



MARYLAND CHILD CARE
RESOURCE NETWORK

TRENDS IN CHILD CARE • 2018



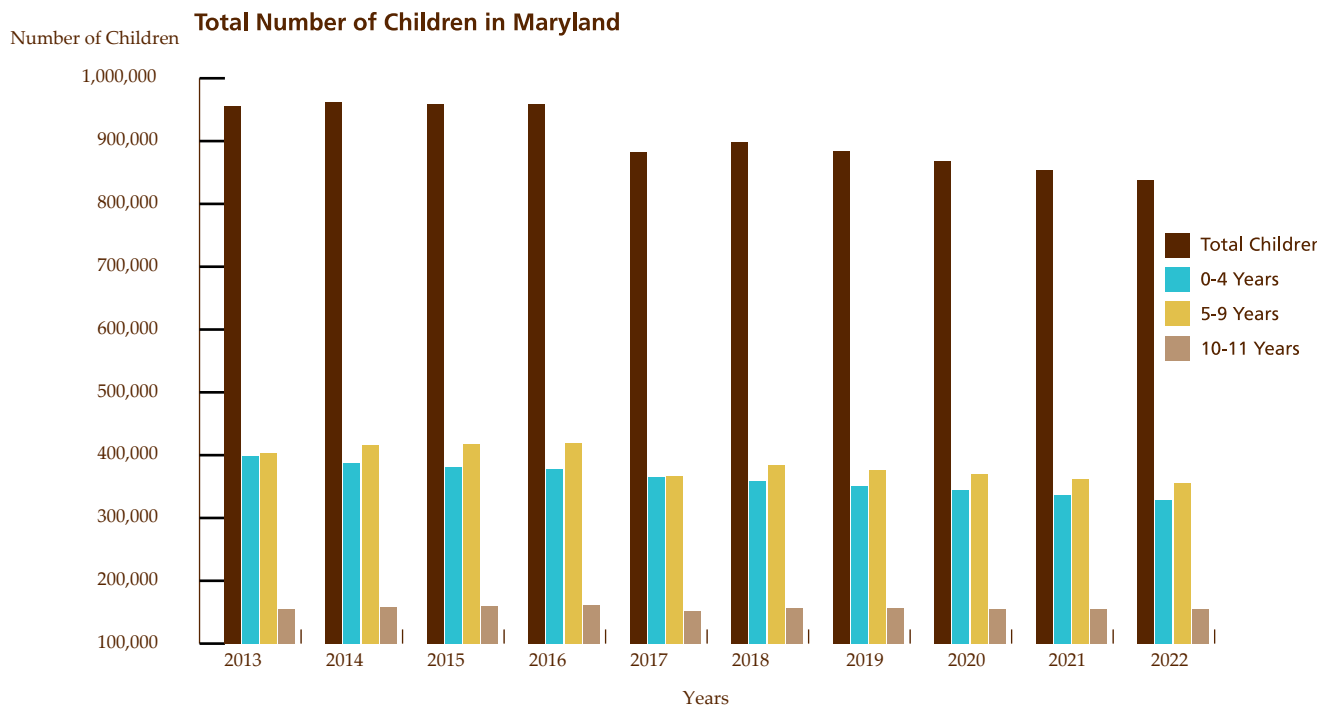
MARYLAND
FAMILY
NETWORK

Studies show that quality child care in the first five years is crucial. The Heckman Equation¹ indicates that there is a 13% return on investment when disadvantaged children have access to high quality birth-to five programs. “Significant gains are realized through better outcomes in education, health, social behaviors and employment.” In addition to school readiness benefits and health benefits, that long term return on investment includes: reduced remediation; increased rates of high school graduation; higher rates of adult employment; contribution to society including paying taxes.

This publication provides a summary of the critical components of child care (demand, supply, and cost) from 2013 to 2022. The analysis is based on the data collected by LOCATE: Child Care of the Maryland Family Network and the Maryland Child Care Resource Network. The historical data collected from 2013 to the present is analyzed in the following summary and is used to project the data forecasts for 2018 through 2022 using the Multiple Regression Analysis and Forecasting template. The results of the analysis are presented through a combination of graphs, charts, and text descriptions that summarize the data and interpret the trends.

How many children in Maryland will need child care in the future?

In Maryland, 79% of children under age 12 – more than 890,000 children in 2020 – may require child care while their mothers are at work.



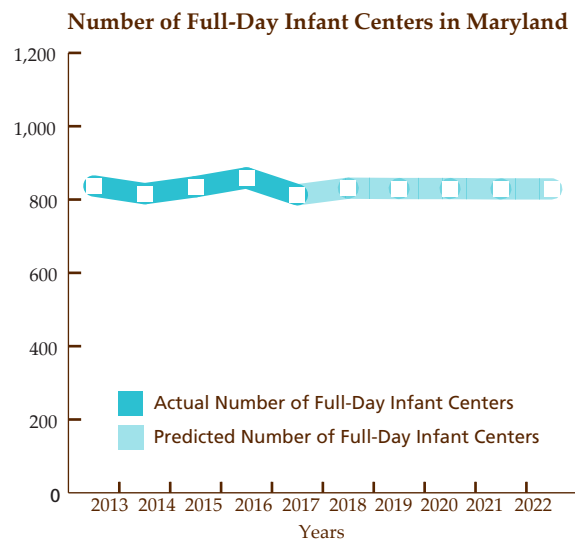
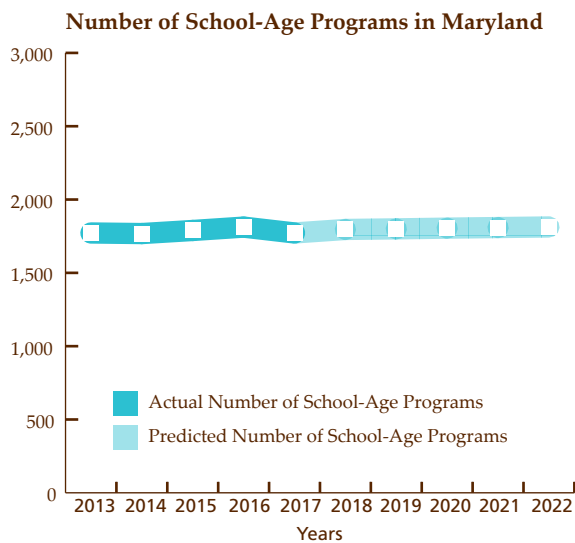
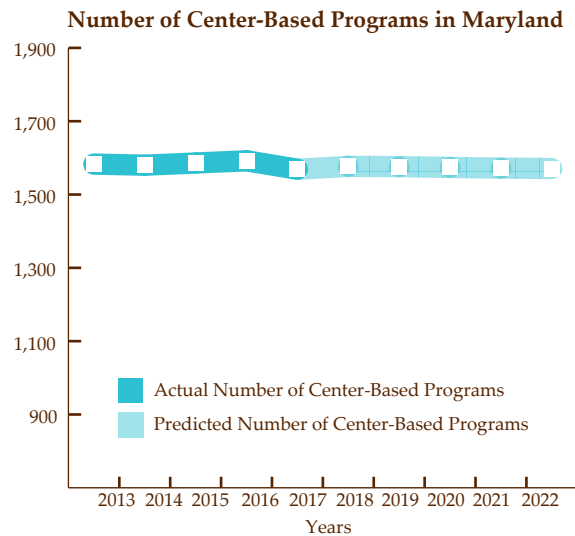
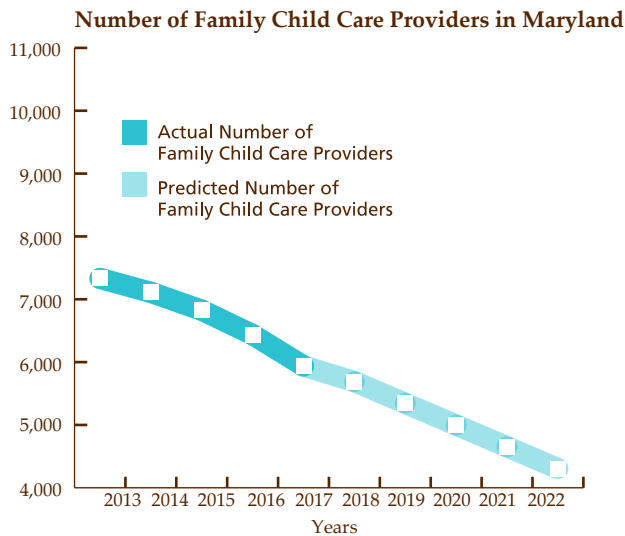
The chart above² shows the total number of children in Maryland and groups them into the indicated age ranges. The chart indicates the data collected to date and projects the size of the population from which the future of the total population of children under the age of 12 have mothers in the work force and may require child care.

Analysis of the data provides the following trends from 2018 through 2022:

- The number of children in the 0-4 age group is projected to decrease by about 8.5%
- The number of children in the 5-9 age group is projected to decrease by about 7.4%.
- The number of children in the 10-11 age group is projected to decrease by about 1%
- The total number of children under 12 in Maryland is projected to decrease by about 6.7%

¹Heckman, James J (2016)/ There’s more to gain by taking a comprehensive approach to early childhood development. Heckmanequation.org
²2010 U.S. Census data

How many child care providers will there be in Maryland in the future?



The graphs above depict the number of licensed child care providers in the state of Maryland, including both family providers and center-based programs. Separate graphs indicating the number of school-age programs and full-day infant care are also provided. The graphs indicate the actual numbers collected to date and show projections based on this information for the near future.

The second pair of graphs depicts the growth of school age programs and full-day infant centers in Maryland. The number of school-age programs is projected to remain relatively stable for the future.

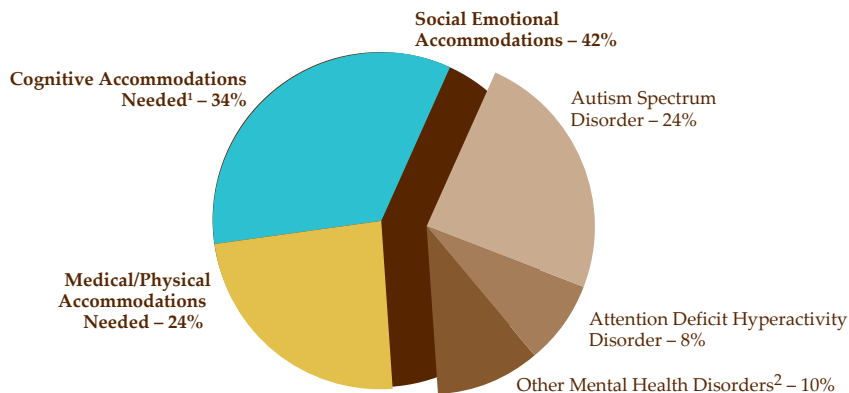
As shown in the first graph, the number of family child care providers in Maryland shows a projected decrease of about 29% from 2018 to 2022. Over this same period, the number of center-based programs shows a projected decrease of less than 1%.

Is there a need for child care that can serve children with social/emotional disorders?

The need for child care for children with special needs is substantial, and children with emotional and social challenges comprise a large segment of the population in need of these services.

NEE

Accommodations Needed by Children with Special Needs Served Through LOCATE: Child Care



¹ Numbers include children with developmental delays as well as those with social/emotional disorders. Children with developmental delays often need social/emotional accommodations in the child care setting.

² Includes such conditions as depression, obsessive compulsive and other emotional disturbances.

LOCATE: Child Care supports the families of special needs children by assisting them in finding regulated child care providers experienced in caring for children with special needs. Referral specialists work with the parent to determine what accommodations are needed based on the child's and family's circumstances. The specialist then contacts providers with appropriate experience to determine where there are vacancies. Specialists also counsel parents in finding quality child care.

In 2017, LOCATE: Child Care's Special Needs Service provided enhanced child care resource and referral services to the families of 729 children with special needs. The demand for these services was greatest for young children – from birth to age six.

A majority of the 729 children served (65%) were under the age of six. Only 6% of services related to children age twelve to twenty-one. Thirty-nine percent (39%) of children served by LOCATE's Special Needs Service had a single disability while 61% had multiple disabilities.

Many children with a disability need some accommodation in child care settings. In earlier years, LOCATE's Special Needs Service had noticed a significant number of children needing social/emotional accommodations. Since 2006, the percentage of children needing social/emotional accommodations has leveled in the 36% to 44% range.

Of the children requiring social/emotional accommodations, many are identified with Attention Deficit Hyperactivity Disorder (ADHD) or Autism Spectrum Disorder. The

percentage of children with special needs served who are identified with Attention Deficit Hyperactivity Disorder (ADHD) has remained steady in the 8%-10% range since 2007. See note below.

Maryland Family Network works in partnership with the Early Childhood Mental Health (ECMH) Project. This project of the Maryland State Department of Education addresses the mental health needs of children from birth to 5 years of age. The project's goals are to:

- "Promote positive social/emotional wellness practices in early childhood settings;
- Identify and work proactively with children who may have development, social, emotional, or behavioral concerns;
- Refer children and families in need of more intensive mental health services to appropriate support and/or clinical programs;
- Help children remain in stable, quality child care arrangements that support their individual needs;
- Increase teacher confidence and competence dealing with challenging behaviors through training, coaching and mentoring, and
- Build close partnerships with local community resources including Judy Centers, Head Start Centers, health departments, Child Find, Maryland Infants and Toddlers Program, preschool special education, and private consultation providers"³

³ Maryland Department of Education, Early Childhood Development, earlychildhood.marylandpublicschools.org/early-childhood-mental-health

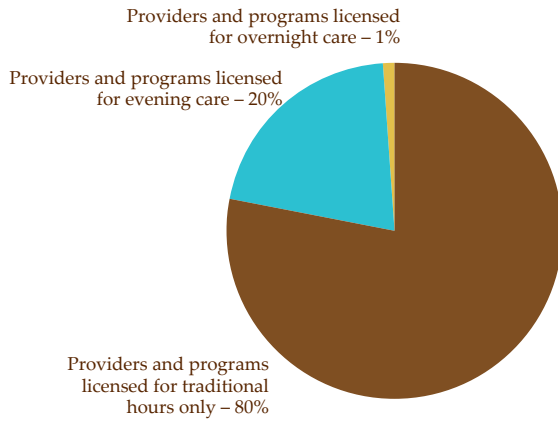
What about non-traditional hours of care?

EED

Approximately 20% of caregivers are licensed to offer evening or overnight care.

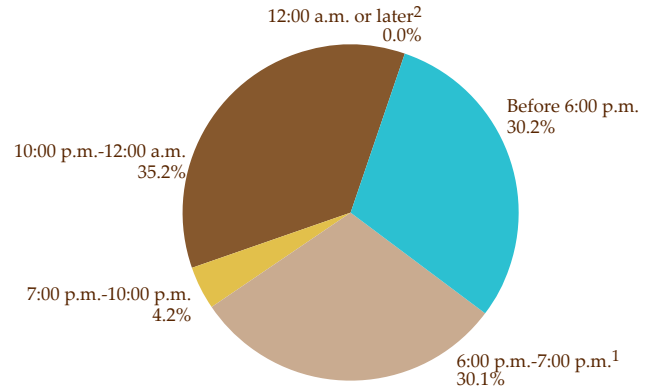


Child Care Providers and Programs Licensed to Provide Day, Evening and Overnight Care



*Percentages may not equal 100% because of rounding.

Closing Hours of Providers and Programs Licensed to Provide Evening or Overnight Care*



*Percentages may not equal 100% because of rounding. ¹ This is the defined time for the start of evening care. ² This is the defined time for the start of overnight care.

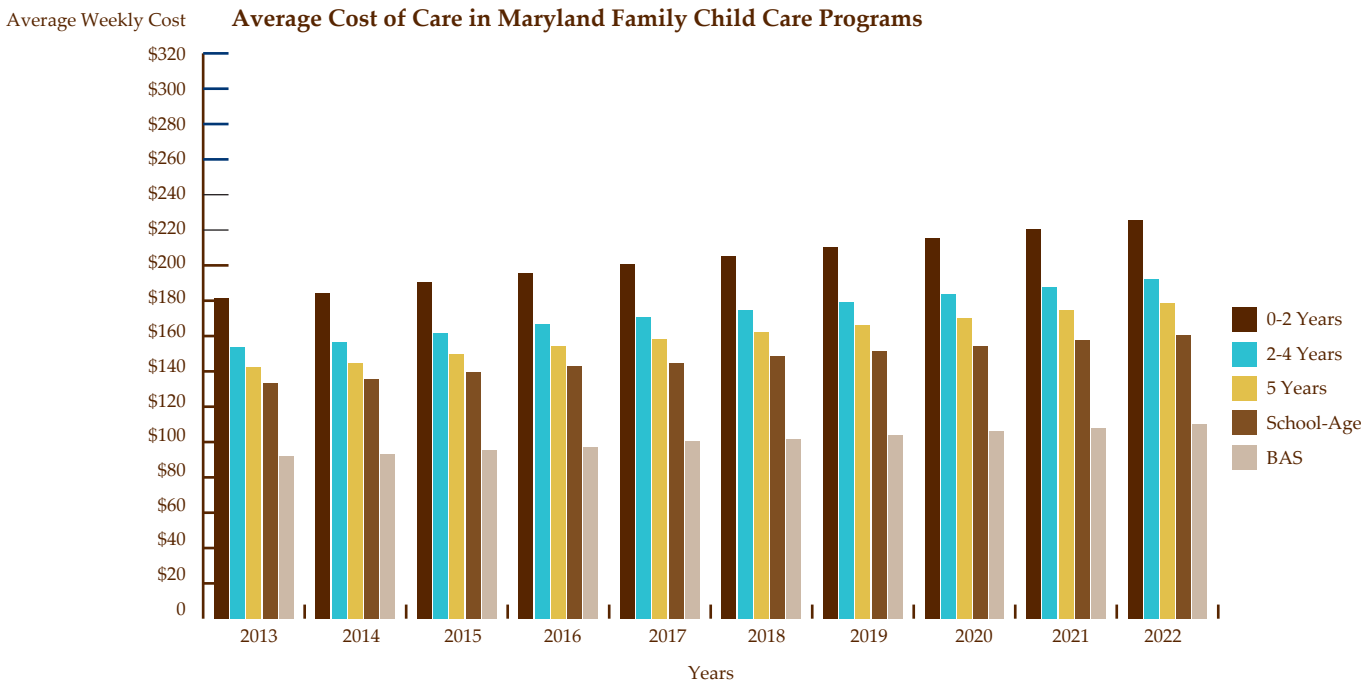
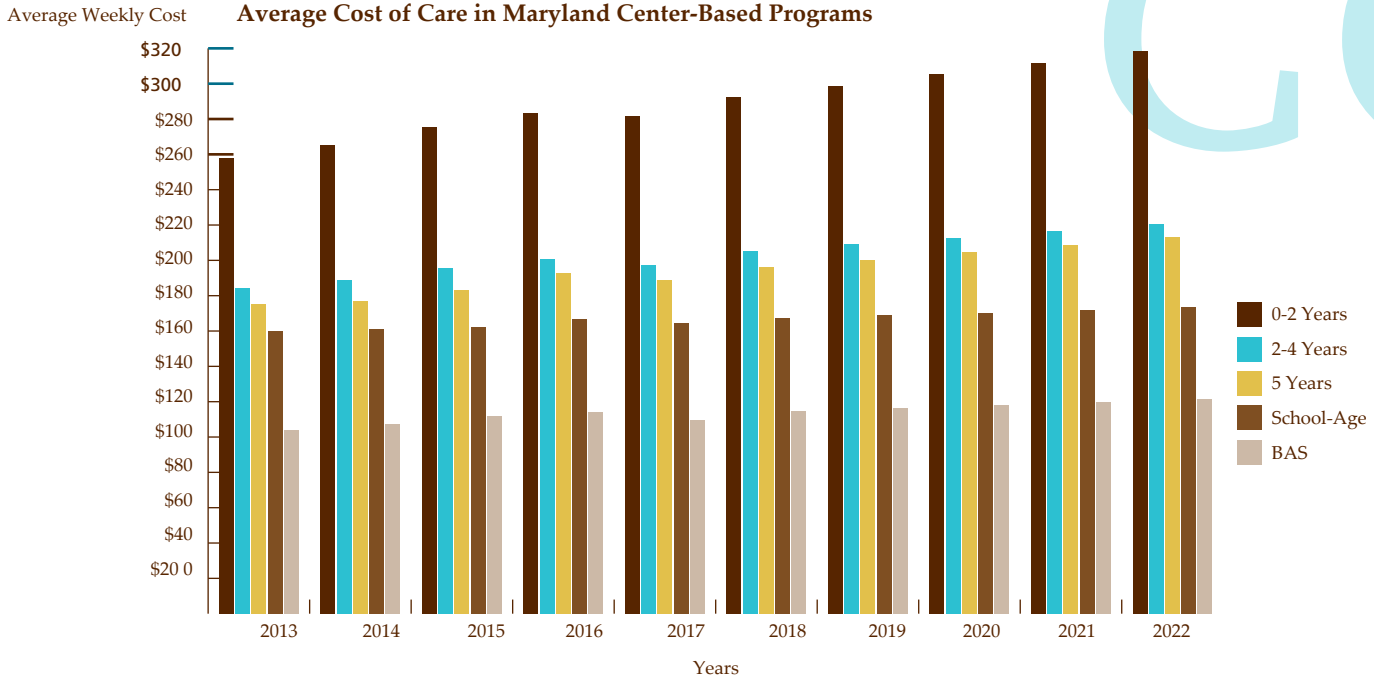
Of the caregivers that are licensed for evening or overnight care, about 70% actually offer non-traditional hours of care. In fiscal year 2017, LOCATE: Child Care received requests for child care for 5769 children⁴. Of these requests, 2% (124) needed care during evening hours (6:00 p.m. to midnight), and 0.8% (48) needed care overnight (midnight to 6:00 a.m.). The percent of demand for evening care and overnight care dropped slightly from the previous year.⁵

⁴ Includes Community Line, Corporate and Special Needs Services

⁵ Maryland Family Network, LOCATE: Child Care

Will the cost of child care continue to grow?

The cost of care has shown, and will continue to show, general growth.



The charts above show actual and projected weekly costs of regulated child care in Maryland, grouped according to child age.

The charts include both the actual cost data collected to date and the projected future costs based on the trends of these data. Analyzing the cost data shows that all child care costs are projected to increase through 2022 from about 5% to 13%, depending on age and type of care.

The cost of care for children age birth to two is the highest for any age group and shows a projected growth in both types of programs – 12% for family child care and 13% for center-

based programs. The cost of care for children age birth to two in center-based programs is the highest cost of any age group in either type of program.

The annual average cost of child care in a center for an infant 0-2 months old is \$14,050⁶ compared to:

- The annual average cost of in-state college tuition in Maryland in 2016 was \$14,884⁷
- The national average mortgage payment annualized is \$12,732⁸
- The annual car payment for a \$23,000 car loan at 5% for 48 months is \$6360⁹

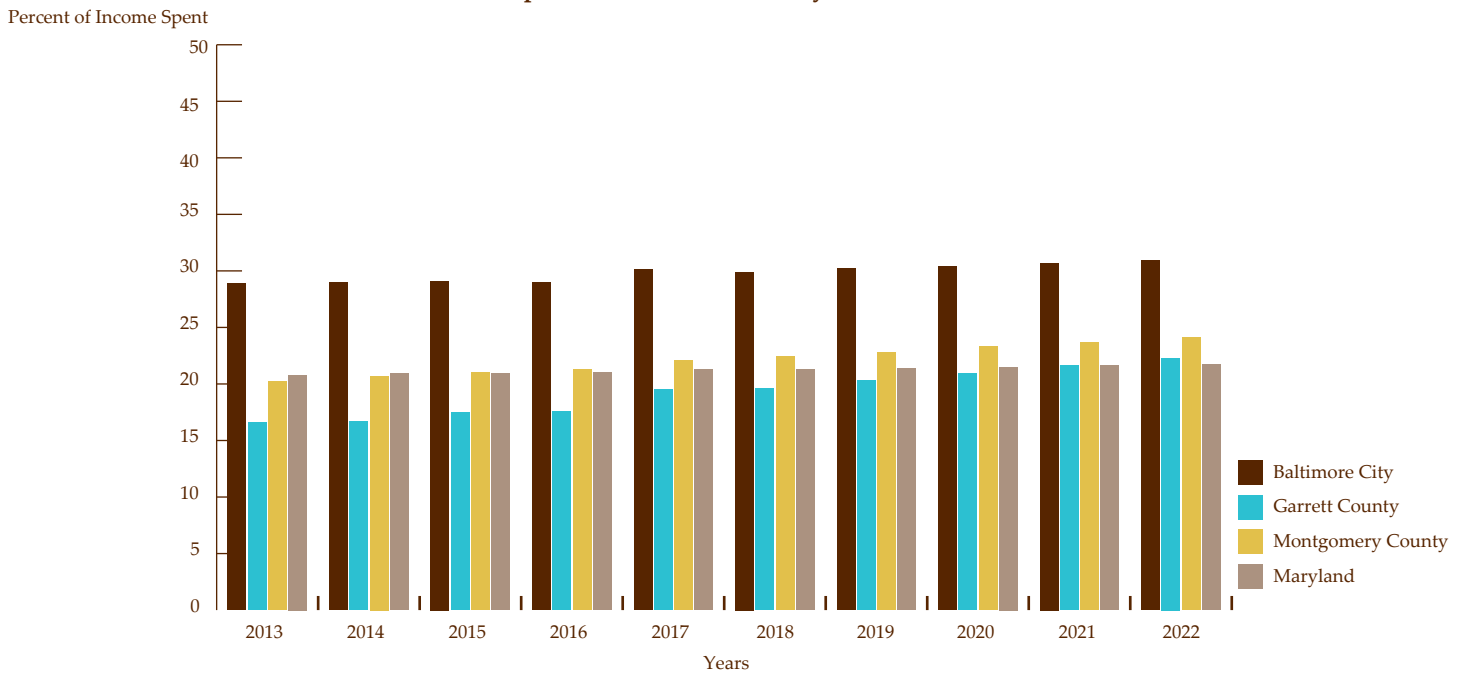
How much of a family's income is spent on child care?

ST

The U.S. Department of Health and Human Services recommends that parents should not spend more than 10% of their family income on child care.



Percent of Median Income Spent on Child Care in Maryland



The chart above shows the percentage of income that is spent on child care by a family using child care services and projects the spending requirements into the near future. There are three jurisdictions presented on the chart to represent three different population area types – an urban population (Baltimore City), a suburban population (Montgomery County), and a rural population (Garrett County) – as well as the state as a whole.

The current expenditures are all above the recommended goal of 10%, and all jurisdictions and the state show a projected increase over the next five years. Based on these projections, neither Maryland nor any of the individual jurisdictions are expected to meet the 10% goal by 2022.¹⁰

⁶ Maryland Family Network, LOCATE: Child Care

⁷ Maryland Colleges, Cost and Affordability for 2016-2017, Collegecalc.org/colleges/Maryland

⁸ What Does the Average Home Owner Pay on a Mortgage? realtormag.realtor.org

⁹ <https://www.carloans.ws/>

¹⁰ Maryland Family Network, LOCATE: Child Care and the 2010 U.S. census

What about the turnover rate among center-based child care staff?

33% of center-based staff left their positions during 2016.

TURN

In 2007, Maryland Committee for Children (MCC) conducted a survey of child care centers in the state to measure the extent of staff turnover. Responses were received from 372 of the centers. The workforce employed by the 372 responding centers numbered 4,116, as of January 1, 2006. In the ensuing year (January 1 through December 31, 2006), 1,357 members (33%) of this child care workforce left their positions.¹¹

The greatest turnover (42%) occurred in the teacher assistant/aide group. The director group had the least turnover.¹²

Total Staff and Exiting Staff at Responding Child Care Centers

Staff Level	Number of employees at start of year	Number of employees that left during the year	Percent of employees that left during the year
Director	450	84	19%
Senior Staff/Group Leaders	1,977	555	28%
Teachers Assistant/Aide	1,689	718	42%
Total Staff	4,116	1,357	33%

Source: Survey conducted by Maryland Committee for Children, September 2007

What factors contribute to the turnover rate among center-based child care staff?

Compensation is the major factor affecting staff turnover.¹³

In the survey cited above, responses from 159 centers (54% of those centers who responded to this question) indicated that compensation was a significant factor in the decision of employees to leave their jobs. Respondents were asked to indicate which aspects of compensation played a role in turnover. Wages ranked highest in this regard, followed by other concerns:

- 157 centers cited wages as an issue in turnover;
- 83 centers cited health benefits;
- 28 centers cited paid leave; and
- 24 centers cited various other concerns¹⁴

Not all staff turnover was attributed to compensation. Surveys from 138 centers (46% of those centers who responded to this question) reported that compensation was not a factor in turnover. These centers cited various reasons for turnover including life cycle events such as marriage, pregnancy, employee's desire to stay home with their own children, returning to school, getting a degree and seeking other employment, moving, retirement, etc.¹⁵

¹ Maryland Family Network, LOCATE: Child Care

¹² Maryland Family Network, LOCATE: Child Care

¹³ Maryland Family Network, LOCATE: Child Care

¹⁴ Maryland Family Network, LOCATE: Child Care

¹⁵ Maryland Family Network, LOCATE: Child Care

What about the family child care provider turnover rate?

OVER

11.25% of Maryland's licensed family child care providers left the profession last year.¹⁶



The turnover rate continues to inch up each successive year and is a source of concern. One outcome of high turnover is inconsistent care for children who are forced to change from one caregiver to another. In addition, high turnover creates a less experienced child care workforce. In the year ending in June 2015, 86% of family child care providers sampled had been operating for more than three years with almost 56% in operation for more than nine years. Four percent had been operating their business for less than one year, according to MFN data.¹⁷

In early 2018, MCC surveyed 151 new family child care providers. As shown below, their primary reasons for entering the child care profession were that they enjoy working with children and that they want to stay home with their own children.

What attracts people to a career in family child care? What causes them to leave?

The provider turnover rate represents changes in the child care provider database due to providers being removed because of leaving the child care profession due to the provider's personal/family issues, burn-out, or career change and new providers being added. The turnover rate is calculated as the number of family child care providers deleted from the database during the year divided by the sum of family child care providers at the start of the year plus the number of providers added during the year. There was a net loss of 360 family child care providers in Maryland between July 2016 and June 2017.¹⁸

In early 2018, MFN also surveyed 56 family child care providers who were leaving the child care profession. As shown below, they were leaving the child care profession because they moved; they experienced burnout or retired; got a new job; or they couldn't attract enough children to make their child care business profitable.¹⁹

High turnover in child care can affect the quality of the child care program. Children are prevented from having a secure attachment with the teachers. The result is a negative effect on children's social, emotional, and language development.²⁰ Although many providers cite compensation as an issue, burnout, retirement and relocation figure and personal family issues into the reasons.

Reasons New Family Child Care Providers Entered the Child Care Profession in Maryland

Enjoy working with children	48%
Stay at home with own children	40%
Left prior work	8%
Extra income	4%
No quality child care for my children	4%

Source: Maryland Family Network, LOCATE: Child Care

Reasons Maryland Family Child Care Providers Leave the Child Care Profession

New job	27%
Retirement/Burnout	16%
Not profitable	11%
Moved	9%
Difficulty with parents	2%

Source: Maryland Family Network, LOCATE: Child Care

¹⁷ Maryland Family Network, LOCATE: Child Care

¹⁸ Maryland Family Network, LOCATE: Child Care

¹⁹ Maryland Family Network, LOCATE: Child Care

²⁰ Noriko Porter, [USA] High Turnover among Early Childhood Educators in the United States. Cited Korjenevitch, M., & Dunifon, R. (2010). Child care center quality and child development. Ithaca, New York: Cornell University.

What are the average salaries of child care workers in Maryland?

COMPENSATION

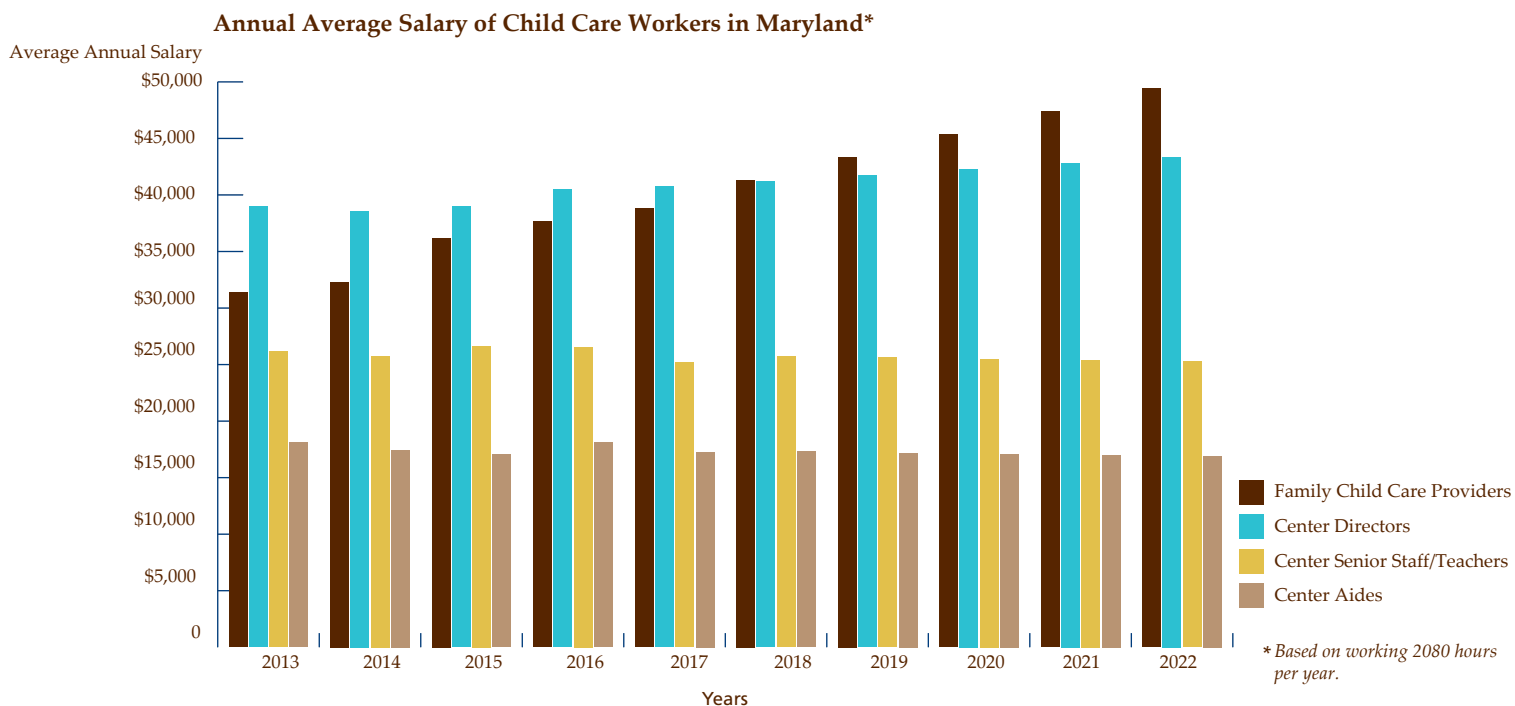
The salaries of child care workers are low, when compared to other occupations – ranging between \$8.30 and \$19.60 per hour or annualized to \$17,265 to \$40,766.²¹

As a comparison:

A minimum wage worker in Maryland earns \$19,240

Fast food cooks in Baltimore, Maryland earn a base salary of \$9.80 annualized to \$20,453²²

Kindergarten teachers in Baltimore Maryland earn \$57,515



The chart above summarizes the salary growth of four categories of child care workers. Actual data, collected to the present date, is indicated as well as future projections based on these data. As depicted in the graph, the salaries of all child care workers show a general increase to date with continued projected growth.

Based on current trends, by 2022, family child care provider income is projected to grow by 27%; center director salaries are projected to grow by slightly over 6%; but center teacher salaries are projected to grow by only 0.3%. Center aid salaries are projected to decrease by 2%, continuing a trend over the last three years.²³

²¹ Maryland Family Network, LOCATE: Child Care

²² Maryland Fast Food Cook Salaries, Salary.com

²³ Maryland Family Network, LOCATE: Child Care

How can the quality of child care be improved?

QUALITY



Over the past several years, programs, both at the state and national level, have been created to improve the quality of child care. These voluntary programs have been credited with developing criteria for improving both child care programs and the skills of individuals working in the child care field. Participation in one of these programs provides recognition to those child care providers or programs that go beyond the minimum requirements of state licensing and regulations.

Successfully meeting the established criteria for programs is recognized by awarding the program a status of “accredited”. Likewise, meeting the criteria for individuals working in child care programs is recognized by awarding a status of “credentialed”. Documentation of these efforts in Fiscal Year 2017 has been supplied for this report by the Maryland State Department of Education.

Accredited Programs

Family Providers	128
Licensed Child Care Center Programs	273
Public Pre-K	117
Military	37
Early Head Start	7

Participants in MSDE Credential Program

Family Child Care Providers	566
Licensed Child Care Center Staff	6,732

Maryland Child Care Resource Network

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arundelccc.org

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Child Care Resource Center 1001
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21202
Phone: 410.685.5150
www.bccrc.org

Baltimore County:
Child Resource Center Baltimore
County
@Abilities Network/Project ACT
8503 LaSalle Road
Towson, MD 21286
Phone: 443.900.6458
ccrcbc.com

Carroll: Child Care Choices
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Westminster, MD 21157 Phone:
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fcmha.org/childcarechoices

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Toll free: 800.753.6841
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@Abilities Network/Project ACT
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ccrchcc.com

Howard: Howard County Child
Care Resource Center
3300 North Ridge Road
Suite 380
Ellicott City, MD 21043 Phone:
410.313.1940
howardcountymd.gov/children

Lower Shore: Lower Shore Child
Care Resource Center
East Campus Complex Salisbury
University
Power and Wayne Streets Suite 500
Salisbury, MD 21804
Phone: 410.543.6650
lowershoreccrc.org

Montgomery: Montgomery
County Child Care Resource and
Referral Center
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Rockville, Maryland 20852 Phone:
240.777.3110
montgomerycountymd.gov

Prince George's:
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Southern Maryland:
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Charlotte Hall, MD 20622 Phone:
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Toll free: 866.290.0040
thepromisecenter.org

Upper Shore: Chesapeake Child
Care Resource Center
Chesapeake College
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Phone: 410.822.5400 x346
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Western Maryland:
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301.733.0000
applesforchildren.org

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Listen to *The First Five Years* on 88.1 WYPR. It's the only radio series in Maryland dedicated to supporting families of very young children.



Maryland Family Network's free mobile app is a one-stop portal for parents looking for child care. The app also delivers instant public policy alerts and other news and information about early care and education. Available on iTunes and Google Play.



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Become a member. Membership supports our advocacy efforts. Member benefits include reduced fees for training and Professional Activity Units for participants in the Maryland Child Care Credential Program.



The Maryland Child Care Resource Network is a public/private partnership designed to expand and improve child care delivery in Maryland. Maryland Family Network manages the Network and operates as its Statewide Coordinating Entity.



This publication was produced as a work for hire for the benefit of, and with funds from, the Maryland State Department of Education.

Content revised January 2017



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