

# ASPE RESEARCH BRIEF

OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION  
OFFICE OF HUMAN SERVICES POLICY - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

## CHILD CARE SUBSIDIES IN URBAN AND RURAL COUNTIES

### Introduction

In 1996, Congress recognized the importance of child care when it enacted the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) and created the Child Care and Development Fund (CCDF). CCDF was developed to help low-income parents with different needs and life circumstances secure quality care for their children. Although there has been some exploration on how the program is serving families of various incomes and racial groups, there has been less research on how well CCDF is serving families that live in different geographical areas. This research brief summarizes an ASPE paper that compared the characteristics of CCDF children and analyzed CCDF caseload sizes in urban and rural areas in FY 2004.

### Data and Measures

The data used to analyze the CCDF program came from the U.S. Department of Health and Human Service's ACF-801 database. The ACF-801 data are nationally representative and consist of state caseload submissions from all 50 states and the District of Columbia. The children represented in the ACF-801 database contain geographical identifiers that allow researchers to observe the demographic and economic characteristics of the counties in which CCDF children reside, including whether they are urban or rural.

While some counties almost entirely consist of either urban or rural areas, many contain a blend of city and countryside land masses and are not easily defined with a two-category identification system. To address this challenge, the analysis used the Isserman Urban-Rural Density classification system to place each child into one of four types of counties based on the blend of urban and rural areas inside their borders. Counties that almost entirely consisted of either urban or rural areas were designated simply as urban or rural. Counties that were not easily defined as primarily urban or rural were designated as mixed-urban or mixed-rural, depending on their population densities.

### ABOUT THIS RESEARCH BRIEF

*This ASPE Research Brief summarizes a paper written by Kendall Swenson in the Office of Human Services Policy, in the Office of the Assistant Secretary for Planning and Evaluation (ASPE). It summarizes analysis of administrative data on the Child Care and Development Fund (CCDF) and reports that CCDF is serving substantial numbers of families in both urban and rural areas of the United States.*

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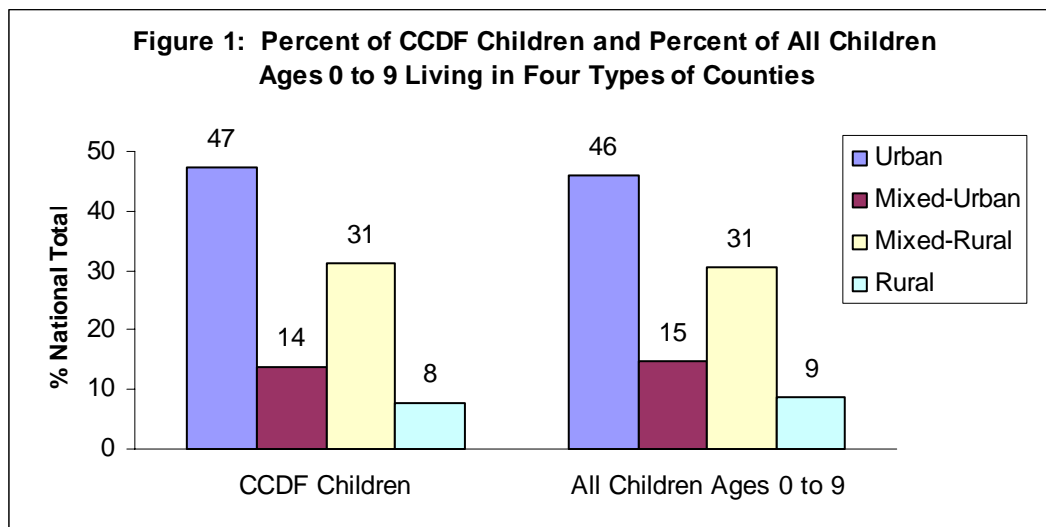
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Deputy Assistant Secretary for Human  
Services Policy



## Summary of Results

Overall, the paper shows that CCDF served families in both urban and rural areas of the country. By themselves, differences in caseload sizes are difficult to interpret since urban areas contain a much larger share of the nation's population, and thus are likely to contain a larger share of the nation's CCDF children than rural areas. One way to put the caseload sizes into perspective is to compare them to the number of children living in those counties. Although these population comparisons cannot estimate the number of children that are eligible for assistance or "need" child care subsidies, they do provide useful figures for comparison, if interpreted appropriately. Since about 90 percent of CCDF children were below age 10 in FY 2004, the paper presented the population sizes of children ages 0 to 9 (all incomes) by geographic areas from the Census Bureau for comparison purposes.



In general, the distribution of CCDF children aligned to the distribution of all children in each type of county in FY 2004. For example, as shown in **Figure 1**, rural counties contained about 9 percent of the nation's children ages 0 to 9 and about 8 percent of CCDF children. Urban counties contained about 46 percent of all children ages 0 to 9 and 47 percent of CCDF children.

The paper also compared characteristics such as family income and co-payments, demographics, and type of setting of CCDF children residing in different geographical areas. In general, the caseload characteristics of CCDF recipients were somewhat consistent across county types, although there remained some key differences.

In comparison to CCDF children in urban counties, CCDF children in rural counties:

- were in care for fewer hours per week
- were more likely to be in family care arrangements and less likely to be in center-based arrangements

In comparison to CCDF families in urban counties, CCDF families in rural counties:

- were less likely to be headed by single parents
- were less likely to be receiving assistance from Temporary Assistance for Needy Families
- were less likely to be using subsidies because the parents were attending education or training programs
- were more likely to be making out-of-pocket contributions to the cost of care in the form of co-payments

A full copy of the paper may be found at <http://aspe.hhs.gov/hsp/07/cc-subsidies/>

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