A Note from Home Grown

The COVID-19 pandemic has pushed America to re-imagine how we value and support the industries and systems that function as the backbone of our society. With many families juggling work, job loss, and distance learning, all while taking care of children, we’ve seen something grow in America: the reliance on, respect for, and recognition of home-based child care.

As states begin lifting their stay-at-home orders, Americans go back to work, and working families search for safe, affordable, accessible child care, we must ensure that families have an array of good options. Building a child care system that works includes focusing on the potential of home-based care to provide a safe and nurturing environment where children can learn and grow, particularly for infants and toddlers.

This starts with re-envisioning the home-based child care sector and investing in a new infrastructure that assures its quality and stability. Comprehensive networks, sometimes called staffed family child care networks, are this infrastructure and Home Grown has developed this discussion paper to support states and communities in envisioning and developing their own networks. This, along with systemic reform to expand resources and increase both parents’ ability to pay and the salaries and working conditions of providers, are essential to creating a sustainable child care system.

For many parents, home-based care is not only the most affordable and accessible option, but the only option for care during nontraditional hours, like evenings, nights, and weekends, or for settings that share the same language or cultural practices that a child may experience at home and where siblings of different ages can be cared for together.

Prior to the pandemic, many young children already received their early care and education at home. Of the 20 million US children under age 5, 3 out of 4 are in non-parental care. If we look at the paid workforce of 2 million caregivers, half work in centers, and half work in home-based settings.

During the pandemic, the reliance on home-based child care has increased dramatically. Unable to accommodate social distancing, the majority of child care centers, schools, and Head Start programs have closed while many home-based child care providers remain open to serve the children of essential workers.

This demand is a trend we should expect to continue as our schools, workplaces, and communities experiment with re-opening. To meet it and ensure there are child care options available for all working families, we must invest in a child care infrastructure that ensures quality and stability for children, families, and caregivers.

Home-based caregivers are well-positioned to provide quality child care, but lack adequate compensation, health insurance, methods for paid family and sick leave, and many other professional supports. These caregivers need access to professional development, educational materials and supplies, emotional support groups, business tools, and partnerships with community supports to assure comprehensive services for children and families. Home-based child care networks are crucial tools to connect providers with these resources.

Young children need nurturing care which can result from networks, including health, nutrition, safety and security, responsive caregiving, and opportunities for early learning. In home-based child care settings with adequate resources and supports, parents do not have to choose between affordability and quality, stability, and convenience. When properly resourced and supported by networks, home-based child care:

- Nurtures young children’s physical, cognitive, social and emotional development;
- Is located where near to where families live and work;
• Shares families’ cultural, linguistic, and child-rearing practices creating stability and affirming identity;
• Has the same caregiver providing consistent care to children over many years of a child’s life, often with siblings in the familiar, welcoming and supportive environment of the home; and,
• May be provided by community members or relatives with multi-generational relationships with families.

Home-based child care providers have been a linchpin of our society and are well-positioned to continue that role if they get the resources they need today. But this is not business as usual. Home-based caregivers are essential to strong families and the economic development of communities. **We must build a broad coalition of individuals and agencies to make homes healthy, safe places where children learn and thrive.** We need to quickly ramp up our ability to equip caregivers to meet children’s developmental needs. And we must ensure that this generation of children can thrive despite COVID-19 and the long-term economic and social fallout it may leave in its wake.

Let’s come together and support the providers caring for our children and help American families get back to work. **The first step is engaging caregivers, providers, and parents in developing networks that meet their needs.**

Sincerely,

NATALIE RENEW
Director, Home Grown
Introduction

Home-based child care (HBCC) caregivers are providing critical child care and family support during the COVID-19 pandemic, and they are essential to supporting the economy as businesses re-open. The pandemic has laid bare the instability of this sector of the child care field. To ensure home-based child care providers have the supports they need to survive this crisis, one thing is clear: we need networks to provide the connective tissue between providers, families, and resources. As administrators consider resource allocation and as relief funds become available, we encourage local, state, and federal leaders to consider how to use funds to establish this critical infrastructure to meet immediate needs while building for future strength.

Home-based child care is composed of a vibrant array of licensed family child care (FCC) and family, friend, and neighbor (FFN) care providers meeting the needs of diverse families. Home Grown believes that well-resourced networks offer a way to stabilize and intentionally support the nearly 4 million HBCC caregivers in this country who help children grow and thrive, support their parents in working, and build community economic well-being. In this paper, we outline a vision for supportive networks for home-based child care.

Currently, there is no agreed-upon model of a network, no dedicated funder for networks, and many siloed existing network operators in the landscape of home-based child care. The concept of networks is not "owned" by one type of organization or entity, rather there are many entities that can and do help create and maintain networks. This is the time to build consensus on what networks can and should do and to publicly fund their operations. We believe that we can learn from them while building their capacity to deliver high quality services that support providers, children and families.

Despite the fact that over 7 million children have their early childhood experiences in home-based child care settings, our early childhood systems struggle to engage these providers in quality improvement activities and we have seen a significant decline of regulated home-based care over the past decade. Data indicate that 97,000 licensed family child care homes closed in the United States between 2005 and 2017. Recent national research suggests that networks may be able to increase the supply of regulated family child care in local communities by helping providers navigate and participate in systems, contribute to supply by helping providers recruit and enroll families which can contribute to sustainable businesses, and be a promising approach for helping HBCC providers improve the quality of care and education that they offer to children and families.

As we consider the devastation to the economy and the child care sector, there is perhaps no better time to support the home-based child care sector by providing the critical infrastructure it needs to be successful. We strongly

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4 Porter, T., & Bromer, J. (2020). Delivering services to meet the needs of home-based child care providers: Findings from the director interviews sub-study of the National Study of Family Child Care Networks. Chicago, IL: Herr Research Center, Erikson Institute.
encourage federal, state and local leaders to invest in networks to ensure the quality and sustainability of home-based child care. *Any reform efforts and investments in networks must raise caregiver and provider voices and reflect their needs and decisions as we work collectively to address the deep inequities and barriers facing home-based child care today, namely low compensation, limited access to benefits, and insufficient support.*

This paper outlines both the services and opportunities providers seek via networks as well as the methods of networking. We also offer a set of principles for building or reinforcing networks. This paper is divided into seven short sections:

1. **Background on networks**;
2. **Network services**;
3. **Network approaches**;
4. **Principles for effective networks**;
5. **Existing networks and models**;
6. **Financing networks**; and,
7. **Next steps and policy considerations**.

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**SECTION 1**

**BACKGROUND ON NETWORKS**

The cost of delivering high quality child care services exceeds both public subsidies and parents’ ability to pay. When a single owner/operator is responsible for all business and program activities and the scale of operation is so small, the business owners need additional resources to deliver high-quality services and sustain their businesses.

Home-based providers can be linked to comprehensive networks, also known as staffed family child care networks, who can support them in three important ways:

1. Enhance business practices that improve sustainability;
2. Improve the quality of services; and,
3. Connect providers and the families they serve to critical resources including early intervention and health supports.

Networks are the connective tissue that joins individual home-based providers to each other and to system infrastructure, namely funding and policy. Networks are positioned to tackle the big issues facing our home-based child care sector: building supply, improving quality, and retaining existing high quality operators.
SECTION 2

NETWORK SERVICES

As mentioned above, networks can support providers in the following ways:

1. Enhance business practices and secure financing to improve sustainability:

Retaining home-based providers in the field is a critical issue that networks can address by creating the fiscal and supporting conditions that providers need to be successful. Effective networks can promote sustainability by providing members with various business services, including training on business practices, professional services such as accounting and tax preparation and automated billing and reconciliation. Robust networks can manage contractual relationships, conduct marketing outreach to assure full enrollment and prospect funding opportunities. These networks enable providers to connect with funding sources (child care assistance, Head Start, Child and Adult Care Food Program), staffing solutions (substitute/assistant pool), and enrollment supports. Sustainability for FFN caregivers will focus on securing financial well-being and housing.

A NETWORK CAN SUPPORT PROVIDERS SO THEY CAN:

- Comply with local licensing regulation and other local standards such as zoning regulation as well as subsidy requirements;
- Maximize all payment streams, subsidies, and grants programs;
- Achieve full enrollment and earn maximum locally-available publicly-funded reimbursement;
- Earn a living wage and receive benefits such as paid vacation and sick days, as well as health insurance;
- Develop a risk management approach that protects their business and themselves; and,
- Maintain savings and rainy-day funds to weather disruption or crisis.

EXAMPLE

Wonderschool, WeeCare, and MyVillage are franchising networks that support start-up, marketing, enrollment, and back-office operations for home-based providers with enabling technology.

2. Improve the quality of services:

Networks can offer training, coaching, and support in appropriate and culturally responsive ways to improve program quality. Networks are able to understand providers’ needs and quality improvement priorities, in order to develop provider competencies with modalities best suited to meet their needs, and to purchase shared supports for groups of providers.

EFFECTIVE QUALITY ACTIVITIES OF A NETWORK RESULT IN PROVIDERS WHO CAN:

- Meet the developmental needs of the children they serve;
- Plan and deliver curriculum;
- Demonstrate child progress on key milestones and learning goals; and,
- Effectively engage parents in children’s learning.
3. Connecting to comprehensive services:

Networks offer an opportunity to realize two-generational approaches that ensure children thrive while supporting adults (both parents and caregivers) by helping them access economic and employment resources. Networks can support both licensed and FFN providers in helping children and families gain access to comprehensive services such as early intervention, mental health and physical health services, and other social services for children and families. Networks collect screening and progress data, make referrals, track progress, and facilitate inter-system relationships. Networks can ensure that providers have access to their own health services.

**COMPREHENSIVE NETWORK SERVICES WOULD RESULT IN:**

- Screenings, referrals, and services for children;
- Integration of health and mental services in the child care setting;
- Full inclusion of children with special learning, developmental, or health needs; and,
- Integration of services for adults both parents and caregivers.

**EXAMPLE**

Association for Supportive Child Care in Arizona coordinates a network of family, friend and neighbor providers via a peer support group called Kith and Kin. This approach reduces caregiver isolation while enhancing health and safety and quality practices in this care setting.

**Bethel Child Care Services**, a Massachusetts family child care system operator, provides training and coaching to family child care providers in their network.

**EXAMPLE**

Early Learning Ventures operates an [Early Head Start Child Care Partnership program](#) that connects family child care providers with various physical, mental and dental health services as well as disabilities supports for the children they serve.

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**SECTION 3**

**NETWORK APPROACHES**

Successful networks have clear goals and outcomes in mind and demonstrate that services meet provider needs. This section outlines a set of key activities and functions that networks facilitate.
Sustainability

**Connect providers to technology to increase efficiency and access resources:** Networks can purchase, maintain, and engage providers in data systems that can automate business and administrative functions including billing as well as link providers to critical resources such as curriculum and assessment tools. Efficient scale for purchasing, customizing and maintaining these systems is best achieved via networks with many members rather than individual providers. Networks can also support providers’ access to technology by purchasing computers, tablets or smartphones as well as internet capacity as well as by providing training on the use of this technology. Networks with many members can purchase, customize and maintain these systems on an efficient scale.

**EXAMPLE**

Early Learning Ventures offers technology and shared services to network family child care providers and manage business operations via their [Alliance CORE software](#).

**Leverage purchasing power and specialization:** Networks can solicit and negotiate shared purchasing agreements to obtain discounts and improve product quality on behalf of providers. This can include learning supplies, books, and materials as well as health insurance, liability insurance, and accounting or tax preparation services. Networks are best able to gain scale to enable specialized services to be delivered to providers efficiently.

**EXAMPLE**

CCA for Social Good offers the [ECE Shared Resources](#) platform that can be optimized for specific states and communities to assist with shared purchasing of materials and supplies, insurance and professional services, or training and consultation.

Quality

**Provide coaching and professional development:** Networks engage providers, conduct home visits to deliver coaching services, and offer professional development to assist providers in delivering quality services. Ideally, these coaches are former home-based providers or are specifically trained to support business practices and quality improvement. Or networks can hire specialized experts, such as nurses or mental health specialists to deliver technical assistance.

**EXAMPLE**

[All Our Kin](#) is a model of a dedicated staffed family child care network that provides training and support to members to become licensed, and to improve business and instructional practices.

**Connect providers to each other (peer support):** Isolation is a huge challenge facing home-based providers, who on average provide care for children 56.5 hours a week. Leaving their homes to access training or networking events is difficult due to time constraints and single owner-operators that need to tend to other business activities, as well as
their own family needs. Networks that create opportunities for providers to engage and learn from each other and to provide/receive emotional support from one another have promising results for improving provider well-being and quality.

**EXAMPLE**

Let’s Grow Kids in Vermont used peer mentors to support family child care providers in advancing in their state’s quality rating and improvement system.

**Aggregate data and assess impact:** Networks can use tools and relationships to collect, aggregate and analyze assessment data and decipher trends and impacts. This data can be used for continuous quality improvement activities, to customize the support offered by the network, and to advocate for policy reforms on behalf of home-based providers.

**EXAMPLE**

The Philadelphia Pre-K program, which includes family child care providers, uses aggregated data from their data management system, ChildWare, to assess provider progress on key metrics and to assess program impact.

**Community Connections**

**Manage institutional relationships (funders and regulatory entities):** Networks are positioned to support relationship management on behalf of providers. While local regulations will determine what is possible, arrangements can include subcontracting for Child Care Development Fund (CCDF) child care reimbursements or pre-K slots for providers. It can also include working with state licensing and subsidy offices to improve accuracy of inspections and compliance with subsidy requirements. Networks can enter into memoranda of understanding with health systems, mental health and early intervention providers, and other community organizations to ensure integration of comprehensive services for home-based providers and the families they serve.

**EXAMPLE**

Child Care Resource and Referral (CCRR) agencies across the country manage funding on behalf of the state. CCRRs like Programs for Parents in New Jersey provide additional support to providers beyond managing subsidy payments including professional development and privately-funded grant programs and technical assistance.

**Liaise with policymakers:** Networks can engage with policymakers and share data and the aggregated needs of providers to ensure home-based provider voices are represented in policy conversations. Networks can also engage policymakers to make sure providers participate in decision-making by requesting meetings at appropriate times or advocating for tangible supports such as stipends to enable providers to engage in policy activities.
**Communicate as a trusted messenger:** Given the complexity and isolation of providing home-based child care, providers struggle to access timely, distinct, and relevant information. Networks can address these needs by communicating about policies and resources in ways (languages and modalities) that are accessible and appropriate to HBCC. Networks interpret policies and requirements for the home-based setting.

**EXAMPLE**

The [Professional Family Child Care Alliance of Georgia](#), a self-formed advocacy group of present and past providers, develops and advances a policy agenda on behalf of providers.

**EXAMPLE**

[Let's Grow Kids](#) in Vermont has supported the state in getting timely, distinct information to family child care programs during COVID-19 via various channels including regular webinars and updated written materials.

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**SECTION 4**

**PRINCIPLES FOR EFFECTIVE NETWORKS**

In thinking about how to advance and scale networks for all or most home-based providers, we acknowledge that there have been failed past attempts and that there is much work to do to refine and articulate effective models. While not new ideas, we believe now is the time to advance public support for networks as we rebuild our child care sector from the devastation of COVID-19. We offer these principles as a starting point to ensure provider buy-in and leadership in these models and to advance our current thinking on network performance and effectiveness. We will need ongoing learning, evaluation, and innovation to advance this work.

**Shared values:** A key aspect of network success is a deep and sincere value of home-based care as a critical support for children, families, and communities. Provider voice needs to be integral to the network design, not an afterthought. For home-based providers to thrive, they need to be supported by agencies that believe in their ability to offer quality care and their needs for appropriate, differentiated support. Similarly, operating values of providers and networks should be consistent; for example, networks could publish salary scales that include provider and network coach/administrator wages.
Distributed leadership: Effective networks will create governance structures that share leadership and decision-making among the key stakeholders (e.g., hubs, providers, parents). Mechanisms for shared governance and decision-making need to be explicit and continually reviewed. There are examples of distributed leadership from the governance structures of Head Start, federally qualified health centers, and federal maternal and child health programs that can inform the design for networks.

Shared identity: Network staff should reflect the providers and families that they serve and reflect the communities in which they work in various ways (language, culture, race, and life experiences). When possible, network staff should have experience as home-based providers or consumers. Network staff and providers should be peers engaged in sharing and learning together; these need to be equitable relationships and not those that create tensions between operator/administrator classes seen elsewhere in early childhood education. Network staff also need specific and differentiated training and preparation for this role.

Continuous improvement and innovation: The field of home-based child care is entering a moment of heightened importance. Networks will need to be flexible, agile, and able to engage in new thinking and innovation to fully optimize the new opportunities that may come with this increased attention and potential new funding. Networks are positioned to create new solutions and promote transformative ideas.

Shared accountability: For networks to achieve their goals, they need to share accountability with providers. Network administrators/coaches should be as invested in child, family, and community outcomes and work with providers to achieve these goals. Networks based simply on compliance often fail to realize the outcomes noted above.
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Prioritize providers: In the network structure, the providers are the linchpin connecting children and families to institutions. Providers need to be heard, have their needs met, and be adequately compensated. Networks should be transparent around resource allocation decisions and demonstrate their prioritization of payments/resources to providers. Network success metrics should include provider compensation, satisfaction, and engagement.

SECTION 5

EXISTING NETWORKS AND MODELS

We see very few networks that are currently able to deliver all of the activities outlined in this paper. This is a vision document and a hope for a new future. There are, however, many amazing networks that are supporting home-based providers. Each offers important lessons and insights that should be leveraged in building future models. Given that the context and funding environment of each community differs, we recommend scaling the components that work across various network models rather than replicating one model. It is important to focus on the specific or particular goals to be achieved by the network and to keep them in mind when expanding or starting a network. Given the great diversity of home-based providers, there could be more than one network existing in a community or state to serve all possible purposes.

There are at least nine different existing network models that can serve as examples and can be expanded to meet the needs of local providers. They include:

- **Dedicated staffed family child care networks** that are stand alone organizations with specialized staff and a specific mission to serve home-based child care providers. All Our Kin is an example of this type of network.
- **Child care resource and referral agencies** with dedicated resources to support family child care, typically using Child Care Develop Funds (CCDF) funds for subsidy activities and quality rating and improvement system (QRIS) professional support. Programs for Parents is an example of this type of network.
- **Head Start and Early Head Start grantees that may include child care partnerships** that include family child care and offer quality support and comprehensive services to providers, along with stable and predictable funding. Educare of Central Maine operates this type of network.
- **Shared services alliances** that support shared purchasing, automation, and business support. Wisconsin Early Childhood Association’s Wisconsin Early Education Shared Services Network (WEESSN) and Nebraska Early Childhood Collaborative are examples of this type of network.
- **Associations** or caregiver/provider-led groups that convene and lift up provider voices, and work collaboratively to meet needs. The Maryland State Family Child Care Association is an example of such a network.
• **Nonprofit social service, civic, and cultural organizations** that reach out to and support providers (particularly FFN). *Association for Supportive Child Care* is a multi-service nonprofit that convenes a network for FFN caregivers.

• **Labor unions** that organize providers to improve compensation and working conditions, and provide professional development support. The *SEIU Education and Support Fund* in coordination with Service Employees International Union (SEIU) support members with professional development and credentialing opportunities.

• **Professional development and coaching organizations** that provide quality support to providers. *Let’s Grow Kids* is an example of this type of organization that provides training, coaching and coordinates peer support for home-based child care providers in Vermont.

• **Franchising networks** that provide marketing and back office support to ensure providers are fully enrolled and optimizing fiscal opportunities, and build a new supply of care. *Wonderschool* is an example of this type of network.

### SECTION 6

**FINANCING NETWORKS**

We believe that public financing is necessary for effective networks to scale and offer the broad supports described here. There are existing financing methods that could be expanded to meet this need. The primary funding sources for networks are the Child Care Development Fund (CCDF) quality and child care assistance funds, and Head Start/Early Head Start. In some cases networks are funded by fees paid by providers, private philanthropy, and fundraising. All of these sources are insufficient at present, both because they are under-funded and/or their current policy structures don’t fully enable the diverse and extensive operations of networks.

Head Start funds are the most robust and currently have an explicit approach to financing the activities of both the network hub (grantee) and the providers (partners). We believe there is a significant opportunity to expand the inclusion of home-based child care providers in Head Start. However, this funding source alone is unlikely to meet the needs of the sector. Home-based providers serve many low-income working families who may not meet the eligibility criteria of Head Start. Institutional partnerships of various sorts and reform within Head Start could make this possible.

Expansions and implementation changes in CCDF funding can successfully finance networks. Massachusetts has an existing model of using these funds to support “systems” that function as networks. This structure could be optimized to add many of the services described in this report. Combining the CCDF child care assistance and quality funds in the same network could enable networks to deliver this model if compensated at an adequate rate.

Provider fees are insufficient to support a robust network as outlined here, particularly if the providers are serving low-income or at-risk populations. Home-based providers are currently compensated at a low rate and their ability to gain efficiency to earn significantly more is limited by capacity. The ability to develop large enough regional networks that make this payment mechanism effective is limited by the supply of providers. While there may be some portion of network administration that is supported by provider fees, these will need to be nominal and supplemented with additional public funding to make the networks operational.
The Administration for Children and Families Center for Early Childhood Quality Assurance Center has developed a Family Child Care Network Cost Estimation Tool (CET) that can also support state-level considerations for financing networks. As we learn and iterate these models, this tool can be updated to reflect the financing considerations of networks.

SECTION 7

NEXT STEPS AND POLICY CONSIDERATIONS

To advance our understanding of networks, reinforce existing networks, and build new ones, there is much work to do. To realize this vision we need to build the capacity of local organizations, shift policy, and engage providers in co-creation and design. Our view is that there is no clear model for replication (yet) but we can scale effective practices and approaches across various network models. We believe the different models have much to learn and adopt from each other.

SOME RECOMMENDATIONS TO ADVANCE THIS WORK:

1. **Create new networks and leverage and reinforce existing networks** to enable them to expand, and to ensure that all network purposes can be achieved. Invest in creating new networks where there are none. As part of the response to the COVID-19 pandemic, focus on this work is a high priority because home-based care has disproportionately continued to operate throughout the pandemic and may continue to be a preferred choice for parents as the economy rebuilds.
2. **Continue to learn about and document the impact of existing networks** and develop the evidence-base for networks across each of the purpose areas. We need to invest in evaluating both network activities, components and models to advance our understanding of what works best for different providers.
3. **Convene networks** to consider ways to share learning, engage in research, and advance policy.
4. **Continue to develop and test public financing approaches** for networks.
5. **Develop inventories of tools and strategies** of effective networks and methods to disseminate these strategies.
6. **Develop a policy agenda** and supporting tools to adequately finance networks and institutionalize key principles.
7. **Think big about transformative change for the sector.** Much of this work is about addressing barriers and challenges we see now, can we shift our focus to ask: how might we envision future business models, operating approaches and systems support for a diverse, stable, high-quality home-based child care sector?
References and Additional Reading:


Educare Brief: Partnerships Provide Critical Supports to Sustain Family Child Care

National Center on Early Childhood Quality Assurance (ECQA Center): Staffed Family Child Care Networks: A Research-Informed Strategy for Supporting High-Quality Family Child Care


Opportunities Exchange: Defining Staffed Family Child Care Networks

Porter, T., & Bromer, J. (2020). Delivering services to meet the needs of home-based child care providers: Findings from the director interviews sub-study of the National Study of Family Child Care Networks. Chicago, IL: Herr Research Center, Erikson Institute