaid Income Eligibility Limits as a Percentage of the Federal Poverty Level



As of October 1, 2022. Medicaid state plan amendments (SPAs) and Section 1115 Waivers; Income eligibility limits: As of January 1, 2022. KFF.

STRATEGY

Child Care
Subsidies



Child Care in
Crisis: Texas
Case Study

A Strong Majority of Child Care Directors Report Major Hiring Challenges



STRATEGY

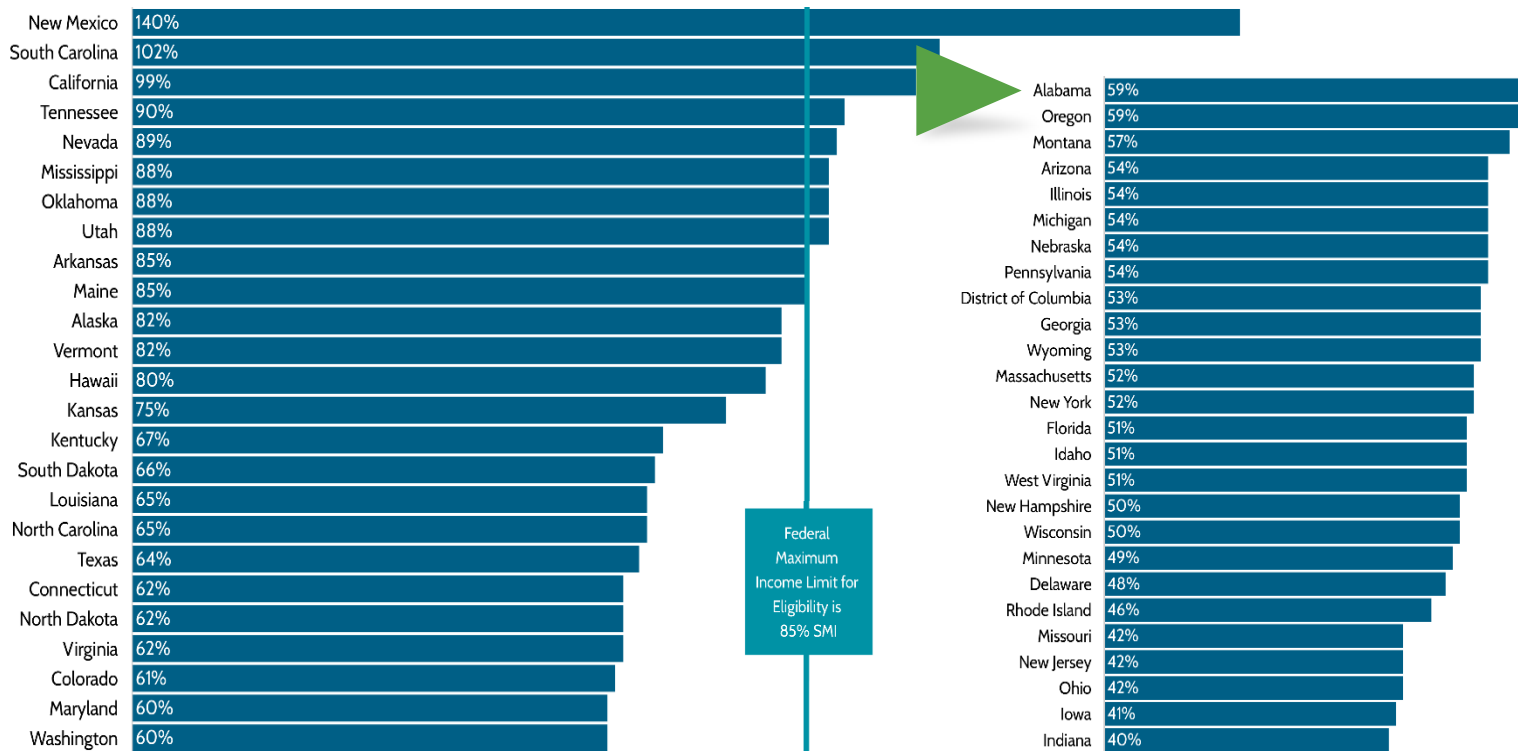
Child Care Subsidies



ALABAMA
59%

Variation Across States in Household Income Eligibility for Child Care Subsidies as a Percentage of State Median Income

Federal Maximum Income Limit for Eligibility is 85% SMI



STRATEGY

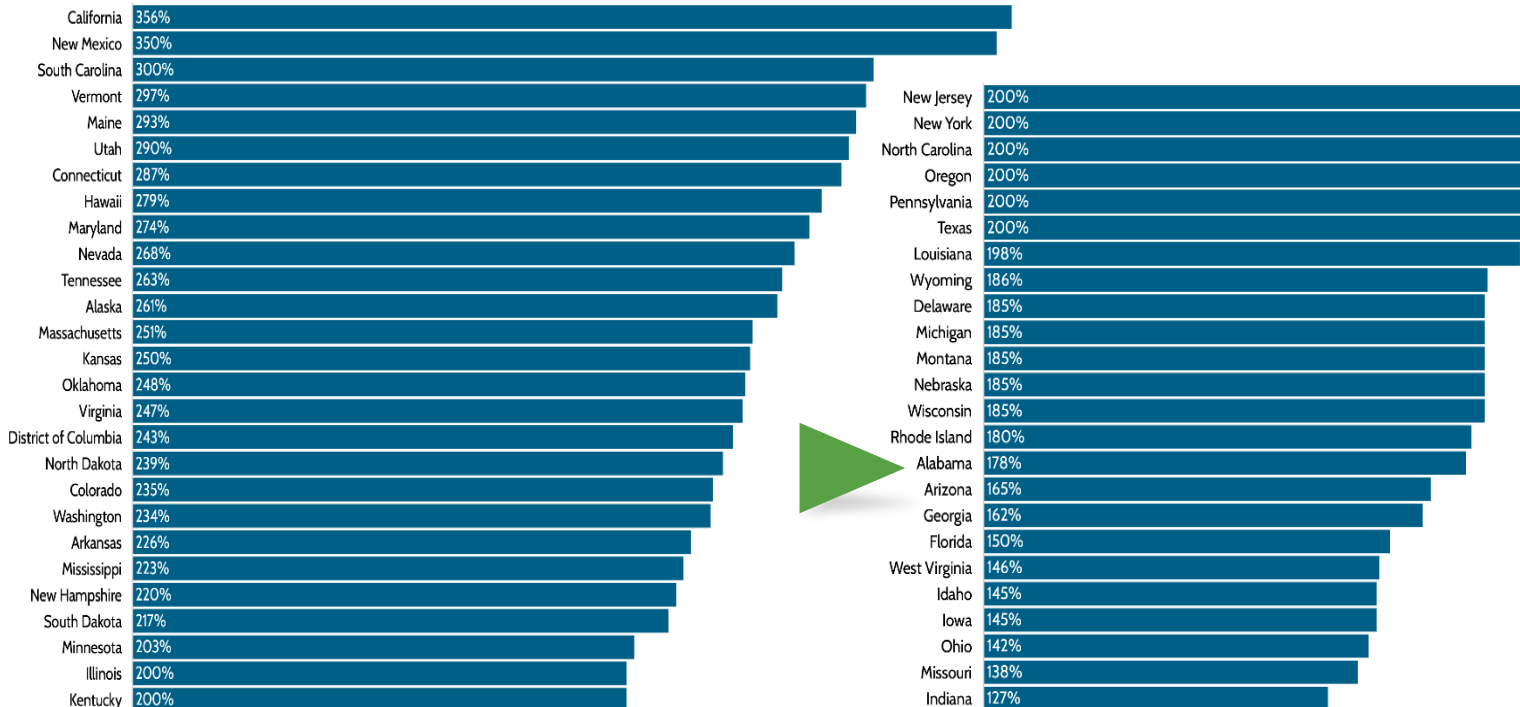
Child Care Subsidies



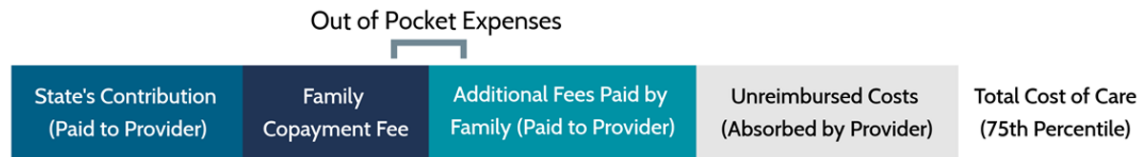
ALABAMA

178%

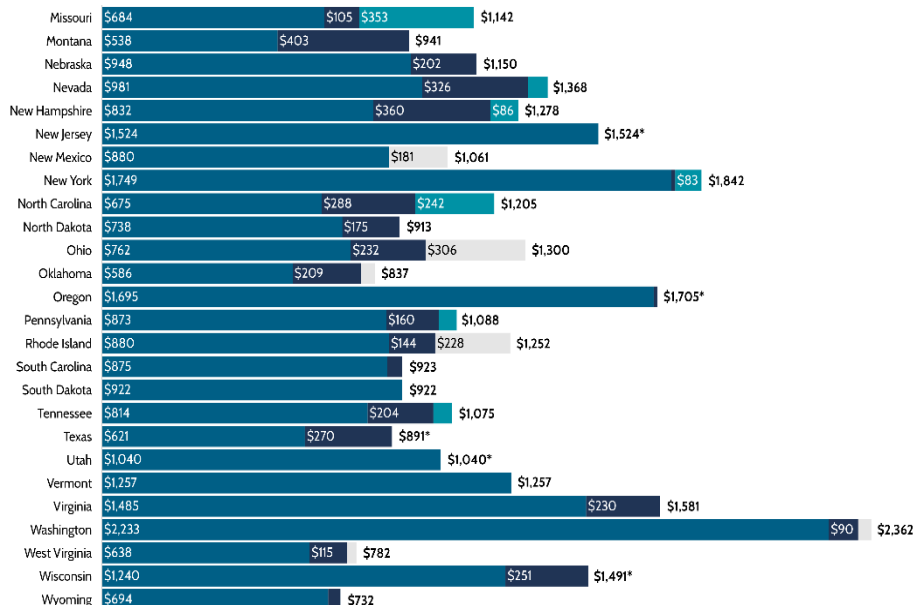
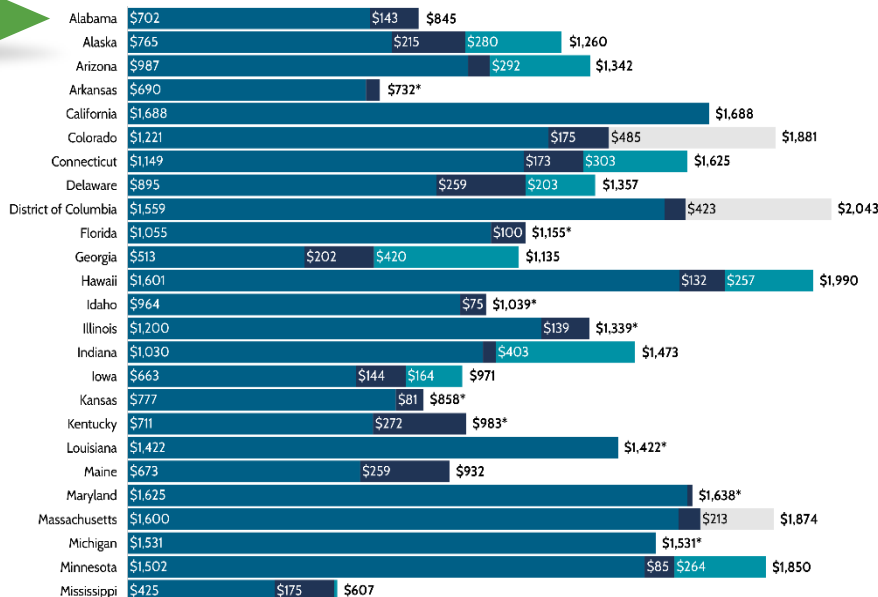
Variation Across States in Household Income Eligibility for Child Care Subsidies as a Percentage of Federal Poverty Level



Variation Across States in the Distribution of the Total Cost of Child Care



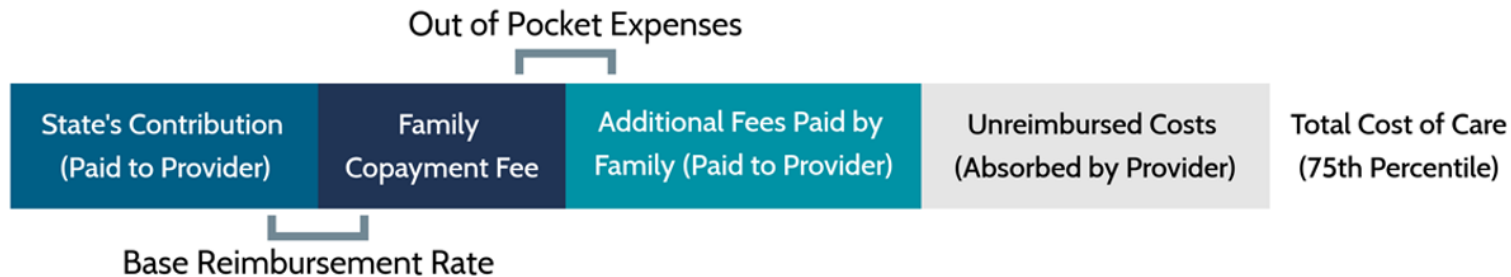
Base Reimbursement Rate



Sources: As of September 6, 2022. Personal communication with state CCDF administrators and other staff overseeing the state's child care subsidy programs, state agency websites, state CCDF plans, and state market rate surveys. When additional fee data could not be verified, data were pulled from the National Women's Law Center (as of February 2019).

Note. Data for this measure are based on monthly child care subsidy rates and copayment fees for a family of 3 with income at 150% of the FPL with an infant in center-based child care.

Variation Across Region in the Distribution of the Total Cost of Child Care



Alabama \$702 \$143 \$845

Arkansas \$690 \$732*

Tennessee \$814 \$204 \$1,075

Sources: As of September 6, 2022. Personal communication with state CCDF administrators and other staff overseeing the state's child care subsidy programs, state agency websites, state CCDF plans, and state market rate surveys. When additional fee data could not be verified, data were pulled from the National Women's Law Center (as of February 2019).

Note. Data for this measure are based on monthly child care subsidy rates and copayment fees for a family of 3 with income at 150% of the FPL with an infant in center-based child care.

How do the effective policies interact to determine the level of household resources families have available to provide for their children?

- Assumptions for the simulation
 - Single mother family, with an infant and toddler
 - She works full time, full year at the state's minimum wage
 - She leaves her children in center-based child care, that charges the 75th percentile of the market rate

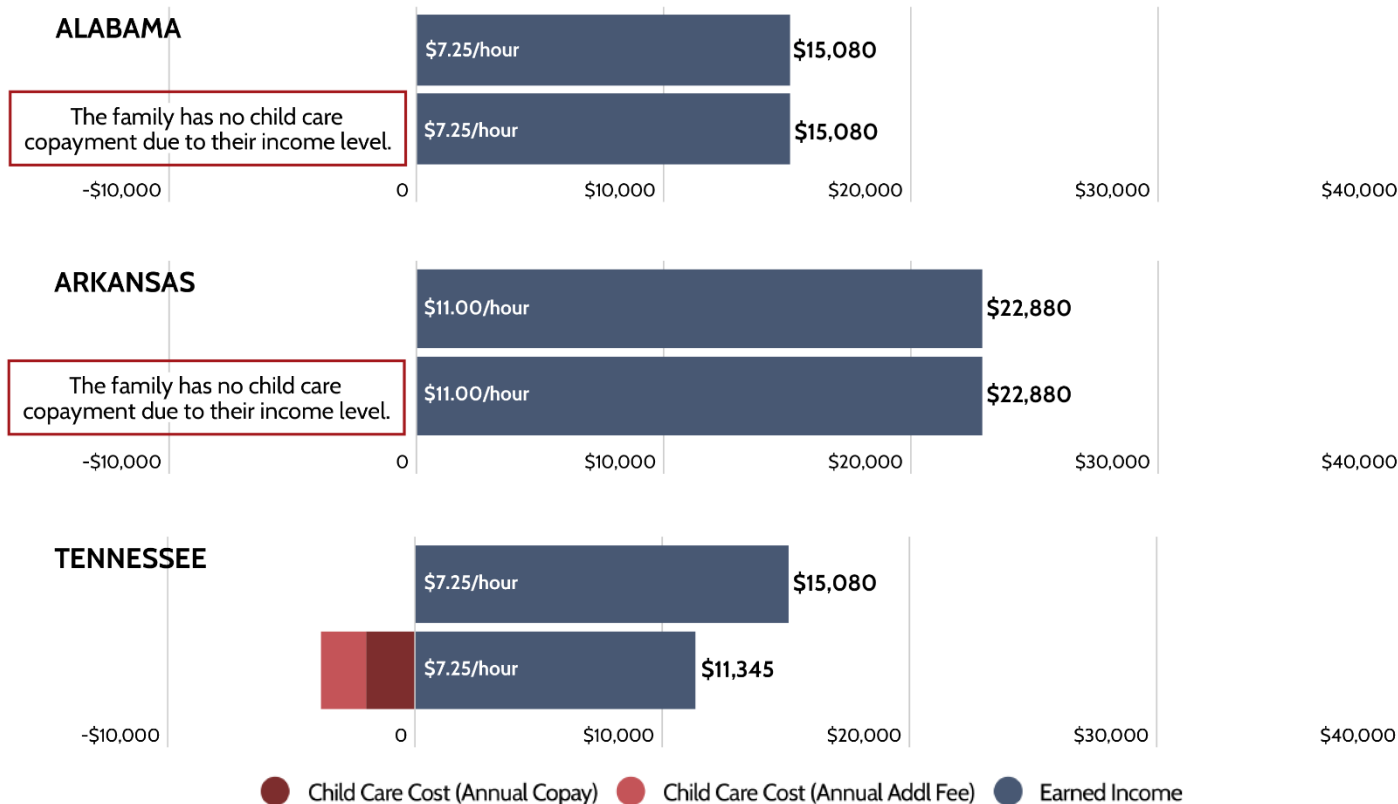
Total Resources Based on State Policy Choices

Minimum Wage Earnings



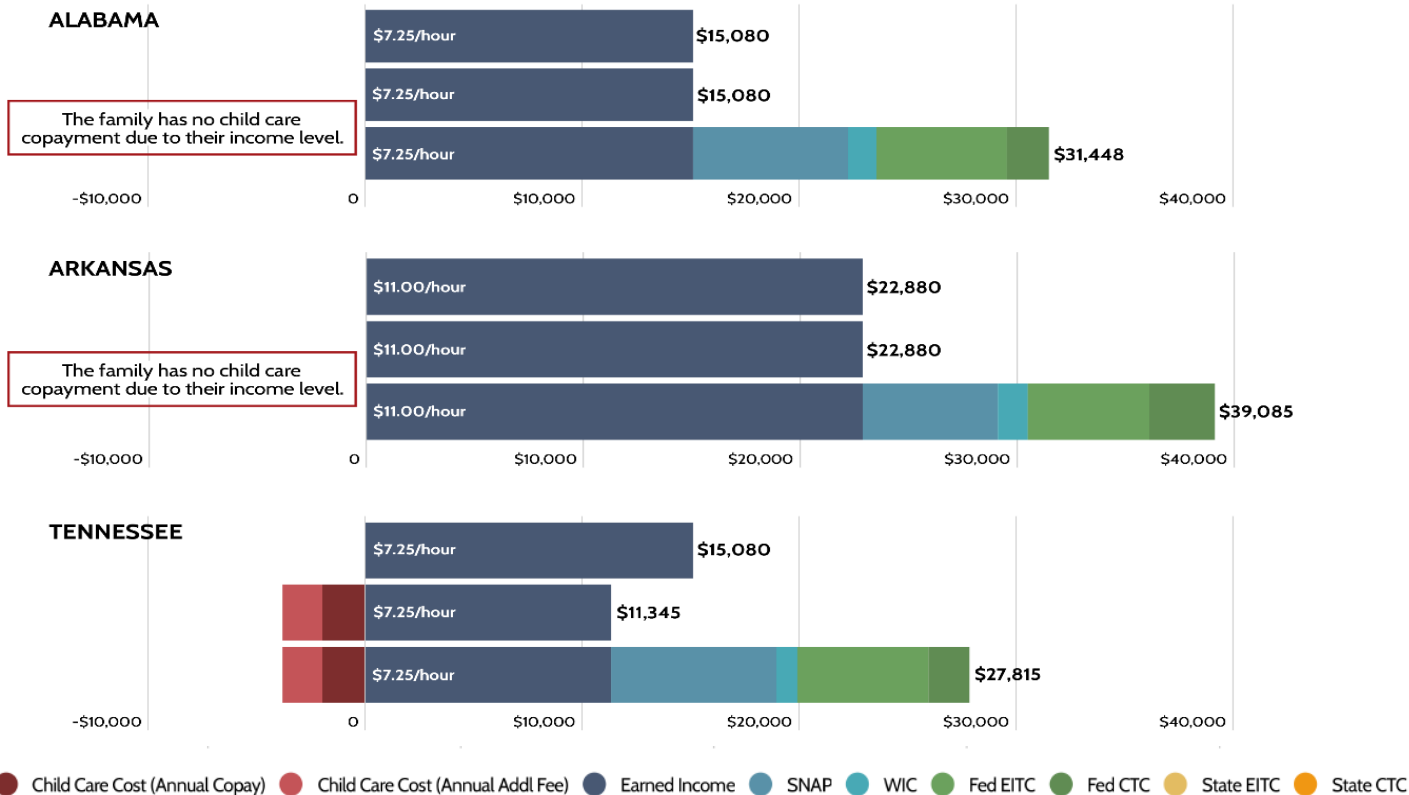
Total Resources Based on State Policy Choices

Minimum Wage Earnings (Minus Out of Pocket Child Care Expenses)



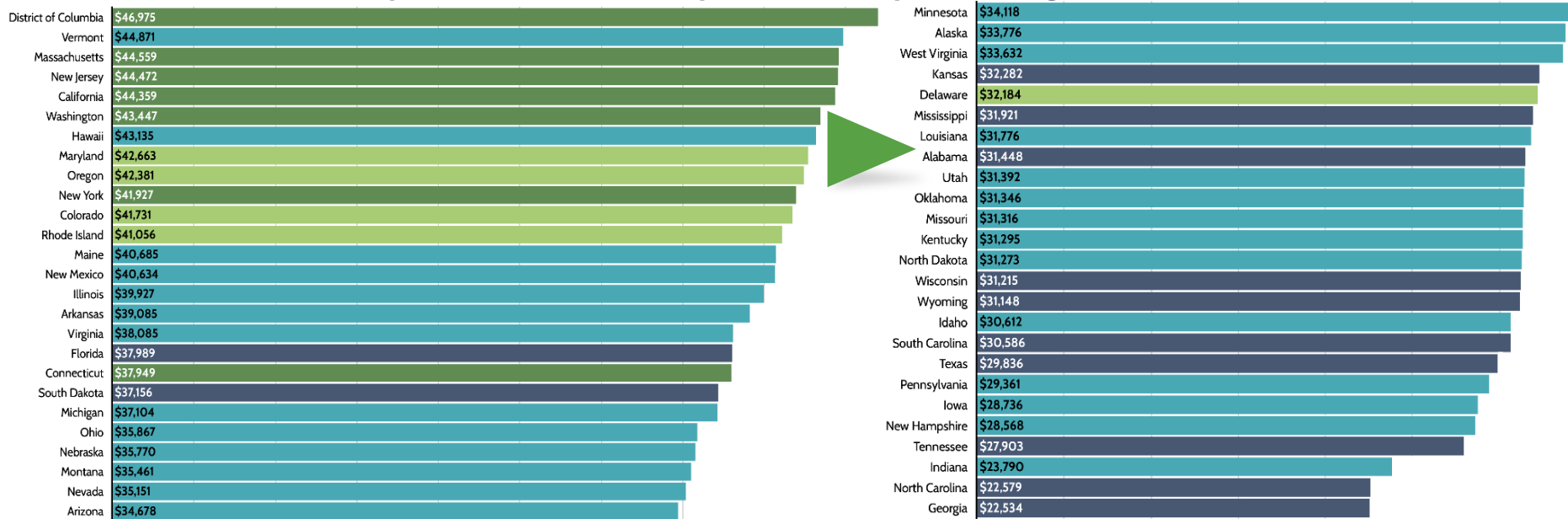
Total Resources Based on State Policy Choices

Minimum Wage Earnings (Minus Out of Pocket Child Care Expenses) Plus Federal and State Benefits



Total Annual Resources

(Based on Minimum Wage Earnings (Minus Out of Pocket Child Care Expenses) Plus Federal and State Benefits) and State Choices to Expand Medicaid and Adopt a Paid Family Leave Program of a Minimum of 6 weeks



- State has expanded Medicaid and implemented a 6-week+ paid family leave (PFL) program
- State has expanded Medicaid and adopted, but not fully implemented a 6-week+ PFL program
- State has expanded Medicaid, but not adopted 6-week+ PFL program
- Nonexpansion state + no 6-week+ PFL program

Summary

- The prenatal-to-3 period of development sets the stage for lifelong health and wellbeing
- Many children lack the opportunities and rights they deserve for a healthy start, and these children are disproportionately children of color
- State policy choices can reduce family stressors and increase capacities, which have substantial impacts on health and wellbeing over the life course



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