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Why Home-Based Child Care Providers Closed Their Doors: Learning from COVID-19 to Strengthen Resilience in the Early Learning System

Executive
Summary



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The COVID-19 pandemic brought widespread disruptions, closures, and chaos to early learning and care services and systems designed to support family well-being. Across the United States and in Oregon, there remains a critical shortage of child care, as programs have failed to reopen as pandemic-era health restrictions have lifted. To understand how state and local agencies could better support Oregon-based child care programs and help them remain open during public health emergencies or other situations that create pressure for closures, our team of researchers at Portland State University (PSU) Center for Improvement of Child and Family Services (CCF) and OSLC Developments, Inc. (ODI) was engaged to conduct a study. The goal of this study was to learn from home-based child care providers who made the decision to close permanently during the COVID-19 pandemic and understand why they closed, and what, if any, supports might have enabled them to stay open and continue to serve families with young children. Home-based providers represent an important component of the child care system and provide much-needed care for many of Oregon's families who identify as Black, Indigenous, and Other Persons of Color; these home-based providers also are a vital source of care to many rural Oregonians¹. Further, home-based providers may be less likely than center-based programs to have cash reserves and other resources that might help them stay in business during emergencies such as that posed by the COVID-19 pandemic.

Methodology

We conducted qualitative telephone or Zoom interviews with 15 home-based child care providers who reported on an earlier statewide survey that they had closed during 2020-21. Ten providers were located in the Portland Metro region; the remainder represented both urban and rural areas across the state. Most were White, female, and English speaking. This context is important to keep in mind when considering the experiences and recommendations made by these providers.

Interviews included questions about what steps providers took to remain open, supports that they were able to access, and the issues that impacted their decision to close. Providers shared their reflections about what might have prevented them from closing, as well as what would be needed to help them reopen. These results are summarized below.

Key Findings

Providers shared multiple measures they took to stay open, as well as the factors that ultimately led them to close their child care businesses.

Many of these issues were described as challenges prior to the pandemic that were exacerbated by the COVID-19 context. Certainly for many providers, financial concerns played a large role in whether or not they were able to continue to stay in business. Providers struggled with maintaining enrollment, which in turn impacted their income and ability to stay open. As families shifted to remote work or

1 https://www.acf.hhs.gov/sites/default/files/documents/occ/occ_fcc_brief.pdf

lost employment entirely, they no longer needed care because they could stay home with their children. Other families withdrew their children because of concerns about COVID-19 exposure. State mandates for reduced enrollment were also a challenge mentioned by these providers. These limits on the number the number of children who could be served significantly impacted enrollment rates and created serious financial challenges for providers that ultimately forced them to close their doors.

About half the providers received some financial (Paycheck Protection Program [PPP], unemployment, grants) or material support (equipment, food, supplies) from government organizations. Health and safety equipment such as masks, hand sanitizer, wipes, and thermometers were described as being helpful to providers, who were experiencing shortages of these materials and competition for them with other prioritized industries (e.g., health care). While financial supports provided temporary relief from loss of income, they were generally described as insufficient for providers to remain open as the pandemic impacts continued.

Many of the providers we spoke with regretted their decision to close, citing the loss of strong, positive relationships with families and children as a primary reason they felt this regret. Most providers that closed did so because of their sense of responsibility to protect the health of their own family, the families they cared for, and individual health. Providers were aware that for families, losing trusted child care created difficulties for those who still needed care, especially for infants and children with cognitive and physical disabilities. At the same time, for many, the decision to close led to other opportunities that providers described as positive in terms of their own personal or financial well-being.

Recommendations

It is based upon these findings that we make the following recommendations:

- 1. Build and strengthen working relationships between state agency staff and child care providers.** While some recommendations require heavier investments in child care (e.g., to improve facilities and to build a more stable, well-compensated, and well-trained workforce), these providers also clearly prioritized the need for creating more positive, stronger working relationships between the state agency and providers. Specific suggestions included:
 - a.** Increasing opportunities to regularly involve providers in making decisions that impact them (e.g., asking providers what supplies they need to avoid the supply failures);
 - b.** Providing more tailored (individualized) guidance for health and other emergency protocols that reflects their needs;
 - c.** Convening and facilitating informal meetings for state staff and providers to meet one another, build community, and create sustainable and reliable relationships. Having more opportunities for face-to-face, or at least individualized, contact, with state and local early learning agency partners were some things providers told us would have helped them to feel better supported, as well as facilitate more opportunities for asking questions and understanding the constantly shifting regulations and requirements.

2. Develop an emergency response plan that focuses on clear guidance for standards of care and child care service protocols. While providing clear and stable guidance for how to maintain health during public health crises was challenging at all levels of government during COVID-19, future emergency preparedness—specifically building on this experience in relation to child care during COVID-19—will help strengthen systems resilience.

This plan should include:

- a. Providing easily accessible systems and processes for communicating policies;
- b. Facilitating access to emergency resources;
- c. Supporting bidirectional communication with child care providers.

In terms of specific recommendations for supports to prevent closures or facilitate reopening, the system would benefit from:

- 1. Timely and simple access to short-term emergency financial assistance** that could help child care programs continue to operate at reduced capacity, maintain and pay staff, and obtain needed supplies during temporary closures due to health or other emergencies.
- 2. Prioritizing child care workers as “essential workers”** and supporting them appropriately.
- 3. Better and more timely access to health- and educationally-related materials,** supplies, and other tangible assistance that meet the needs of individual providers, especially as the requirement to respond to infectious disease outbreaks and other emergency situations is needed.

4. Investments in improving child care facilities and physical infrastructure for providers. Many providers, especially those operating out of their homes, described the need for them to be able to provide more adequate space for children; ideally, space that would allow separation of family members from children being served. These may be especially important during infectious disease outbreaks.

5. Supporting more child care networks and community-building across programs and providers was something providers told us would be valuable for creating systems of professional support that can help them be more resilient during periods of stress. Increased connections between community providers could also benefit families by helping facilitate transition pathways in the event providers need to close.

As Oregon moves forward, it is important to build on the experiences of providers who closed their programs during the COVID-19 pandemic and to prioritize changes that can help prevent future closures. The system of early learning and child care must work to build more resilient programs that can better weather future challenges. We must also ensure a system that adequately supports these essential workers to be able to provide the level of quality care that families and children need. Ultimately, a system that can flexibly meet the child care needs of Oregon’s families during an emergency is also a system that would benefit children, families, and providers during non-emergency times.