



RESEARCH REPORT

Measuring the Supply of Quality Child Care across the District of Columbia

Erica Greenberg

Cary Lou

Peter Willenborg

Eleanor Lauderback

Heather Sandstrom

Grace Luetmer

Diane Schilder

September 2021



ABOUT THE URBAN INSTITUTE

The nonprofit Urban Institute is a leading research organization dedicated to developing evidence-based insights that improve people's lives and strengthen communities. For 50 years, Urban has been the trusted source for rigorous analysis of complex social and economic issues; strategic advice to policymakers, philanthropists, and practitioners; and new, promising ideas that expand opportunities for all. Our work inspires effective decisions that advance fairness and enhance the well-being of people and places.

Contents

Contents	iii
Acknowledgments	iv
Executive Summary	v
Glossary	vii
Measuring the Supply of Quality Child Care across the District of Columbia	1
Research Questions and Data Sources	4
Overall Supply of Licensed Care	6
Participation in DC's QRIS	17
Distribution of Quality Care, Overall and by Setting Type	24
Distribution of Quality Care for Families Receiving Subsidies	35
Distribution of Quality Care for Other Focal Populations	42
Discussion	45
Appendix	48
Notes	50
References	51
About the Authors	53
Statement of Independence	54

Acknowledgments

This report was supported by the Administration for Children and Families (ACF) of the US Department of Health and Human Services (HHS) as part of a financial assistance award (Grant No. 90YE0221-01-00) for the District of Columbia Child Care Policy Research Partnership Study totaling \$1.6 million with 100 percent funded by ACF/HHS. The contents are those of the authors and do not necessarily represent the official views of, nor an endorsement by, ACF/HHS or the US Government. For more information, please visit the ACF website. We are grateful to ACF/HHS and to all our funders who make it possible for Urban to advance its mission.

We thank the District of Columbia Office of the State Superintendent of Education (OSSE), Division of Early Learning (DEL), for engaging in the District of Columbia Child Care Policy Research Partnership. This is the first study to come from the partnership, and none would be possible without OSSE. We are especially grateful to Kathryn Kigera, DEL Director of Quality Initiatives, who has been our primary point of contact from study conception through data analysis and publication. Early on, Bonnie Mackintosh provided invaluable input on study design. We also thank Gwen Rubinstein, Michele Reid, Paul Corbett, Jennifer Sanchez, Rebecca Shaw, Michael Rowe, Zaya Camacho, and Clement Idun for their guidance in developing a data-sharing agreement and securing the data analyzed in this report.

Finally, we thank the Child Care Policy Research Partnership Community of Practice, including other grantees, program officers, and technical assistance experts who have enriched our work.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at urban.org/fundingprinciples.

Executive Summary

A key question in child care policy is whether quality improvement is in tension with maintaining a diverse supply of care that meets working families' needs. The District of Columbia is an ideal place to explore this question in the context of its redesigned quality rating and improvement system (QRIS), Capital Quality. Capital Quality launched in 2016, was fully implemented by 2018, and made new quality designations public in 2019. This report tracks the supply, distribution, and composition of licensed child care over this period.

Findings suggest that quality improvement need not disrupt the supply or capacity of available care. Specifically, in the District of Columbia we found the following:

- The supply of licensed child care held steady and capacity increased from 2016 through 2019, as the new QRIS rolled out.
 - » The composition of care types shifted over this period. The number of center-based and expanded home facilities and slots grew across this period, while the number of child development homes and slots declined. This decrease in part occurred because some child development homes were converted to expanded homes, increasing the overall supply of licensed home-based care. This pattern mirrors a longer trend in the District and nationwide and is likely not related to Capital Quality.
 - » The number of slots decreased in wards 5 and 7, where relatively high shares of families have low incomes, while the number of slots increased in ward 6, which has the largest population, and held steady in other wards.
 - » The number of slots for infants and toddlers increased, driven by strong growth in the number of toddler (12–36 months) slots, while the number of school-age slots declined.
- The supply and capacity of facilities participating in a District QRIS increased slightly between 2016 and 2019.
 - » Facilities participating in QRIS were more likely located in wards 7 and 8 and less likely located in wards 2, 3, and 6, in line with the distribution of families with low incomes in the District and facilities that received subsidies.
- Capital Quality shifted the distribution of quality designations. Whereas facilities often held the lowest or highest rating possible in the previous system, Capital Quality created a more even distribution of designations across its four tiers.

- » For children receiving subsidies, facilities that served infants and toddlers, nontraditional-hour facilities, and centers, Capital Quality designations were more varied and lower, on average, than Going for the Gold ratings. But for child development homes, designations improved under Capital Quality.
- » Subsidized children had a similar likelihood of receiving care at each quality designation as unsubsidized children enrolled in facilities participating in Capital Quality.
- » Wards 4, 7, and 8 saw the largest number of facilities increase in quality designation under Capital Quality, but wards 1, 2, and 3, which have some of the most affluent families, saw the largest shares of facilities with quality or high-quality designations.

This project will continue tracking these trends through 2023, as facilities with preliminary designations accrue observation data sufficient to be rated and all QRIS-participating facilities undergo additional annual observations and experience Capital Quality's improvement supports.

Glossary

Capital Quality: The District of Columbia’s redesigned quality rating and improvement system (QRIS), launched in 2016, was fully implemented in 2018, and made new quality designations public in 2019.

The Child Care and Development Block Grant (CCDBG) and Child Care and Development Fund (CCDF): The CCDBG is a federal law that authorizes CCDF spending of federal and state matching funds on child care, including child care subsidies, quality improvement, consumer education, and research.

Classroom Assessment Scoring System (CLASS): A measure of the quality of early educator-child interactions (captured in emotional support, classroom organization, and instructional support domains) used to assess District of Columbia child care facilities that participate in Capital Quality and serve preschool-age children (ages 3 to 5).

Consumer education: Efforts to provide families with the information they need to search for and select child care, including public ratings and designations generated through quality rating and improvement systems like Capital Quality.

Environment Rating Scales (ERS): A measure of the quality of child care (captured in physical environment, basic care, curriculum, interaction, schedule and program structure, and provisions for parent and staff domains) used to assess District of Columbia child care facilities that participate in Capital Quality and serve infants and toddlers (with the infant and toddler environment rating scale—ITERS)¹ or are based in homes (family child care environment rating scale—FCCERS).²

Going for the Gold: The quality rating and improvement system that preceded Capital Quality in the District of Columbia.

Nontraditional-hour facilities: Facilities that offer care outside of standard hours (7:00 a.m. to 6:00 p.m. from Monday to Friday), including those that offer 24-hour care. Nontraditional-hour care includes care provided during the early morning, evenings, overnight, weekends, and holidays.

Process quality: The quality of interactions between early educators and young children that make for developmentally appropriate, safe, and enriching early childhood experiences.

Quality rating and improvement system (QRIS): A state-specific accountability tool for child care programs that includes ratings and supports to improve program quality, implemented (at least in part) with CCDF and CCDBG funding.

Quality facilitators: Coaches who provide support to District of Columbia child care facilities participating in Capital Quality.

Structural quality: The quality of the physical environment that can support developmentally appropriate, safe, and enriching early childhood experiences.

Measuring the Supply of Quality Child Care across the District of Columbia

Across the country, many families—especially families with low incomes—face challenges accessing quality child care (Guzman et al. 2009; Jessen-Howard et al. 2018; Sandstrom et al. 2018). Families with infants and toddlers and those working nontraditional hours experience even greater challenges (Henly and Adams 2018; Sandstrom et al. 2019). Statutory changes under the 2014 reauthorization of the Child Care and Development Block Grant (CCDBG) Act aimed to improve families’ access by requiring states to expand the supply and quality of services for children in underserved areas, infants and toddlers, children in nontraditional-hour care, and children with disabilities. The Act also aimed to improve the quality of care for all children with increased health, safety, and provider³ training requirements (Office of Child Care 2016). As one strategy for improving care quality, 49 states have piloted or implemented quality rating and improvement systems (QRIS). These efforts are based on research showing that children who attend quality early care and education demonstrate improved cognitive and socio-emotional skills and are less likely to be assigned to special education than their peers (Bassok et al. 2016; Yoshikawa et al. 2013).

Yet some have expressed concern that increased investments in and requirements related to child care quality may be in tension with maintaining a diverse supply of care that meets working families’ needs (Henly and Adams 2018). Nationwide, the field has observed an overall decline in listed home-based child care between 2012 and 2019 (Datta et al. 2021). Moreover, the share of CCDBG child care subsidies going toward center-based programs (versus home-based providers) has risen steadily for the past two decades—from 56 percent in 1998 to 73 percent in 2015 (Henly and Adams 2018). Stronger child care regulations have been linked to declines in the supply of child care centers, especially in communities with lower incomes (Hotz and Xiao 2011). The implications of supply changes are especially troubling in light of child care subsidy research showing that, compared with similar nonrecipients, recipients of child care subsidies are more likely to be employed (Blau 2002); work more hours and report higher earnings (Danziger, Ananat, and Browning 2004); retain employment over time (Forry and Hofferth 2011); and select higher quality care (Johnson, Ryan, and Brooks-Gunn 2012; Ryan et al. 2011).

The District of Columbia offers an ideal context for studying the tensions between improving child care quality and maintaining child care supply sufficient to meet working families' needs. Before the COVID-19 pandemic, the District was one of the fastest-growing jurisdictions in the country. Its population grew nearly 15 percent between 2010 and 2020, twice the national rate during that period and three times the District's own growth rate in the previous decade.⁴ With urban development construction projects, new businesses gentrifying neighborhoods and attracting millennials with young children, and nearly twice as many births as deaths, these changes led to a baby boom and increased demand for child care.⁵ At the same time, the District strengthened its focus on quality by launching a redesigned QRIS, Capital Quality, in April 2016 (box 1). Capital Quality placed new emphasis on direct observations of programs' structural and process quality (the inputs and interactions that make for developmentally appropriate, safe, and enriching early childhood experiences). It also included a public-facing consumer education component and allowed for more providers to participate than ever before. Facilities participating in QRIS transitioned to a new system of designations under Capital Quality in October 2018, and most received updated designations based on direct observations during full implementation of Capital Quality in fall 2019.⁶

This study aims to shed light on the following question: how can Capital Quality build a supply of quality care and support access across wards and for all families, especially families with low incomes?

This report is the first from the DC Child Care Policy Research Partnership project, *Access to a Supply of Quality Care in the District of Columbia* (ASQC, or Project "Ask"). It provides a baseline description of child care supply and quality as Capital Quality was launched and implemented across the District. We describe the data and analytic methods used to measure the supply of quality care before presenting study findings in five sections. In these sections, we

1. document the overall supply of licensed care and assess changes before and after Capital Quality's implementation;
2. compare facilities that do and do not participate in the District's QRIS and focus on participants;
3. describe the distribution of quality care, overall and by facility type;
4. assess the supply of quality care for families eligible for child care subsidies; and
5. assess the supply of quality care for other priority populations including infants and toddlers and families that need care during nontraditional hours.

We conclude by discussing findings and their implications for ongoing study activities.

BOX 1

Overview of Capital Quality

Capital Quality offers a cutting-edge example of child care quality improvement spurred by new federal regulations under the CCDBG Act of 2014. Launched in 2016 and fully implemented by 2018, Capital Quality differs from its predecessor, Going for the Gold, in three important ways: it provides more consistent, research-based measures of program quality across settings; an enhanced focus on continuous quality improvement; and public-facing profiles with transparent information on the quality of licensed child care. A website called My Child Care DC (<http://mychildcaredc.com/>, accessed August 10, 2021) allows families to search for care based on Capital Quality designation and was designed so families could easily identify, review, and compare available options to make more informed decisions.

Who participates?

All licensed facilities in the District that primarily serve children from birth through age 5 and participate in the child care subsidy program are automatically enrolled in Capital Quality. Other licensed facilities are encouraged to participate as volunteers. After a pilot phase, providers could participate in one of five cohorts spaced over the course of two years, from March 2017 to January 2019. If providers did not respond, they were assigned to one of the groups. One key difference between Capital Quality and its predecessor is that Capital Quality initially exempted providers that receive subsidies but primarily serve school-age children or provide before- or after-school care. OSSE is still considering ways to include these providers in the QRIS.

What does Capital Quality offer providers?

All facilities participating in Capital Quality are observed annually using the Classroom Assessment Scoring System Pre-K® (CLASS Pre-K®) and the Environment Rating Scales® (ERS®), based on their facility type and ages served. In addition, professional supports are offered to help providers reach higher levels of quality and focus on continuous quality improvement. Quality facilitators work with providers to develop a continuous quality improvement plan, and providers receive ongoing technical assistance, incentives, and resources, and participate in communities of practice. Providers in the subsidy system are incentivized by greater subsidy funding through tiered reimbursement.

How does Capital Quality determine designations?

Two years of CLASS Pre-K® and/or ERS® data are combined to determine one of five Capital Quality designations: developing, progressing, quality, high-quality, and preliminary (for facilities still being observed). The three initial Capital Quality designations (developing, progressing, and quality) are similar to Going for the Gold's bronze, silver, and gold ratings, while the high-quality designation was newly introduced under Capital Quality. Designations are based on the extent of evidence (considerable, good, adequate, or minimal) that "the program provides a nurturing environment with supportive interactions (e.g., responsive scheduling, warm/positive interactions) that promotes children's cognitive, physical and social-emotional development." Beginning in fall 2021, newly participating facilities with one year of observation will receive a Capital Quality designation that will remain in place until two years of valid observation data are collected.

Research Questions and Data Sources

We designed our study to address the following questions:

1. How did the District's supply and capacity of licensed child care change between 2016 and 2019?
2. How did QRIS participation and designation levels change as Capital Quality went into effect?
3. How has the distribution of quality care, overall and by care type, changed between 2016 and 2019?
4. How has the distribution of quality care for families receiving subsidies changed between 2016 and 2019?
5. How has the distribution of quality care for other focal populations, including infants and toddlers and families working nontraditional hours, changed between 2016 and 2019?

To address these questions, we analyzed data from three sources: child care licensing files, QRIS administrative data, and subsidy payment records.

Child care licensing files present a snapshot of licensed facilities in November each year and contain information on facility type (setting), geographic location, subsidy acceptance status, participation in other programs (e.g., Head Start, public prekindergarten, the Child and Adult Care Food Program), accreditation, days and hours served, languages spoken, and other characteristics (i.e., Montessori, faith-based provider). Nontraditional-hour facilities offer care during early mornings, evenings, weekends, holidays, or overnight. Licensing data were available for 2016 through 2019.

QRIS administrative data came from two sources. Facilities' participation in QRIS and quality designations reflect their status as of November of each year to align with the snapshot date of the licensing data. Capital Quality data contained records on facilities participating in QRIS as of fall 2019, their 2019 Capital Quality designations, and their ratings tier in Going for the Gold (the District's former QRIS) as of September 2018, which were used to assign Capital Quality transition designations in 2018 (figure 1). Subsidy payment records provided supplemental data on QRIS designations for 2018 and all data on facilities' Going for the Gold ratings and QRIS participation in 2016 and 2017. Specifically, for a small number of facilities with unspecified Going for the Gold ratings in the Capital Quality data, we drew their 2018 ratings from subsidy records. A remaining 10 facilities did not have a 2018 QRIS rating from either the Capital Quality data or subsidy records. These facilities are omitted from analyses of Capital Quality ratings in 2018, as noted in the analysis tables and figures.

FIGURE 1

Timeline for the Rollout of Capital Quality

Capital Quality phases of implementation and implications for analysis



Sources: OSSE 2019a and OSSE 2019b.

Notes: In 2018, facilities received an initial transition designation under Capital Quality based on their rating under Going for the Gold, DC’s prior QRIS program. Designations based on direct observations and the new program’s criteria were reported in 2019. Facilities with fewer than two years of valid observation data received a preliminary designation in 2019. Additionally, under Capital Quality’s hold-harmless provision, facilities that received a designation lower than their transition designation had a preliminary designation posted for 2019. The hold-harmless policy expired for the Capital Quality pilot group and group two in fall 2020 and will expire for group three in fall 2021 and group four in 2022. Group five did not receive a transition designation and does not have a hold-harmless period.

Administrative data on subsidy receipt consisted of monthly payment records to facilities for each child served. Children and facilities are identified by unique identification numbers, and the files contain information on month and fiscal year, monthly cost, child age, eligibility category (e.g., family income, homeless status, enrolled in TANF, enrolled in foster care, and other categories), service type (e.g., full-time, part-time, before- and after-care, extended day, special needs, and other types), facility name and license number, facility QRIS designation, provider type, and facility location. Facilities’ subsidy receipt status and number of subsidy recipients served each year reflect payment records from November to align with the snapshot date of the licensing records. Subsidy payment records span 2016 through 2019.

Yearly data for each facility from the three sets of records were cleaned and merged together using the unique facility license numbers after making corrections and updates for mismatches. When different files contained overlapping information for a facility, there were multiple possible sources for a characteristic. In these cases, we maintained the information in the licensing record when merging

files unless otherwise noted. For some other characteristics, information was not available for all years from a single source, so we drew from multiple sources as noted above.

Overall Supply of Licensed Care

The desired long-term impact of Capital Quality is to “ensure all children in the District receive an equitable and quality early care and education experience and improve outcomes for young children, their families and the communities they live in” (OSSE 2019a). We examined progress toward that goal by measuring changes in the overall supply of licensed care from 2016 through 2019. (See box 2 for information on other initiatives shaping child care supply and quality in the District of Columbia.)

BOX 2

Other Quality Initiatives in the District of Columbia

Although Capital Quality is the largest quality improvement initiative in the District, it is only one of many investments affecting the child care market. Others include the following:

- **Investments in infant and toddler care:** District Mayor Muriel Bowser charged her administration with expanding the supply of infant and toddler child care slots, and the 2018 Access to Quality Child Care Expansion Grant and related initiatives have provided nearly \$3 million to create 1,500 infant and toddler child care slots. But the unmet need for infant and toddler care was estimated potentially as high as 28,000 before the COVID-19 pandemic.^a Since 2015, the District has also leveraged two federal Early Head Start-Child Care Partnership grants and other public and private funding to develop its Quality Improvement Network (QIN), which aims to increase capacity, availability, and quality of care for infants and toddlers.
- **Licensing requirements:** At the same time, the District maintains relatively stringent child care licensing standards^b and raised minimum education requirements for providers and early childhood educators. These requirements have the potential to improve the quality but constrain the supply of child care and will go into effect for directors in 2022 and all other early educators in 2023. The current workforce faces challenges meeting new requirements, and a shortage exists in the pipeline of new qualified workers, especially given the pandemic. Nearby, Maryland and Virginia have less stringent standards that may be attractive to both businesses and workers.
- **Minimum wage:** The District raised its minimum wage to \$14.50 per hour in January 2019, \$15 per hour in January 2021, and \$15.20 per hour in July 2021. Its minimum wage initiative has the potential to shutter child care facilities if increased costs are not offset by increased funding from child care subsidies, parent tuition, and other sources.^a

These initiatives provide key background in interpreting the effects of Capital Quality on child care supply and quality in the District of Columbia.

^a Reinvestment Fund, “Early Learning Supply & Demand in the District of Columbia: Five Key Takeaways from Groundbreaking Analysis” (Bethesda, MD; Philadelphia: Bainum Family Foundation; Reinvestment Fund, 2018), https://www.reinvestment.com/wp-content/uploads/2018/11/Bainum_EL-Supply-Demand-Exec-Sum_FNL_Nov-2018.pdf.

^b Child Care Aware® of America, *We Can Do Better: Child Care Aware® of America’s Ranking of State Child Care Center Regulations and Oversight. 2013 Update* (Arlington, VA: Child Care Aware® of America, 2013); NACCRRRA (National Association of Child Care Resource & Referral Agencies), *Leaving Children to Chance: NACCRRRA’s Ranking of State Standards and Oversight for Small Family Child Care Homes. 2012 Update* (Arlington, VA: NACCRRRA, 2012).

^c Linda Smith and John Cerulli, “The Potential Effects of a Minimum Wage Increase Underscore Key Flaws in the Child Care Market,” Bipartisan Policy Center, August 20, 2019, <https://bipartisanpolicy.org/blog/the-potential-effects-of-a-minimum-wage-increase-underscore-key-flaws-in-the-child-care-market/>.

Overall Supply of Care in the District of Columbia in 2019

In 2019, our most recent year of available data, 471 licensed child care facilities operated in the District, including 364 child development centers, 68 child development homes, and 39 expanded homes (table 1). Of these, 227 (or 48 percent of all facilities) participated in Capital Quality. The 471 facilities were distributed relatively evenly across the District, though more were in ward 4 (86 facilities, or 18 percent) and ward 8 (77 facilities, or 16 percent) and fewer in ward 1 (34, or 7 percent) and ward 3 (37, or 8 percent). Most of the 471 facilities served infants, toddlers, and/or preschool-age children (between 362 and 398, or 71 percent to 85 percent, depending on the age group). Fewer served school-age children (101, or 21 percent) and/or were nontraditional-hour facilities (186, or 39 percent).

More than half of facilities participated in the subsidy system. Of the 471 facilities in 2019, 259 (55 percent) self-reported that they accept subsidies and 245 (52 percent) received subsidies. Few were Quality Improvement Network (QIN) or Pre-K Enhancement and Expansion participants, Head Start or Early Head Start providers, or Montessori or faith-based facilities (less than 10 percent each). More of these facilities were Child and Adult Care Food Program (CACFP) participants (81, or 17 percent)—though this is still a small share of facilities overall given the benefits of this federal nutrition program for providers and children. Nearly one-third of facilities were accredited (146, or 31 percent, including centers accredited by the National Association for the Education of Young Children [NAEYC], homes accredited by the National Association for Family Child Care [NAFCC] and accreditation from other bodies).

TABLE 1

Characteristics of Licensed Child Development Facilities in the District of Columbia

Facilities in licensing records in November of each year

	Going for the Gold ratings in effect				Capital Quality transition designations in effect		Capital Quality designations in effect	
	2016		2017		2018		2019	
	N	%	N	%	N	%	N	%
Facilities	471	100%	464	100%	473	100%	471	100%
Child development centers	347	74%	354	76%	363	77%	364	77%
Child development homes	112	24%	83	18%	72	15%	68	14%
Expanded child development homes	12	3%	27	6%	38	8%	39	8%
QRIS participant	239	51%	240	52%	218	46%	227	48%
<i>Capital Quality characteristics</i>								
Required participant	n/a	n/a	n/a	n/a	193	89%	214	94%
Voluntary participant	n/a	n/a	n/a	n/a	25	11%	13	6%
Preliminary designation	n/a	n/a	n/a	n/a	0	0%	39	17%
Developing designation	n/a	n/a	n/a	n/a	81	37%	9	4%
Progressing designation	n/a	n/a	n/a	n/a	13	6%	83	37%
Quality designation	n/a	n/a	n/a	n/a	114	52%	67	30%
High-quality designation	n/a	n/a	n/a	n/a	0	0%	29	13%
<i>Going for the Gold characteristics</i>								
Bronze rating	102	43%	93	39%	n/a	n/a	n/a	n/a
Silver rating	13	5%	12	5%	n/a	n/a	n/a	n/a
Gold rating	124	52%	135	56%	n/a	n/a	n/a	n/a
<i>Distribution by ward</i>								
Ward 1	35	7%	33	7%	33	7%	34	7%
Ward 2	60	13%	58	13%	58	12%	59	13%
Ward 3	32	7%	32	7%	35	7%	37	8%
Ward 4	79	17%	89	19%	85	18%	86	18%
Ward 5	66	14%	67	14%	63	13%	57	12%
Ward 6	52	11%	54	12%	63	13%	63	13%
Ward 7	70	15%	61	13%	58	12%	58	12%
Ward 8	77	16%	70	15%	78	16%	77	16%
<i>Selected characteristics</i>								
Accepts subsidy (licensing data)	263	56%	257	55%	242	51%	259	55%
Receives subsidy (payment records)	239	51%	240	52%	246	52%	245	52%
Infant facility	325	69%	326	70%	327	69%	334	71%
Toddler facility	267	57%	311	67%	337	71%	398	85%
Preschool-age facility	352	75%	346	75%	361	76%	362	77%
School-age facility	125	27%	106	23%	104	22%	101	21%
Nontraditional-hour facility	195	41%	193	42%	196	41%	186	39%
QIN participant	--	--	--	--	31	7%	35	7%
Pre-K Enhancement and Expansion participant	--	--	--	--	23	5%	24	5%
Head Start provider	6	1%	22	5%	18	4%	17	4%
Early Head Start provider	--	--	--	--	5	1%	7	1%
CACFP participant	95	20%	119	26%	95	20%	81	17%
Montessori facility	16	3%	17	4%	20	4%	21	4%
Accredited facility	133	28%	138	30%	144	30%	146	31%
Faith-based facility	32	7%	30	6%	27	6%	25	5%

Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Accredited facilities report accreditation from NAEYC (centers), NAFCC (homes), and other bodies. Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group-group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are omitted from the tabulations by designation level for 2018, which accounts for the difference in the number of QRIS participants and the total across QRIS designation levels.

-- = data not available in year.

BOX 3

District of Columbia Wards

The District of Columbia is divided geographically into eight wards, each with different population characteristics, contexts, and histories. Below are brief summary data about each ward in the District, to contextualize the ward-level analyses included later in the report.

- Wards 7 and 8 are home to majority-Black/African American residents and also have the largest child populations. These wards have the lowest average family incomes and the highest unemployment, child poverty, and violent crime rates in the District by a large margin (tables 2 and 3). Wards 7 and 8 have faced historic disinvestment and structural discrimination since the mid-1900s, when Black/African American residents were displaced from the city center and forced to move out to the Southeast quadrant (Bogle, Diby, and Cohen 2019), contributing to the high unemployment, poverty, and crime rates seen in these wards today.
- Wards 2 and 3 have the highest average family income and lowest unemployment and child poverty rates in the District. These wards are also home to a majority-white population.
- Ward 6, the most populous ward, follows behind wards 2 and 3 in terms of average family income and unemployment rate, though has a much higher child poverty rate, similar to wards 1 and 7. Ward 6 also has majority-white residents, though about a third of the population is Black/African American.
- Wards 1, 4, and 5 fall between other wards across various categories, including average family income, unemployment rate, poverty, and child population. These wards also have more racial and ethnic diversity than other wards.

TABLE 2

Ward-Level Population Characteristics

Aggregate 2014 through 2018 data

Ward	Total population	Children	Asian-American/Pacific Islander	Black/African American	Latinx	White
1	85,746	13%	5%	27%	20%	44%
2	77,285	7%	10%	9%	12%	65%
3	84,615	16%	7%	7%	11%	72%
4	88,046	21%	2%	50%	21%	24%
5	87,887	17%	3%	63%	10%	22%
6	94,497	14%	5%	30%	6%	56%
7	81,385	24%	1%	92%	3%	2%
8	85,038	30%	<1%	89%	3%	5%

Source: "Urban-Greater DC Data Explorer," Urban Institute, accessed August 10, 2021, <https://greaterdc.urban.org/data-explorer>.

Notes: This table uses the term Latinx to describe individuals identified as Hispanic in the source data. We acknowledge this may not be the preferred identifier but remain committed to employing inclusive language whenever possible.

TABLE 3

Ward-Level Income, Employment, Poverty, and Violent Crime Rates

Aggregate 2014 through 2018 data

Ward	Average family income	Unemployment rate	Poverty rate	Child poverty rate	Violent crimes (per 1,000 people)
1	162,490	5%	13%	32%	8.1
2	250,587	4%	13%	5%	5.3
3	301,739	4%	8%	2.5%	1.1
4	148,167	7%	11%	12%	3.4
5	114,887	8%	16%	16%	9.3
6	177,431	5%	12%	35%	7.4
7	71,188	15%	27%	39%	11.0
8	58,831	18%	34%	46%	10.0

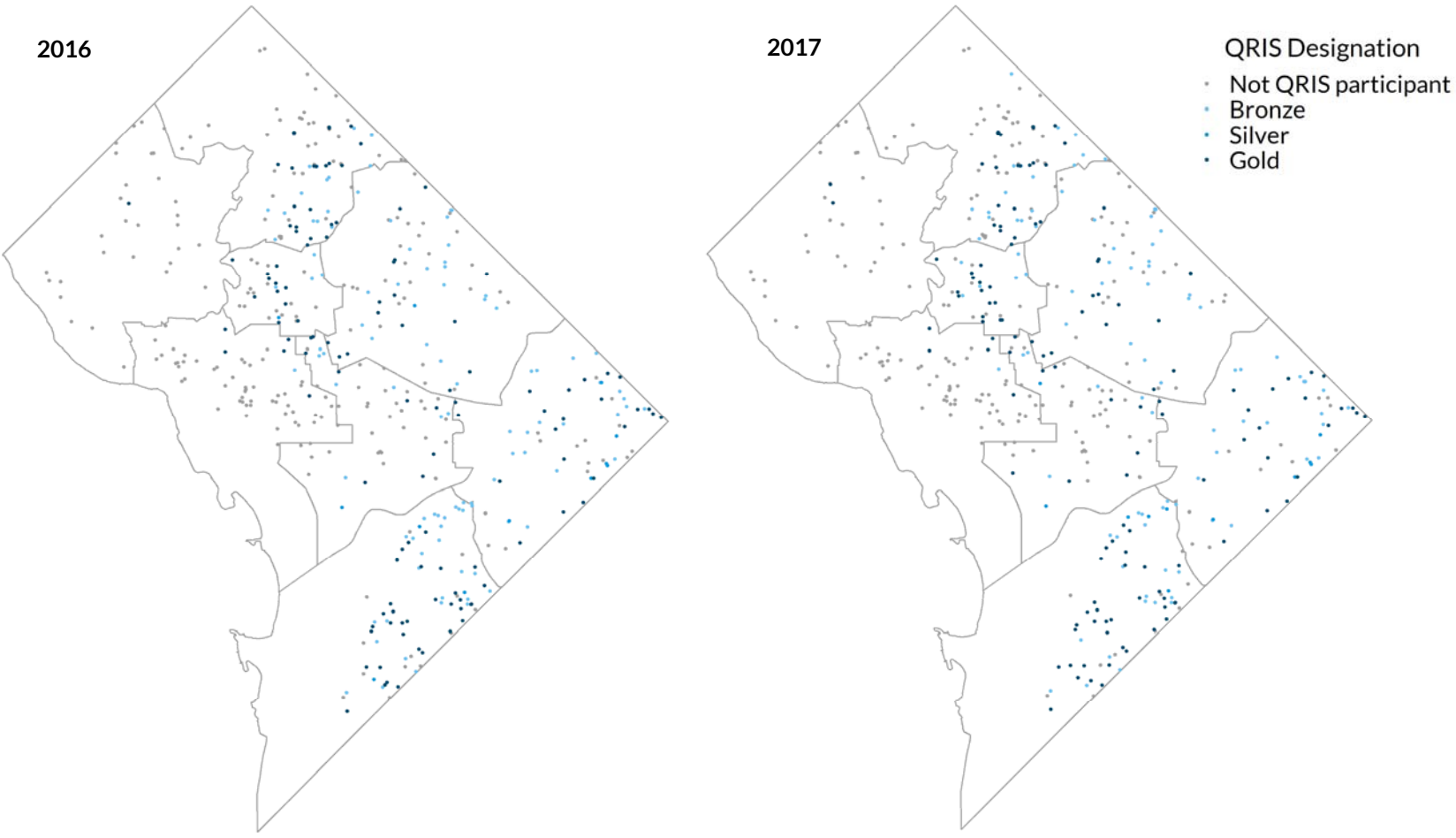
Source: "Urban-Greater DC Data Explorer," Urban Institute, accessed August 10, 2021, <https://greaterdc.urban.org/data-explorer>.

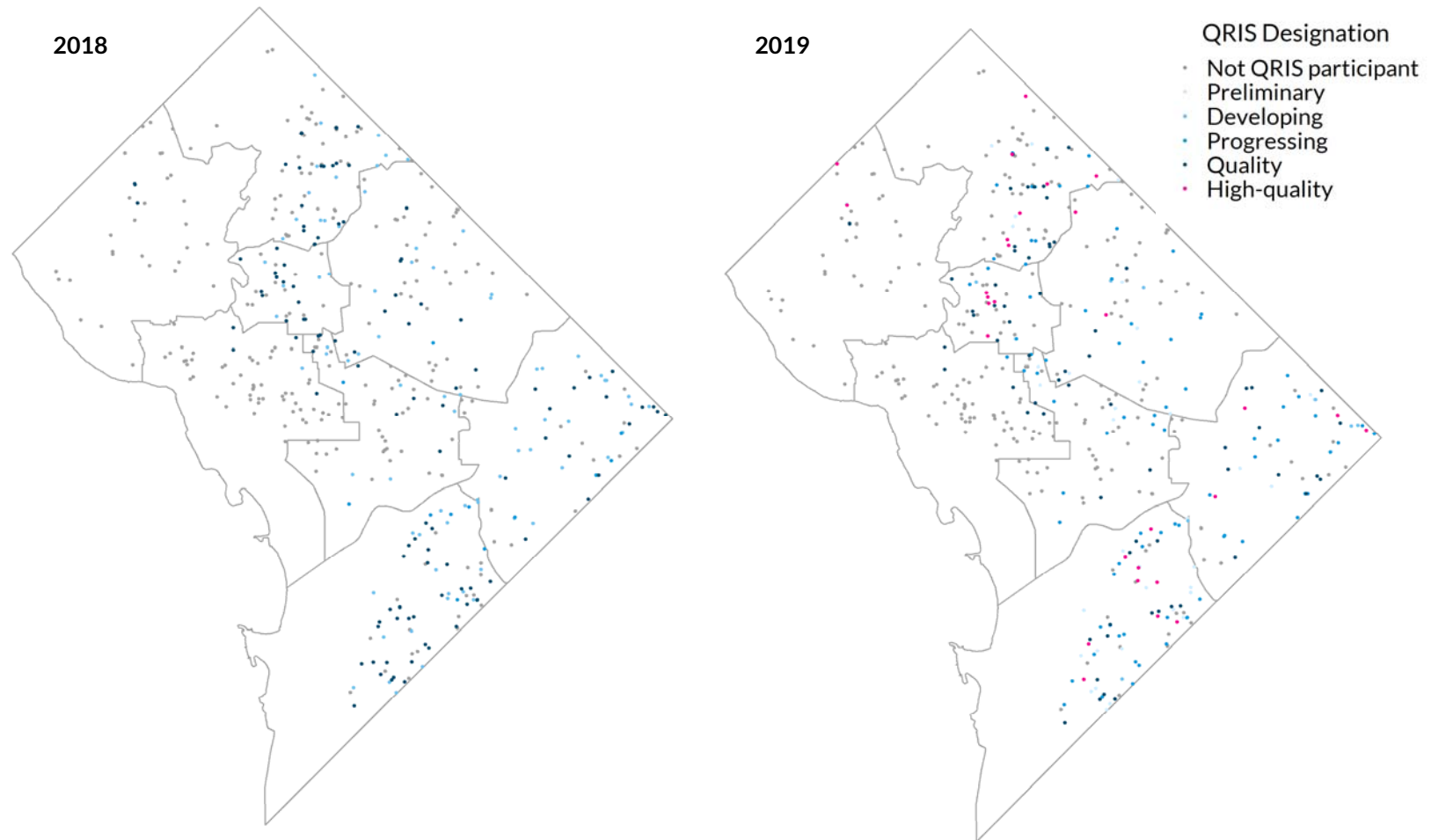
Note: All data are from 2014–18, except for violent crime data, which is from 2019.

The Overall Supply of Licensed Child Care Facilities in the District Remained Relatively Constant from 2016 through 2019

The overall number of licensed child care facilities remained stable while Capital Quality was phased in (table 1). During this time, the lowest number of facilities was 464 (in 2017) and the highest number of facilities was 473 (in 2018). We observe some variation in the number and share of facilities across setting types and geographies. The number and share of center-based and expanded home facilities grew from 2016 through 2019 (from 347 to 364 and 12 to 39, respectively), while the number and share of child development homes declined (from 112 to 68). The number and share of facilities increased most in wards 3, 4, and 6 and decreased most in wards 5 and 7 (figure 2).

FIGURE 2
Maps of Licensed Child Care Facilities, by Quality Designation and Year
Facilities in licensing records in November of each year



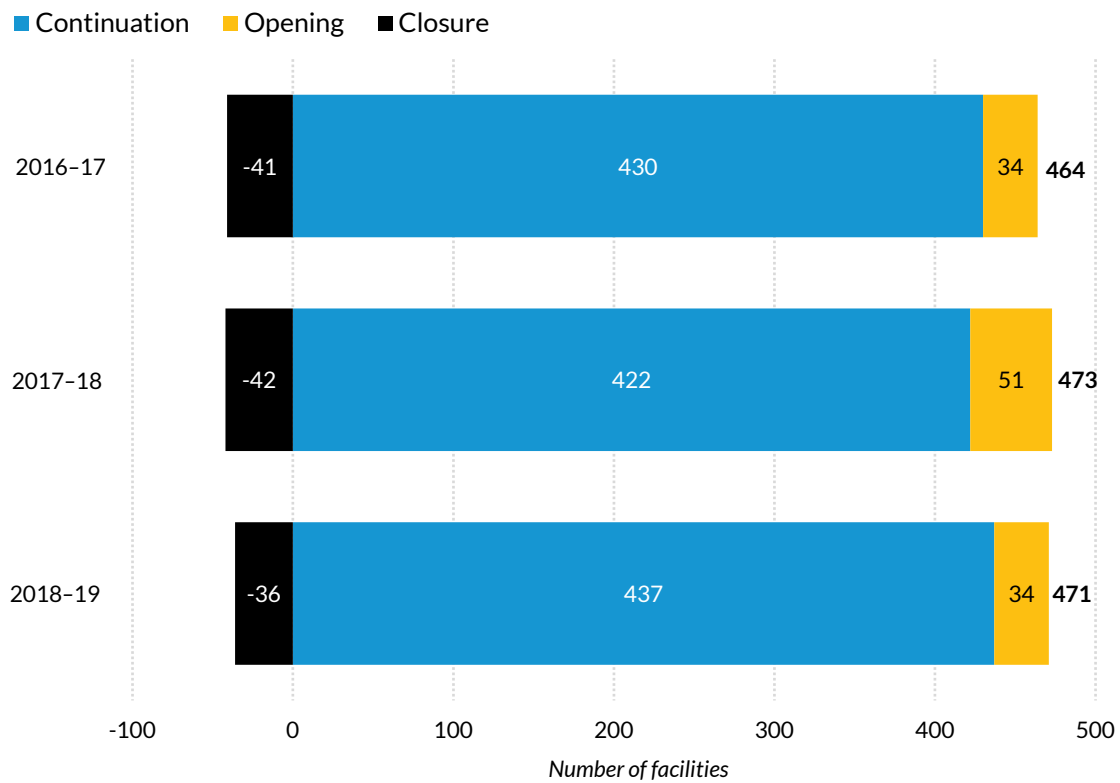


Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

We observe several other changes in the characteristics of licensed facilities. For example, the number and share of facilities serving toddlers increased dramatically (from 267 to 398, or a 28 percent increase) and the number and share of facilities serving school-age children decreased slightly (from 125 to 101, or a 6 percent decrease) between 2016 and 2019. The share of facilities participating in CACFP fluctuated over the four years (from a high of 26 percent in 2017 to a low of 17 percent in 2019), and the number of Head Start providers nearly quadrupled in size from 2016 to 2017 (6 to 22) and then dropped slightly and remained relatively stable moving into 2018 and 2019 (18 and 17, respectively).

FIGURE 3
Closures, Openings, and Continually Operating Facilities in the District from Year to Year
Facilities in licensing records in November of each year



Source: Child care licensing data obtained from OSSE.

The Numbers of Facility Openings and Closures Were Similar from Year to Year, Resulting in a Relatively Stable Supply of Facilities in the District

Although the overall number of facilities in the District remained relatively stable from year to year, not all facilities were open from 2016 through 2019. Rather, most facilities remained open across this period while a similar (and smaller) number of facilities closed and opened in the District each year. In 2017, for example, 464 child care facilities operated in the District, including 430 facilities also open in 2016 and 34 facilities that newly opened in 2017 (figure 3). Forty-one facilities that were open in 2016 closed in 2017. In the next year (2017–18), 422 facilities remained open, 51 newly opened, and 42 closed, leading to a total supply of 473 facilities. From 2018 to 2019, 437 facilities remained open, 34 newly opened, and 36 closed, resulting in 471 total facilities.

The Overall Capacity of Licensed Child Care Facilities in the District Remained Relatively Constant from 2016 through 2019

Capital Quality does not appear to have significantly affected the overall supply of the number of child care slots across the District (table 4). From 2016 to 2019, the number of slots increased by about 1,000, driven by growth in the number of center-based and expanded home slots (by more than 1,000 slots and about 250 slots, respectively). Meanwhile, slots in child development homes dropped from 614 to 395 during this period (a 35 percent reduction), partially reflecting some facilities transitioning from homes to expanded homes (table 5). While smaller homes comprise a small share of overall slots in the licensed child care market, this decline is notable and marks a possible reduction in families' choices of care settings.

Among other selected characteristics, from 2016 to 2019, the number of toddler slots increased by about 2,500 slots (or 9 percent) and the number and share of school-age child slots decreased by almost 2,000 slots (or 8 percent). In addition, the number of slots in facilities that self-reported accepting subsidy and received subsidies increased (from 15,528 to 16,400 and from 15,522 to 15,788, respectively), though their share of total slots remained stable. The number and share of slots varied across geographies, with increases in wards 3, 4, and 6 and decreases in wards 5 and 7.

TABLE 4

Characteristics of Slots in Licensed Facilities in the District of Columbia*Slots in facilities in licensing records in November of each year*

	Going for the Gold ratings in effect				Capital Quality transition designations in effect		Capital Quality designations in effect	
	2016		2017		2018		2019	
	N	%	N	%	N	%	N	%
Slots	25,389	100%	25,538	100%	26,750	100%	26,437	100%
Child development centers	24,658	97%	24,810	97%	25,979	97%	25,674	97%
Child development homes	614	2%	478	2%	421	2%	395	1%
Expanded child development homes	117	0%	250	1%	350	1%	368	1%
<i>QRIS participant</i>	15,522	61%	15,736	62%	11,362	42%	11,699	44%
<i>Capital Quality characteristics</i>								
Required participant	n/a	n/a	n/a	n/a	10,365	91%	11,317	97%
Voluntary participant	n/a	n/a	n/a	n/a	997	9%	382	3%
Preliminary designation	n/a	n/a	n/a	n/a	0	0%	1,192	10%
Developing designation	n/a	n/a	n/a	n/a	2,328	20%	198	2%
Progressing designation	n/a	n/a	n/a	n/a	576	5%	4,411	38%
Quality designation	n/a	n/a	n/a	n/a	7,966	70%	4,032	34%
High-quality designation	n/a	n/a	n/a	n/a	0	0%	1,866	16%
<i>Going for the Gold characteristics</i>								
Bronze rating	4,046	26%	4,070	26%	n/a	n/a	n/a	n/a
Silver rating	574	4%	477	3%	n/a	n/a	n/a	n/a
Gold rating	10,902	70%	11,189	71%	n/a	n/a	n/a	n/a
<i>Distribution by ward</i>								
Ward 1	2,146	8%	2,363	9%	2,398	9%	2,199	8%
Ward 2	4,295	17%	4,169	16%	4,285	16%	4,364	17%
Ward 3	2,482	10%	2,533	10%	2,796	10%	2,885	11%
Ward 4	3,373	13%	3,894	15%	3,935	15%	3,807	14%
Ward 5	3,367	13%	3,462	14%	3,210	12%	2,943	11%
Ward 6	2,267	9%	2,475	10%	2,907	11%	3,168	12%
Ward 7	3,064	12%	2,607	10%	2,468	9%	2,484	9%
Ward 8	4,395	17%	4,035	16%	4,751	18%	4,587	17%
<i>Selected characteristics</i>								
Facility accepts subsidy (licensing data)	15,528	61%	15,641	61%	15,630	58%	16,400	62%
Facility receives subsidy (payment records)	15,522	61%	15,736	62%	16,398	61%	15,788	60%
Subsidies received (payment records)^	7,097	28%	7,331	29%	7,400	28%	7,464	28%
Infant slots	3,476	14%	3,447	13%	3,594	13%	3,475	13%
Toddler slots	4,376	17%	5,280	21%	5,814	22%	6,984	26%
Preschool-age slots	11,117	44%	11,281	44%	11,674	44%	11,420	43%
School-age slots	6,420	25%	5,530	22%	5,668	21%	4,558	17%
Nontraditional-hour facility	12,008	47%	11,923	47%	12,379	46%	11,860	45%

Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Infant, toddler, preschool-age, and school-age slots indicate the number of licensed slots for each of these age groups and their share out of all licensed slots. Unless otherwise noted, all other figures reflect the number and share of total licensed slots across all age groups in facilities with the listed characteristic (i.e., based on the characteristics of the facilities rather than the

characteristics of the slots themselves). Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group–group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are omitted from the tabulations by designation level for 2018, which accounts for the difference in the number of QRIS participants and the total across QRIS designation levels. ^The number of subsidies received reflects the number of unique children receiving subsidies in November within each facility totaled across all licensed facilities, and the percentages indicate the number of subsidies received as a share of total licensed slots. -- = data not available in year.

Some of the Decrease in Child Development Home and Increase in Expanded Home Facilities and Slots Came from Homes Becoming Expanded Homes

Between 2016 and 2019, the supply and capacity of child development homes decreased (from 614 slots in 112 facilities in 2016 to 395 slots in 68 facilities in 2019; tables 1 and 4). At the same time, the supply and capacity of expanded child development homes increased (from 117 slots in 12 facilities in 2016 to 368 slots in 39 facilities in 2019). These changes capture some child development home closures and new openings of expanded homes. But they also reflect some child development homes growing in authorized capacity and converting to expanded homes (and one case where an expanded home converted to a home). For example, from 2016 to 2017, the number of child development homes decreased from 112 to 83, and expanded homes increased from 12 to 27. A closer look at the data reveals that 13 facilities converted from a home to an expanded home over this period, meaning only 16 child development homes (rather than 29) closed and two new expanded homes opened without having first been smaller homes (table 5).

From 2017 to 2019, some of the increase in expanded home facilities and slots and decrease in home facilities and slots was also driven by conversion, though to a lesser extent than from 2016 to 2017. From 2018 to 2019, the number of facilities and slots converted from homes to expanded homes, and vice versa, were equal, leaving the overall supply of care unchanged.

TABLE 5

Change in Facility Type for Licensed Child Development Homes in the District of Columbia
Facilities in licensing records in November of each year

	2016-17	2017-18	2018-19	Total
Facilities converted				
Child development homes to expanded child development homes	13	5	1	19
Expanded child development homes to child development homes	0	0	1	1
Slots converted				
Child development homes to expanded child development homes	39	16	3	58
Expanded child development homes to child development homes	0	0	3	3

Source: Child care licensing data.

Notes: The number of slots reflect the net change in the number of authorized slots in facilities that converted from nonexpanded homes to expanded homes and vice versa between each year.

Participation in DC’s QRIS

This section describes changes in QRIS participation during the transition from Going for the Gold to Capital Quality and how Capital Quality participants compare with other facilities. Overall, the supply and capacity of all child care facilities and QRIS participants remained relatively constant from 2016 to 2019. The number and share of QRIS participants ranged from a high of 240 (or 52 percent of all facilities) in 2017 to a low of 218 (or 46 percent) in 2018. By 2019, 227 facilities (or 48 percent of all facilities) with a capacity of 11,699 slots participated in Capital Quality.

This and subsequent sections focus on the subset of facilities required to participate in District QRIS under guidelines set by Capital Quality. Analyses exclude facilities that received subsidy and were required to participate in Going for the Gold in 2016 and 2017 but were initially exempted from Capital Quality because they primarily served school-age children. Focusing our analyses in this way allows us to better answer key research questions and separate administrative changes from possible effects of the new program.⁷

The Number of Child Care Facilities Participating in QRIS Increased Slightly under Capital Quality

The number of licensed facilities participating in QRIS (and meeting Capital Quality participation requirements) grew from 200 in 2017 under Going for the Gold to 218 in 2018 and 226 in 2019 (table

6). This trend parallels a rise in the total number of licensed child care facilities between 2016 and 2019 districtwide (table 1). Also, similar to the overall supply of care, 75 to 80 percent of facilities participating in QRIS were child development centers and approximately 20 to 25 percent were home-based. From 2016 to 2018, the number of child development centers participating in QRIS increased slightly, while several child development homes expanded (table 5), partially accounting for an increase in the number of expanded homes participating in QRIS.

In terms of age groups served, we found the following:

- **The number of toddler-serving facilities participating in QRIS increased continuously**, from 148 in 2016 to 214 in 2019.
- **The number and share of facilities participating in QRIS authorized to serve older school-age children declined** (from 50 and 25 percent in 2017 to 45 and 21 percent in 2018), even when excluding facilities exempted from Capital Quality in the earlier years' counts. This fall continues a decline that started in 2016 (table 6) and mirrors trends in the overall supply of licensed care (tables 1 and 4).

The geographic distribution of facilities participating in QRIS remained consistent throughout this period (table 6). Compared with licensed facilities overall, those participating in QRIS were much more likely to be in less affluent regions (wards 7 and 8) and less likely to be in areas where families with higher incomes are concentrated (wards 2 and 3). (See box 3 for more information on the DC wards and figure A.1 for the number and share of facilities participating in QRIS in each ward from 2016 to 2019.)

The share of QRIS-participating facilities that received subsidies declined between 2017 and 2018 (from 100 percent to 90 percent) as facilities that did not receive subsidies were allowed to voluntarily participate in QRIS for the first time. The share of QRIS-participating facilities with other characteristics, including those open during nontraditional hours, faith-based programs, accredited programs, Montessori programs, and CACFP participants, stayed stable between 2016 and 2019 (table 6).

TABLE 6

Characteristics of District of Columbia Licensed Child Development Facilities Participating in QRIS
Facilities participating in QRIS in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019

	Going for the Gold ratings in effect				Capital Quality Transition designations in effect		Capital Quality % designations in effect	
	2016		2017		2018		2019	
	N	%	N	%	N	%	N	%
Facilities	204	100%	200	100%	218	100%	226	100%
Child development centers	160	78%	161	81%	168	77%	175	77%
Child development homes	40	20%	27	14%	32	15%	33	15%
Expanded child development homes	4	2%	12	6%	18	8%	18	8%
<i>Capital Quality characteristics</i>								
Required participant	n/a	n/a	n/a	n/a	193	89%	213	94%
Voluntary participant	n/a	n/a	n/a	n/a	25	11%	13	6%
Preliminary designation	n/a	n/a	n/a	n/a	0	0%	38	17%
Developing designation	n/a	n/a	n/a	n/a	81	37%	9	4%
Progressing designation	n/a	n/a	n/a	n/a	13	6%	83	37%
Quality designation	n/a	n/a	n/a	n/a	114	52%	67	30%
High-quality designation	n/a	n/a	n/a	n/a	0	0%	29	13%
<i>Going for the Gold characteristics</i>								
Bronze rating	84	41%	73	37%	n/a	n/a	n/a	n/a
Silver rating	11	5%	12	6%	n/a	n/a	n/a	n/a
Gold rating	109	53%	115	58%	n/a	n/a	n/a	n/a
<i>Distribution by ward</i>								
Ward 1	14	7%	18	9%	19	9%	20	9%
Ward 2	6	3%	5	3%	6	3%	6	3%
Ward 3	1	0%	2	1%	4	2%	4	2%
Ward 4	36	18%	39	20%	38	17%	40	18%
Ward 5	27	13%	28	14%	25	11%	27	12%
Ward 6	15	7%	14	7%	22	10%	23	10%
Ward 7	48	24%	42	21%	44	20%	44	19%
Ward 8	57	28%	52	26%	60	28%	62	27%
<i>Selected characteristics</i>								
Accepts subsidy (licensing data)	201	99%	196	98%	193	89%	213	94%
Receives subsidy (payment records)	204	100%	200	100%	197	90%	203	90%
Infant facility	158	77%	161	81%	179	82%	186	82%
Toddler facility	148	73%	165	83%	187	86%	214	95%
Preschool-age facility	156	76%	157	79%	172	79%	177	78%
School-age facility	64	31%	50	25%	45	21%	49	22%
Nontraditional-hour facility	101	50%	102	51%	106	49%	105	46%
QIN participant	--	--	--	--	31	14%	35	15%
Pre-K Enhancement and Expansion participant	--	--	--	--	23	11%	23	10%
Head Start provider	5	2%	17	9%	16	7%	16	7%
Early Head Start provider	--	--	--	--	5	2%	6	3%
CACFP participant	77	38%	98	49%	84	39%	75	33%
Montessori facility	0	0%	0	0%	1	0%	1	0%
Accredited facility	88	43%	94	47%	98	45%	105	46%
Faith-based facility	17	8%	17	9%	14	6%	14	6%

Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Accredited facilities report accreditation from NAEYC (centers), NAFCC (homes), and other bodies. Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group–group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are omitted from the tabulations by designation level for 2018, which accounts for the difference in the number of QRIS participants and the total across QRIS designation levels.

-- = data not available in year.

The Capacity of Child Care Facilities Participating in QRIS Also Increased Slightly under Capital Quality

The number of slots in QRIS-participating facilities grew slightly (table 7) after Capital Quality was implemented, mirroring small increases in the number of facilities participating in QRIS (table 6). Similarly, changes in capacity for different age groups mirrored trends for QRIS-participating facilities and the overall supply of licensed care. In QRIS-participating facilities, the number of slots increased for toddlers and decreased for school-age children. However, the share of slots for school-age children declined by less than the share of QRIS-participating facilities serving this age group (table 6) as well as the share of facilities and slots serving school-age children overall (tables 1 and 4).

We observed other changes in the characteristics of child care facilities:

- **The share of slots in QRIS-participating facilities open nontraditional hours** or that received subsidies also decreased over the period (from 48 percent to 43 percent, and from 56 percent to 53 percent, respectively).
- **The distribution of slots across different wards remained relatively stable** throughout the study time frame (table 7), though more slots in QRIS participants were located in ward 1 (around 12 percent) and fewer in ward 7 (around 16 percent) relative to the share of facilities participating in QRIS in each (around 9 percent and 20 percent, respectively—see table 6).

TABLE 7

Characteristics of Slots in District of Columbia Licensed Child Development Facilities Participating in QRIS

Slots in facilities participating in QRIS in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019

	Going for the Gold ratings in effect				Capital Quality transition designations in effect		Capital Quality designations in effect	
	2016		2017		2018		2019	
	N	%	N	%	N	%	N	%
Slots	10,540	100%	10,687	100%	11,362	100%	11,678	100%
Child development centers	10,281	98%	10,422	98%	11,015	97%	11,323	97%
Child development homes	220	2%	158	1%	186	2%	189	2%
Expanded child development homes	39	0%	107	1%	161	1%	166	1%
<i>Capital Quality characteristics</i>								
Required participant	n/a	n/a	n/a	n/a	10,365	91%	11,296	97%
Voluntary participant	n/a	n/a	n/a	n/a	997	9%	382	3%
Preliminary designation	n/a	n/a	n/a	n/a	0	0%	1,171	10%
Developing designation	n/a	n/a	n/a	n/a	2,328	20%	198	2%
Progressing designation	n/a	n/a	n/a	n/a	576	5%	4,411	38%
Quality designation	n/a	n/a	n/a	n/a	7,966	70%	4,032	35%
High-quality designation	n/a	n/a	n/a	n/a	0	0%	1,866	16%
<i>Going for the Gold characteristics</i>								
Bronze rating	2,353	22%	2,159	20%	n/a	n/a	n/a	n/a
Silver rating	391	4%	477	4%	n/a	n/a	n/a	n/a
Gold rating	7,796	74%	8,051	75%	n/a	n/a	n/a	n/a
<i>Distribution by ward</i>								
Ward 1	1,319	13%	1,412	13%	1,380	12%	1,420	12%
Ward 2	396	4%	367	3%	493	4%	509	4%
Ward 3	101	1%	232	2%	310	3%	310	3%
Ward 4	2,132	20%	2,347	22%	2,250	20%	2,258	19%
Ward 5	1,333	13%	1,414	13%	1,290	11%	1,347	12%
Ward 6	628	6%	661	6%	912	8%	971	8%
Ward 7	1,925	18%	1,728	16%	1,698	15%	1,702	15%
Ward 8	2,706	26%	2,526	24%	3,029	27%	3,161	27%
<i>Selected characteristics</i>								
Facility accepts subsidy (licensing data)	10,332	98%	10,534	99%	10,365	91%	11,296	97%
Facility receives subsidy (payment records)	10,540	100%	10,687	100%	10,738	95%	10,843	93%
Subsidies received (payment records)^	5,936	56%	5,793	54%	5,835	51%	6,225	53%
Infant slots	1,793	17%	1,740	16%	1,977	17%	1,902	16%
Toddler slots	2,836	27%	3,061	29%	3,459	30%	4,011	34%
Preschool-age slots	4,205	40%	4,383	41%	4,476	39%	4,370	37%
School-age slots	1,706	16%	1,503	14%	1,450	13%	1,395	12%
Nontraditional-hour facility	5,026	48%	5,116	48%	5,222	46%	4,975	43%

Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Infant, toddler, preschool-age, and school-age slots indicate the number of licensed slots for each of these age groups and their share out of all licensed slots. Unless otherwise noted, all other figures reflect the number and share of total licensed slots

across all age groups that are in facilities with the listed characteristic (i.e., based on the characteristics of the facilities rather than the characteristics of the slots themselves). Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are omitted from the tabulations by designation level for 2018, which accounts for the difference in the number of QRIS participants and the total across QRIS designation levels.

^The number of subsidies received reflects the number of unique children receiving subsidies in November within each facility totaled across all licensed facilities, and the percentages indicate the number of subsidies received as a share of total licensed slots.

-- = data not available in year.

Facilities That Participate in QRIS Are More Likely to Be in Wards 7 and 8 and Serve Infants and Toddlers

By 2019, Capital Quality participants differed from nonparticipants in terms of geography and ages served. Differences in geography reflect the distribution of facilities that participate in the subsidy system, which were required to participate in both Going for the Gold and Capital Quality (with the exception of facilities primarily serving school-age children). QRIS participants in 2019 were significantly more likely to be located in wards 7 and 8, which have higher shares of families income-eligible for subsidies, and less likely to be in wards 2 and 3, which have a higher median household income and fewer subsidy-eligible residents (table 8). Compared with nonparticipants, QRIS participants were also significantly more likely to serve infants and toddlers and be open during nontraditional hours.

TABLE 8

Characteristics of Licensed Child Development Facilities in the District of Columbia, by Capital Quality Participation Status

Facilities in licensing records in November 2019

	All Capital Quality Participants						Capital Quality nonparticipants		T-test of all participants vs. Nonparticipants
	Required participants		Voluntary participants		Total		N	%	P-value
	N	%	N	%	N	%			
Facilities									
Child development centers	168	79%	8	62%	176	78%	188	77%	0.90
Average number of slots	65.5		43.3		64.5		76.2		
Child development homes	30	14%	3	23%	33	15%	35	14%	0.95
Average number of slots	5.7		6.0		5.7		5.9		
Expanded child development homes	16	7%	2	15%	18	8%	21	9%	0.79
Average number of slots	9.3		9.0		9.2		9.6		
<i>Distribution by ward</i>									
Ward 1	18	8%	2	15%	20	9%	14	6%	0.20
Ward 2	5	2%	1	8%	6	3%	53	22%	<0.001***
Ward 3	2	1%	2	15%	4	2%	33	14%	<0.001***
Ward 4	39	18%	1	8%	40	18%	46	19%	0.73
Ward 5	25	12%	2	15%	27	12%	30	12%	0.89
Ward 6	18	8%	5	38%	23	10%	40	16%	0.04**
Ward 7	44	21%	0	0%	44	19%	14	6%	<0.001***
Ward 8	63	29%	0	0%	63	28%	14	6%	<0.001***
<i>Selected characteristics</i>									
Infant facility	177	83%	10	77%	187	82%	147	60%	<0.001***
Toddler facility	203	95%	12	92%	215	95%	183	75%	<0.001***
Preschool-age facility	167	78%	10	77%	177	78%	185	76%	0.58
School-age facility	49	23%	0	0%	49	22%	52	21%	0.94
Nontraditional-hour facility	103	48%	3	23%	106	47%	80	33%	<0.001***

Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: The *t*-test compares if the share of facilities with each characteristic is statistically different between Capital Quality participants and nonparticipants. * significantly different at the 90 percent confidence level; ** significantly different at the 95 percent confidence level; *** significantly different at the 99 percent confidence level. Capital Quality participation status for 2019 is based on Capital Quality administrative data.

Distribution of Quality Care, Overall and by Setting Type

To “improve outcomes for young children, their families and the communities they live in” (OSSE 2019a), Capital Quality and other QRIS must identify and communicate child care quality as well as encourage growth in the supply of quality care. This section describes trends in the distribution of quality care overall and by setting type. Between 2016 and 2019, the supply of care remained stable. But QRIS-participating facilities experienced a substantial shift in their quality designations, overall and by ward and program type.

Designation Levels Changed as Capital Quality Went into Effect

During the transition to Capital Quality, facilities already participating in QRIS received a transitional Capital Quality designation in 2018 based on their prior rating under Going for the Gold. Bronze ratings became developing designations, silver became progressing, and gold became quality. Given this one-to-one mapping, the share of facilities and slots at different quality designation levels remained relatively stable between 2016 and 2018.

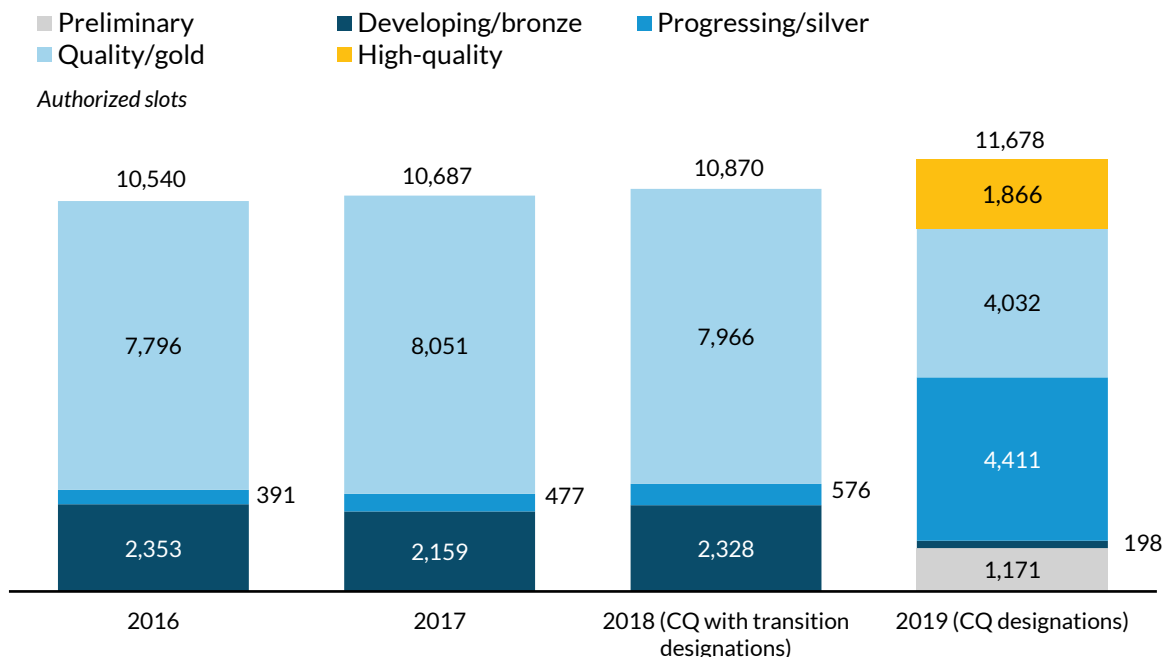
However, as new Capital Quality designations began to be assigned in 2019, the distribution of facilities and slots across quality rating levels shifted. The share of slots at the mid-tier progressing level increased, while the shares with a lower-tier developing designation or higher-tier quality designation decreased (figure 4). The share of slots rated bronze or developing fell from more than 20 percent from 2016 to 2018 to less than 2 percent in 2019. Among QRIS-participating facilities, about half of all licensed slots were in facilities rated as quality or high quality in 2019 compared with more than two-thirds in prior years.

Two administrative changes allowed for additional differentiation of quality designations under Capital Quality compared with Going for the Gold. First, Capital Quality added a high-quality designation. Slots in facilities that received the new high-quality designation accounted for around a third of all slots in QRIS-participants rated quality or above. Second, Capital Quality required two years of valid observation data to assign a Capital Quality designation. Not all facilities had two years of valid observation data, and some were subject to the hold-harmless provision when Capital Quality designations went into effect, so 10 percent of QRIS-participants were assigned a preliminary designation in 2019.

FIGURE 4

Licensed Slots in District of Columbia Facilities Participating in QRIS, by Quality Designation

Slots in facilities participating in QRIS and in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

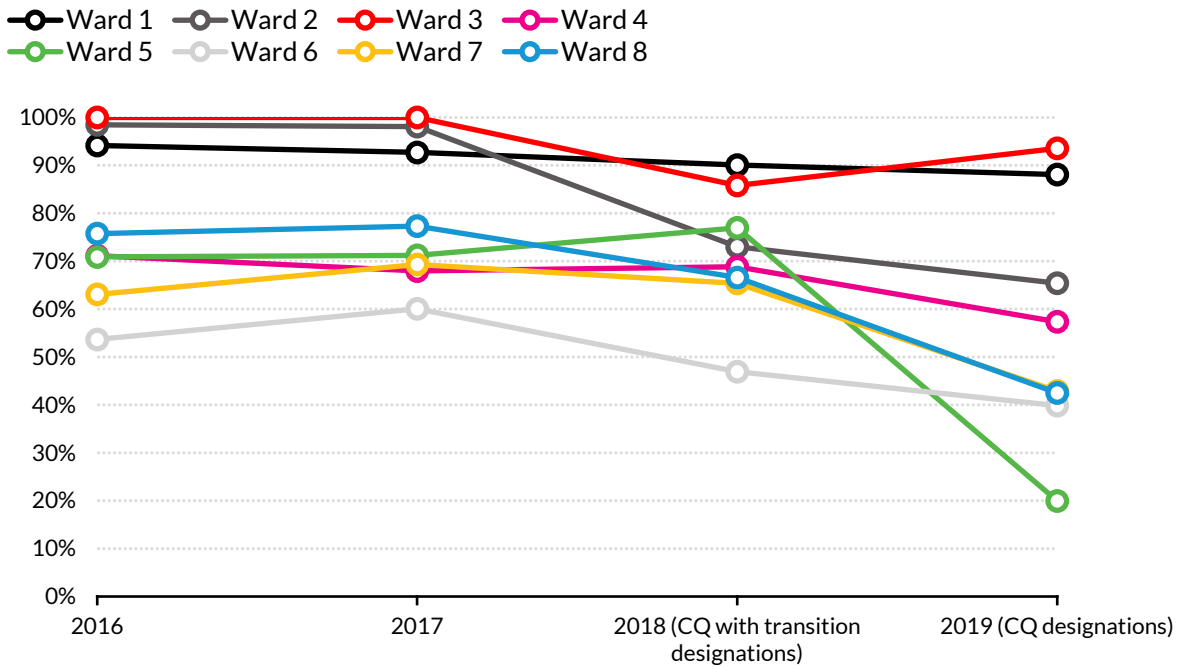
As Capital Quality went into effect, designation levels changed unevenly across the District.

Omitting facilities that were initially exempted from Capital Quality because they primarily served school-age children, the supply of care in QRIS participants rated as gold, quality, or high quality decreased the most in ward 5, with smaller declines in some other areas including wards 7 and 8. These trends are notable, as these wards have greater concentrations of families with lower incomes who the subsidy and QRIS programs are intended to benefit (box 3). Among QRIS-participants, the share of slots rated as quality or above also fell steeply in ward 5 and to a lesser degree in wards 2, 6, 7, and 8 (figure 5). Figure A.2 breaks down the number and share of facilities in each ward from 2016 to 2019 by quality designation level.

FIGURE 5

Share of Licensed Slots in Gold, Quality, and High-Quality QRIS-Participating Facilities in the District, by Ward

Slots in facilities participating in QRIS in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018. Slots in those facilities are omitted from the quality and high-quality groups for 2018 here.

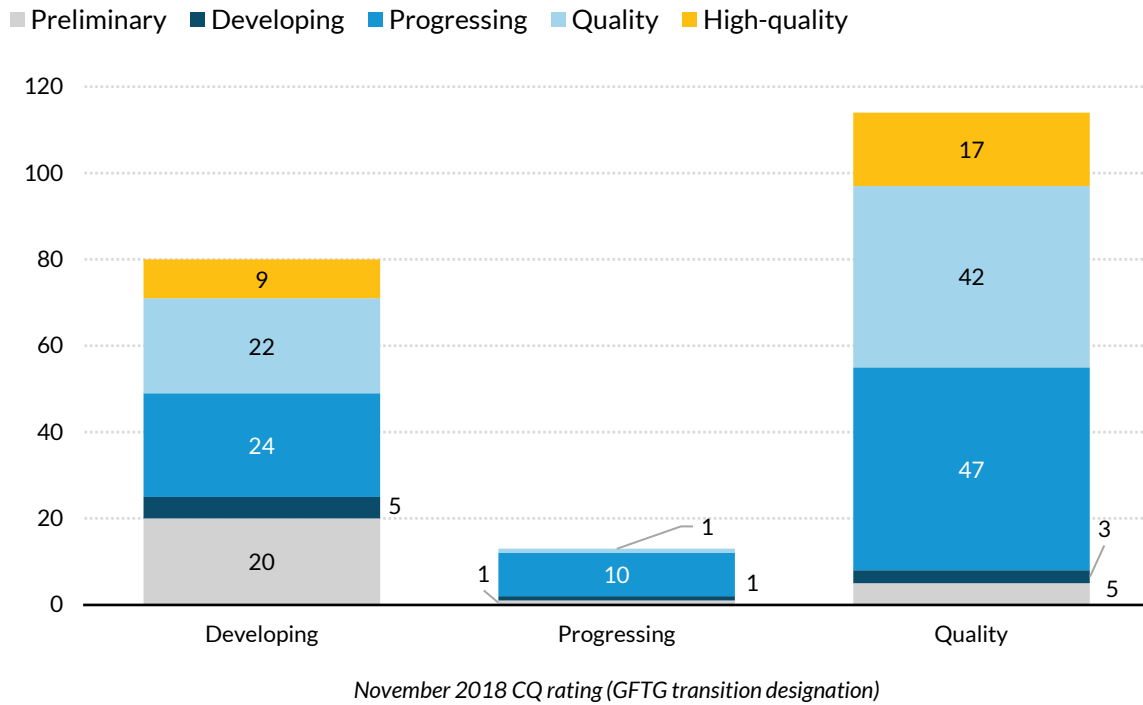
Quality Designations Became More Evenly Distributed across Tiers as Facilities Moved Up and Down the Quality Continuum

Facilities were more evenly distributed across tiers under the new system (figure 6), as OSSE began transitioning to new Capital Quality designations in 2019. Facilities rated as quality in 2018 were most often rated as progressing or quality in 2019, followed by a smaller share rated as high-quality (figure 6). Similarly, facilities rated as developing in 2018 were most often rated as progressing or quality in 2019. Smaller shares had preliminary or high-quality ratings. Facilities rated as progressing in 2018 almost all maintained their designation as progressing in 2019.

FIGURE 6

Facilities Participating in District QRIS, by 2018 and 2019 Rating Levels

Facilities participating in QRIS listed in licensing records in November 2018 and 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018. Those facilities are not included here.

These changes in the distribution of facilities among quality designations do not necessarily indicate a change in the actual quality of these facilities but rather reflect changes made to the assessment framework during the transition to Capital Quality. For example, facilities rated developing and facilities rated quality in 2018 had a similar likelihood of being rated quality or high-quality in 2019, with 39 percent of developing facilities moving into the quality and high-quality tiers compared with 52 percent of quality facilities. Additionally, facilities rated developing in 2018 were more likely to move up tiers under Capital Quality (69 percent increased at least one tier in 2019) than facilities rated quality in 2018 (15 percent increased to high-quality and 37 percent stayed the same in 2019).

By 2019, QRIS-Participating Facilities in Wards 1, 2, 3, and 4 Were More Likely to be Rated Quality or High-Quality

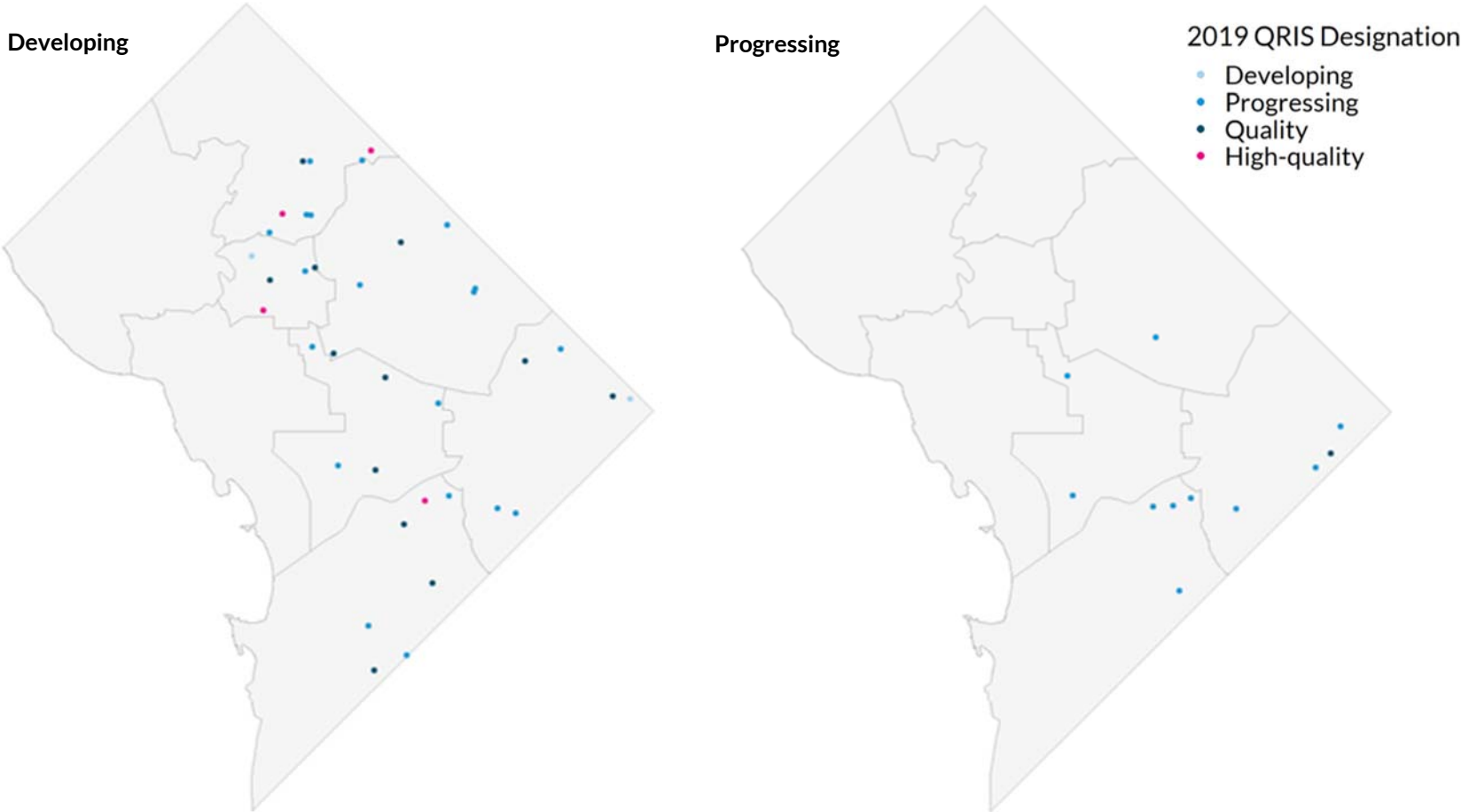
Overall, the majority of increases in designation tier between 2018 and 2019 occurred in wards 4, 7, and 8, and these wards accounted for up to two-thirds of increases in quality designation because of the transition to Capital Quality. Quality and high-quality facilities were also concentrated in wards 4, 7, and 8; more than 65 percent of facilities in these tiers were located within these wards. QRIS-participating facilities were concentrated in wards 4, 7, and 8 during this period, followed by wards 5, 6, and 1, with wards 2 and 3 having the smallest number of participating facilities (table 6). Figure 7 presents changes in quality designation between 2018 and 2019 by geography and facility type.

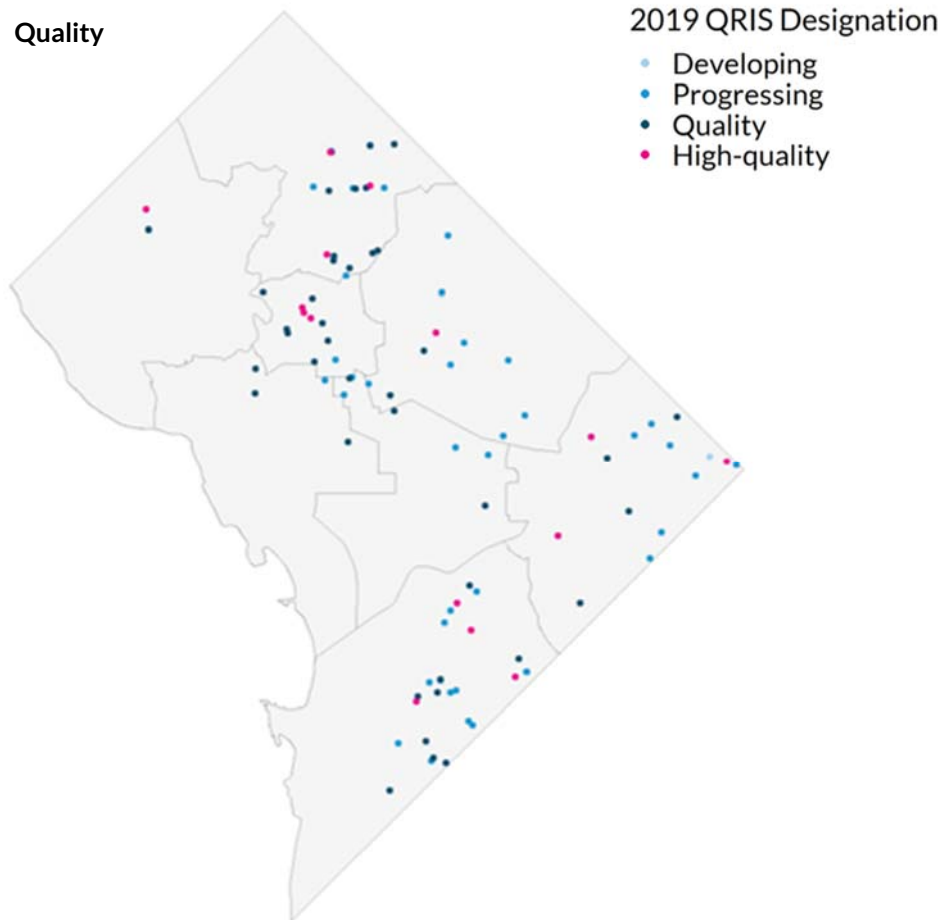
Although fewer total QRIS-participating facilities operated in wards 1, 2, and 3, these facilities were more likely to have quality and high-quality designations in 2019. More than three-quarters of facilities in these wards fell into the top two tiers. Ward 4 had the third highest number of QRIS-participating facilities, with about 79 percent in the top two tiers. Meanwhile, about half of QRIS-participating facilities in wards 5 (47 percent), 7 (42 percent), and 8 (50 percent) and about a third of facilities (33 percent) in ward 6 fell into the quality and high-quality tiers.

FIGURE 7

Maps of Licensed Child Development Centers in the District Participating in QRIS in 2019, by Quality Designation in 2018

Facilities participating in QRIS and included in licensing records in both November 2018 and November 2019





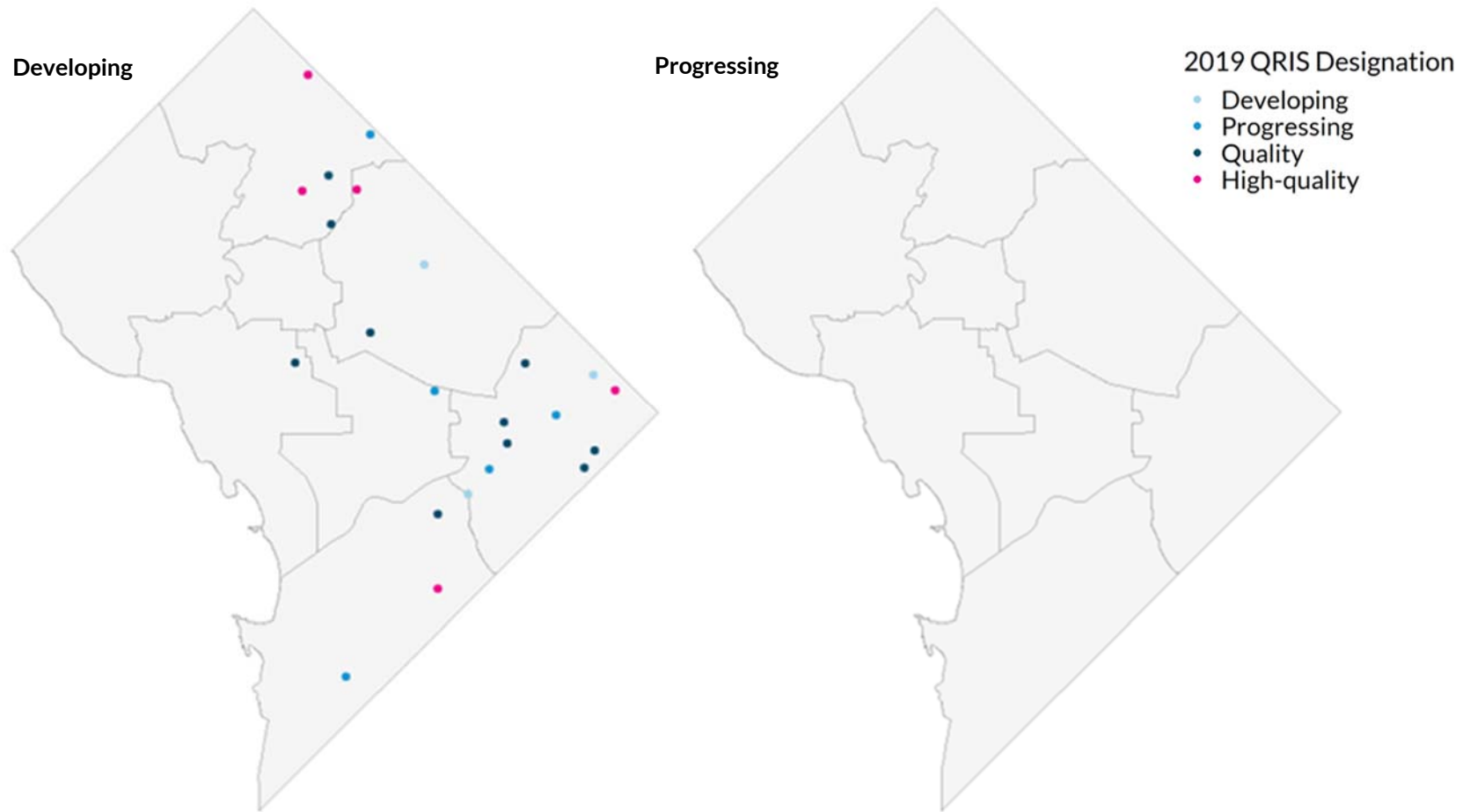
Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

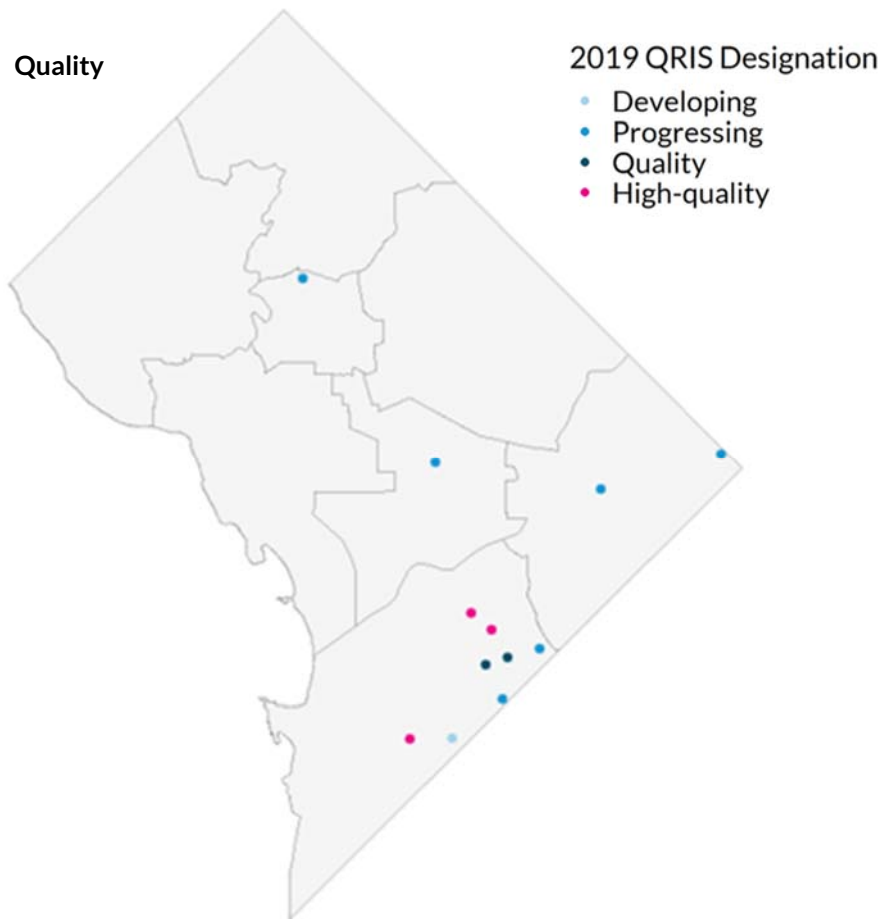
Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018. Those facilities are not included here.

FIGURE 8

Maps of Licensed Child Development Homes in the District Participating in QRIS in 2019, by Quality Designation in 2018

Facilities participating in QRIS and included in licensing records in both November 2018 and November 2019





Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018. Those facilities are not included here.

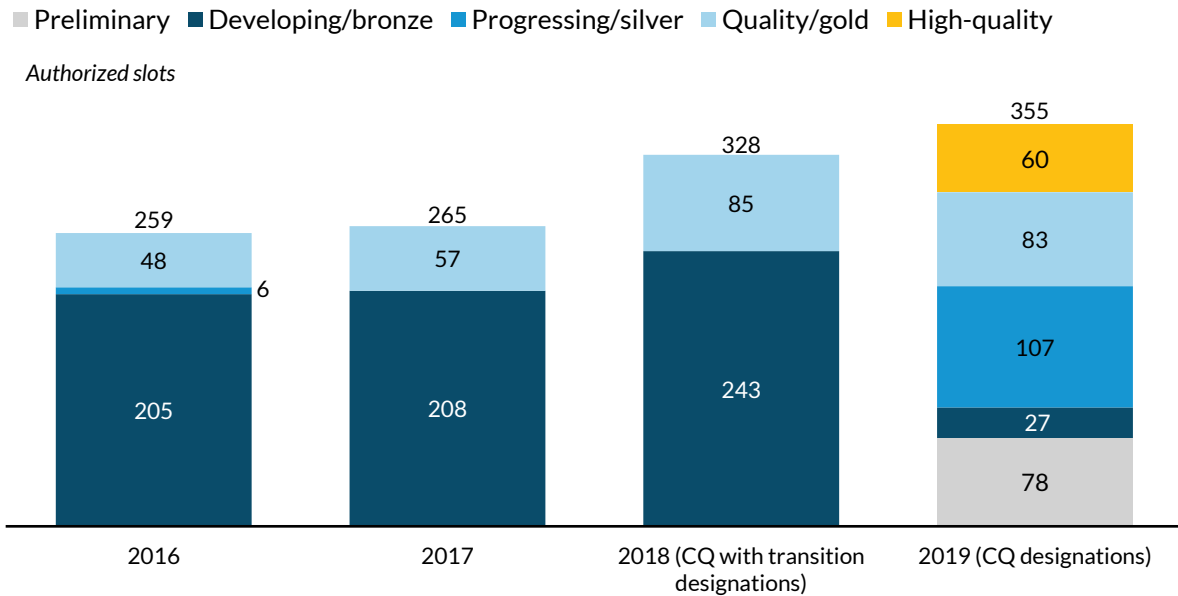
Changes in Quality Designations Differed by Setting Type, with Home Facilities Showing the Most Improvement

Home-based facilities were more likely to attain higher designations under Capital Quality than Going for the Gold, whereas centers experienced an opposite shift. Between 2018 and 2019, about two-thirds of QRIS-participating child development homes and expanded homes moved up at least one quality tier (figure 9). In wards 7 and 8, about 60 percent of homes that participated in QRIS moved up at least one quality tier. By contrast, QRIS-participating centers were equally likely to increase, decrease, or stay in the same designation tier.

FIGURE 9

Licensed Slots in Child Development Homes and Expanded Homes in the District, by Quality Designation

Slots in facilities participating in QRIS listed in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

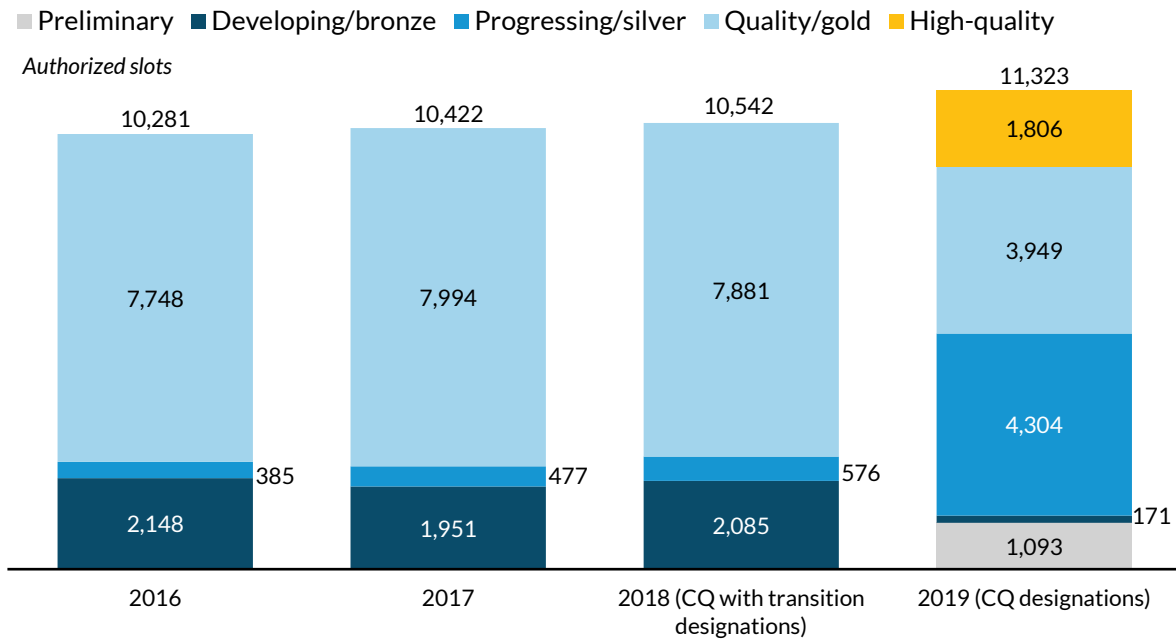
Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

The number of licensed slots in home and expanded home facilities increased in the highest (quality/gold and high-quality) and middle (progressing/silver) tiers, while decreasing in the lowest (developing/bronze) tier (figure 10) as the Capital Quality designations went into effect. Slots in home and expanded home facilities were more evenly distributed between tiers, rather than concentrated in the developing/bronze tier, as they were for homes under the previous rating system.

FIGURE 10

Licensed Slots in Child Development Centers in the District, by Quality Designation

Slots in facilities participating in QRIS listed in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

These changes contrast with the trends seen in child development centers (figure 10). Among centers, the number of slots in quality and high-quality facilities in 2019 was only 73 percent of the number of slots in quality facilities in 2018. Overall, the new Capital Quality designations were associated with a shift from most center-based slots in programs with the highest designation to more evenly split across designations. These changes are consistent with the design of Capital Quality, which sought to apply more consistent measures of quality across program settings.

Distribution of Quality Care for Families Receiving Subsidies

Capital Quality maintains a focus on quality care for families receiving child care subsidies. Facilities that primarily serve children from birth through age 5 and participate in the child care subsidy program are required to participate, and subsidy reimbursements and coaching intensity are tied to quality designation. OSSE sets the subsidy eligibility threshold at or below 250 percent of the federal poverty level (FPL) because of DC's high cost of living. As a result, Capital Quality has the potential to shift the supply, capacity, and quality of care for more than 19,000 young children in subsidy-eligible families.⁸ This section presents findings related to the distribution of quality care for families receiving subsidies.

Nearly All Subsidy-Receiving Facilities Participating in District QRIS Were Located in Communities of Families with Low Incomes

The supply of care available to subsidized families is largely located in communities of families with young children and low incomes. Figure 11 maps subsidy-receiving facilities participating in District QRIS initiatives in each year from 2016 to 2019. Dots marking facility locations are colored according to their ratings and designations, in line with earlier figures. These maps include additional information on the share of subsidy-eligible families with young children (earning less than 200 percent of FPL)⁹ in each census tract, or neighborhood.

Subsidy-receiving facilities participating in District QRIS have been located near subsidy-eligible families in recent years (figure 11). But the transition from Going for the Gold to Capital Quality (and corresponding change in requirement for participation among school-age care providers) aligned with an even greater concentration of QRIS participants in residential neighborhoods with low incomes, as more expanded child development homes joined the system. In the District's easternmost wards (7 and 8), for example, facilities with the highest designations appear to have clustered in neighborhoods with the lowest incomes. By contrast, in more central wards (1, 4, and 5) with higher home prices and greater income inequality, facilities with quality and high-quality designations often appear to locate in neighborhoods with higher incomes. These geographic patterns, along with families' needs and available transportation, can play a role in determining whether families who use subsidies can access the supply of quality care.

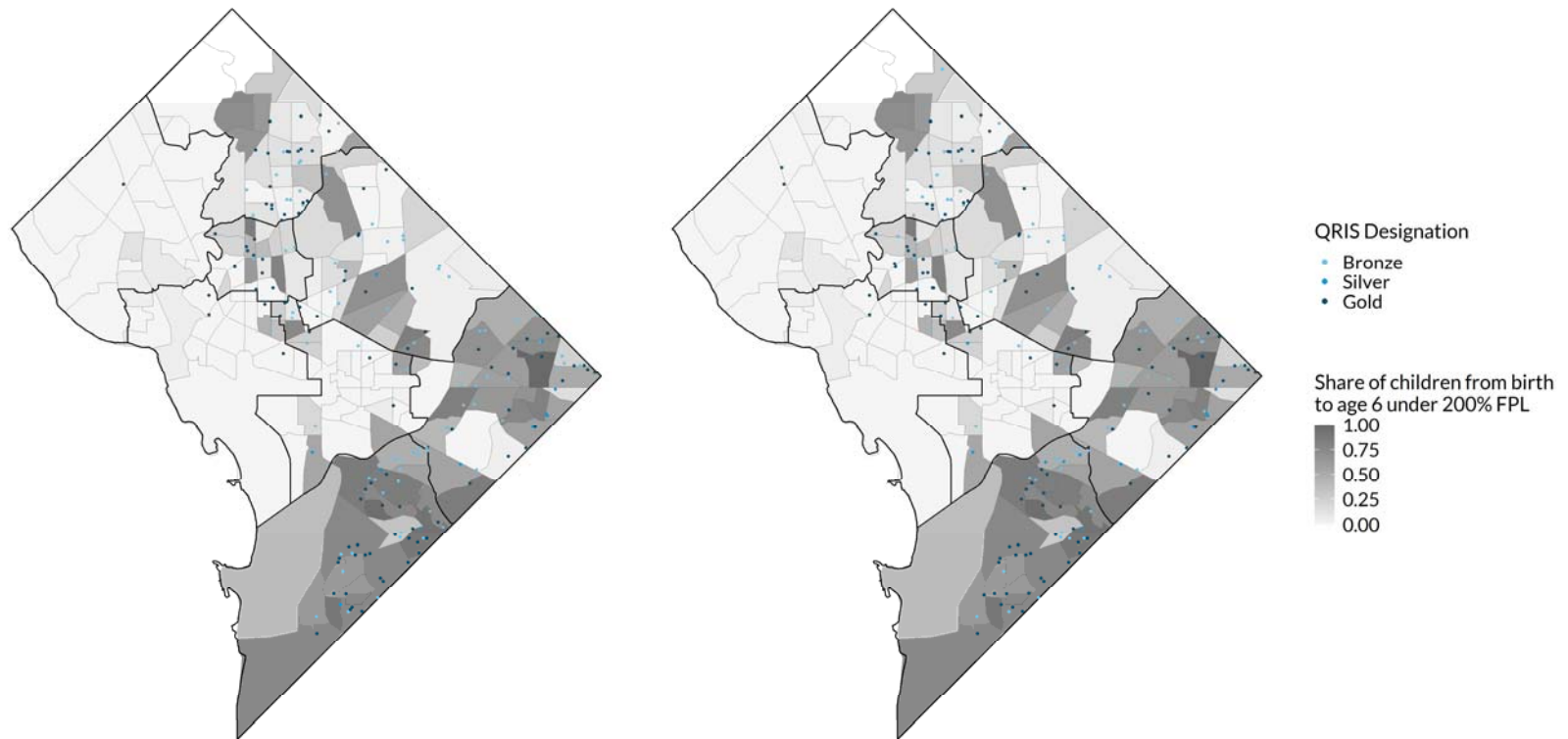
FIGURE 11

Maps of Licensed Child Care Facilities in the District Participating in QRIS and Receiving Subsidies, and Share of Children Ages 6 and Younger in Families with Incomes below 200 Percent of FPL in Census Tract, by Quality Designation and Year

Subsidy-receiving facilities participating in QRIS and in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019

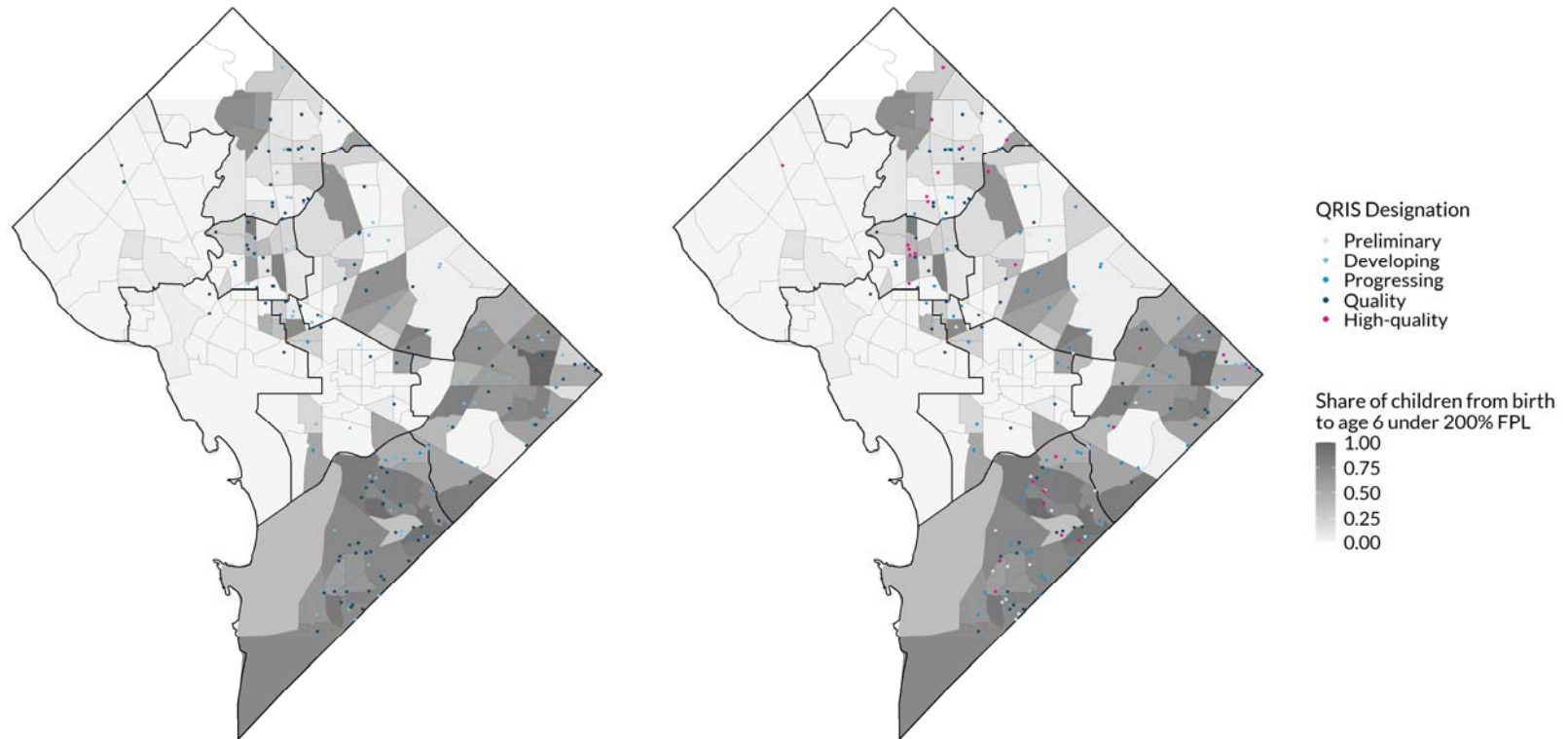
2016

2017



2018

2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

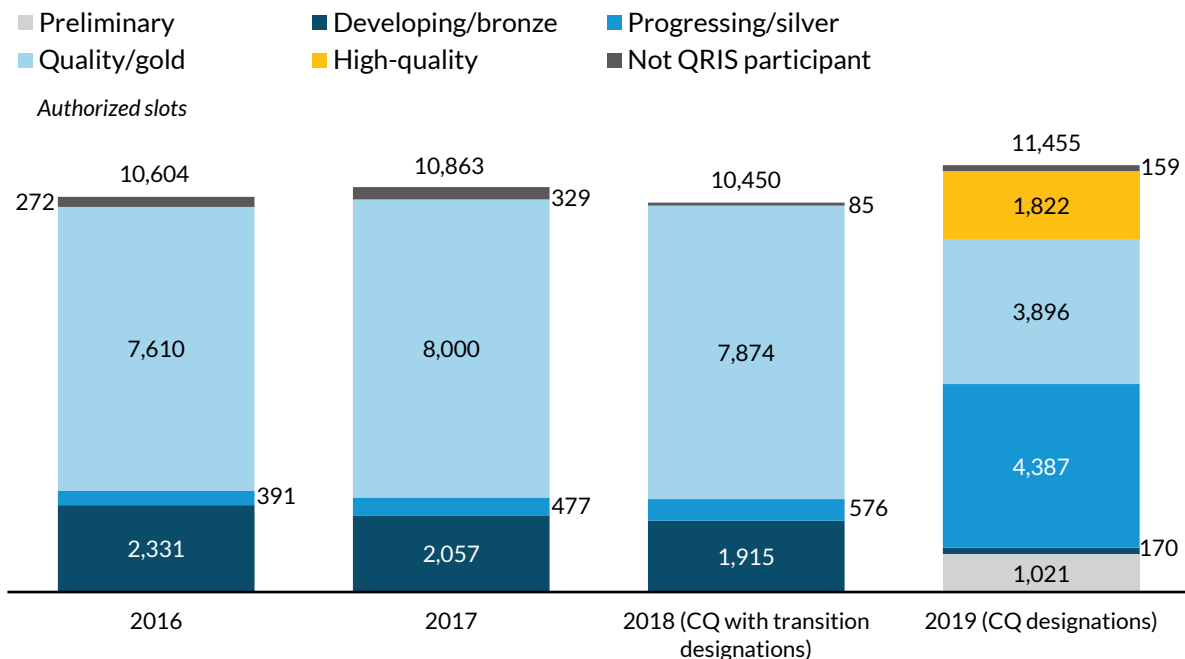
Capacity to Serve Subsidized Families and the Number of Children Receiving Subsidies Rose as Capital Quality Rolled Out, but Quality Designations Dipped

The supply of care available to subsidized families grew slightly as the District transitioned from Going for the Gold to Capital Quality. Program capacity remained steady from 2016 (10,604 slots in subsidy-accepting facilities Districtwide) through 2018 (10,450 slots) and underwent a modest expansion in 2019 (11,455 slots; figure 12). Quality designations were more evenly distributed during the transition, too. Mirroring the supply of care in QRIS participants overall (figure 12), the plurality of slots (4,387) were in facilities designated as progressing, followed by quality (3,896) and high-quality (1,822) facilities. Smaller numbers of slots in facilities were designated as developing (170) or had preliminary designations (1,021) while they awaited sufficient data to assign a designation. This change in the distribution of quality designations resulted in a dip in average quality compared with ratings under Going for the Gold, the large majority of which fell in the highest (gold) tier. These changes may be related to the change in assessment framework for Capital Quality and do not necessarily equate to changes in the quality of care.

FIGURE 12

Licensed Slots in Subsidy-Accepting Facilities in the District of Columbia, by Quality Designation

Slots in facilities reported as accepting subsidy in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Facilities self-reported if they accepted subsidies in their licensing records. Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group

number in the administrative data and the start date of each group. Pilot group–group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

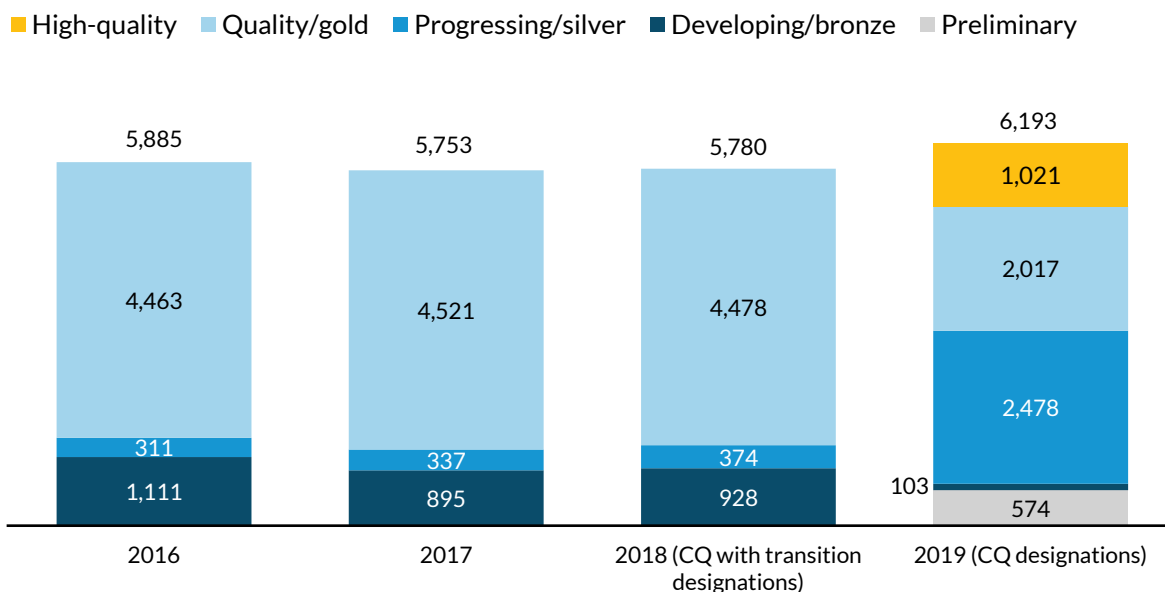
The total number of children receiving subsidies and enrolled in licensed facilities increased slightly over this period (figure 13), consistent with an expansion in the supply of facilities. Roughly 5,800 children (5,885) received subsidies in 2016, and this number stayed steady in 2017 (5,753 children) and 2018 (5,780). The number of children receiving subsidies increased 7 percent in 2019 (to 6,193). The distribution of quality designations across subsidized children largely mirrors the distribution across slots in subsidy-accepting facilities (figure 12) and in facilities participating in QRIS overall (figure 4).

In other words, subsidized children have a similar likelihood of receiving care at each quality designation as unsubsidized children enrolled in facilities participating in Capital Quality.

FIGURE 13

Children Receiving Subsidies, by Quality Designation of their Child Care Facility

Children with subsidy payment records in November of each year, excluding those who received subsidies for care in facilities that did not participate in Capital Quality in 2018 or 2019



Sources: Child care subsidy payment records obtained from OSSE.

Notes: This figure reflects unique children receiving subsidies each November rather than subsidized slots in each facility. Some children had a subsidy payment record associated with more than one provider in a month. In these cases, each unique child was only counted once and their QRIS designation or tier reflected the highest rated facility associated with their November records. Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status

for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate.

Between 2016 and 2019, Ward 8 Facilities Served a Growing Number of Subsidy Recipients, While Other Wards Remained Stable

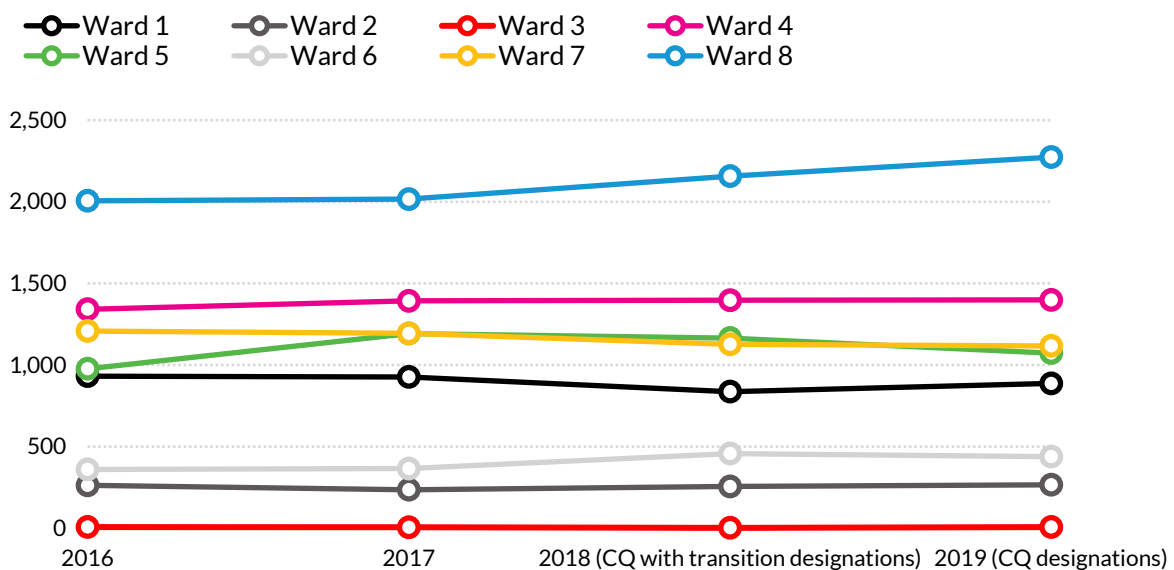
The number of subsidy recipients served by licensed facilities varied substantially across the District:

- Facilities in ward 8, with the highest rate of child poverty in the District (box 3), received the largest number of subsidies between 2016 and 2019 (figure 14). The number of subsidies also grew as Capital Quality rolled out, from 2,157 in 2018 to 2,274 in 2019.
- Facilities in all other wards received a lower number of subsidies over this period, and subsidy receipt remained stable in general.
- Facilities in ward 5 experienced the largest increase in subsidies (96 total, from 977 to 1,073) while facilities in ward 7 experienced the largest decline (91 total, from 1,208 to 1,117). These trends across wards add up to a net increase of 367 subsidies received between 2016 (7,097 total) and 2019 (7,464 total) districtwide.

FIGURE 14

Subsidies Received in the District, by Year and Ward

Subsidy payments to facilities in licensing records in November of each year



Sources: Child care licensing data and subsidy payment records obtained from OSSE.

Note: Ward is based on location of facilities where subsidy was received for payment records from each November.

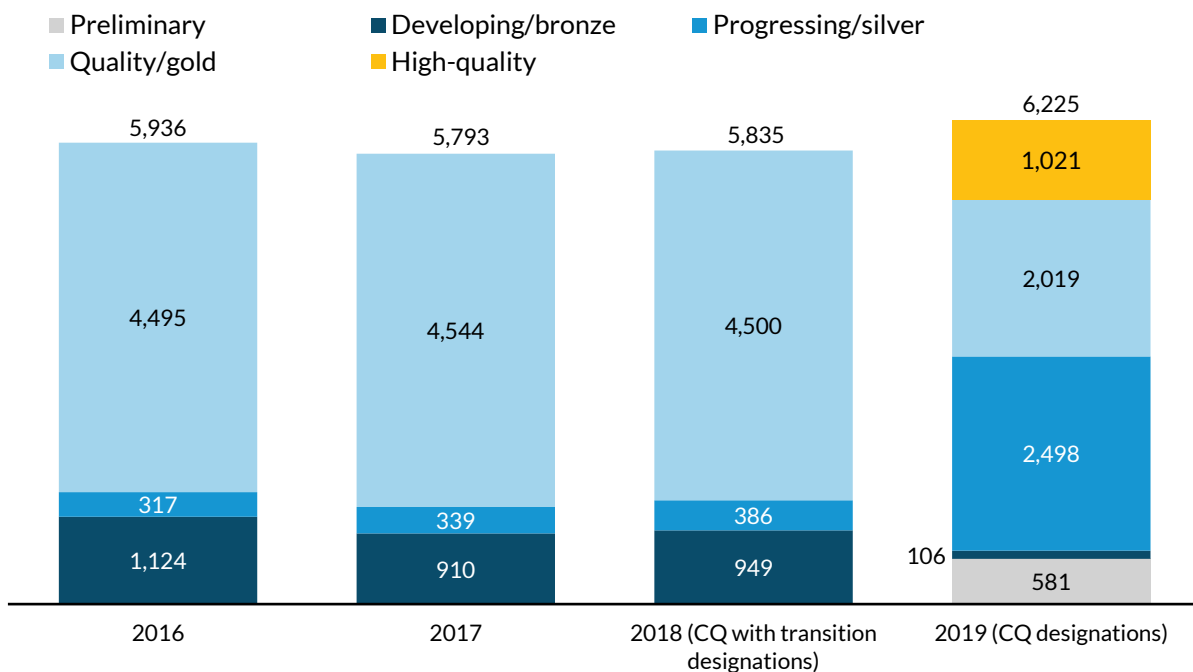
Despite an Increase in Subsidies and Subsidized Care Capacity, the Share of Subsidies in Highly Rated Facilities Declined across Most Wards

The District experienced uneven declines in the share of subsidies going to facilities with quality or higher designations out of all subsidies received by QRIS-participants (figure 15), similar to the patterns for licensed slots (figure 4) and children receiving subsidies (figure 13) during the transition from Going for the Gold to Capital Quality. From 2018 to 2019, drops were most pronounced in wards 5 (from 85 percent to 13 percent) and 2 (from 98 percent to 25 percent). Other wards showed somewhat more modest declines. For example, wards 7 and 8 both saw their share of subsidies in the highest-quality tiers fall from the majority to the minority (62 percent to 41 percent, and 73 percent to 47 percent, respectively).

FIGURE 15

Subsidies Received in QRIS Facilities in the District, by Quality Designation

Subsidy payments in November of each year to facilities participating in QRIS, excluding those going to facilities that did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

Distribution of Quality Care for Other Focal Populations

Capital Quality aims to produce a more equitable child care system for families with infants and toddlers and families needing care during nontraditional hours, in addition to its focus on improving financial access to care. Previous research suggests these families face additional barriers finding and accessing child care (Henly and Adams 2018). They are priority populations under the Child Care and Development Block Grant Act of 2014. This section presents findings related to the distribution of quality care for families with infants and toddlers and families needing care during nontraditional hours.

Infant and Toddler Slots in Licensed, QRIS-Participating Facilities Grew Consistently from 2016 to 2019

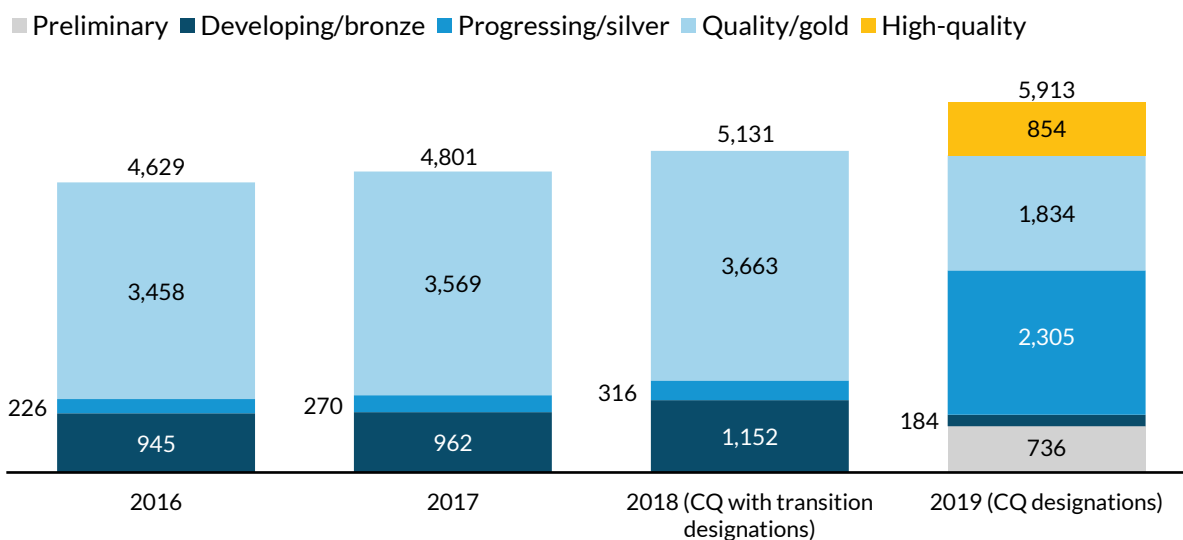
From 2016 to 2019, capacity across all facilities participating in QRIS grew by slightly more than 1,000 slots (table 7). The number of combined infant and toddler slots in QRIS-participating facilities experienced an even greater increase during that period, of nearly 1,300 slots (figure 16). Moving from 2018 into 2019, when Capital Quality designations went into effect, the number of slots serving infants and toddlers increased by close to 800. This growth in capacity was driven predominantly by an increase in toddler slots, with many fewer slots added for infants (table 7).

Between 2018 and 2019, the number of infant and toddler slots decreased in facilities with the lowest designation (developing) and with the highest designations (quality and high-quality), both by nearly 1,000 slots. Infant and toddler slots increased by almost 2,000 in mid-level (progressing) facilities over this period. In 2019, facilities with the preliminary quality designation offered 736 slots. These changes are based on the change in assessment framework under Capital Quality and do not necessarily mean there were changes in the quality of care infants and toddlers received.

FIGURE 16

Infant and Toddler Slots in the District of Columbia, by Quality Designation

Slots in facilities participating in QRIS listed in licensing records in November of each year, excluding those in facilities that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

Slots in Licensed, QRIS-Participating Facilities Providing Nontraditional-Hour Care Declined Slightly from 2016 to 2019

The number of licensed slots in nontraditional-hour facilities participating in QRIS declined slightly (by 51, figure 16), from 2016 to 2019. This pattern confirms that growth in the supply and capacity of facilities participating in District QRIS came from facilities operating during traditional hours (table 7).

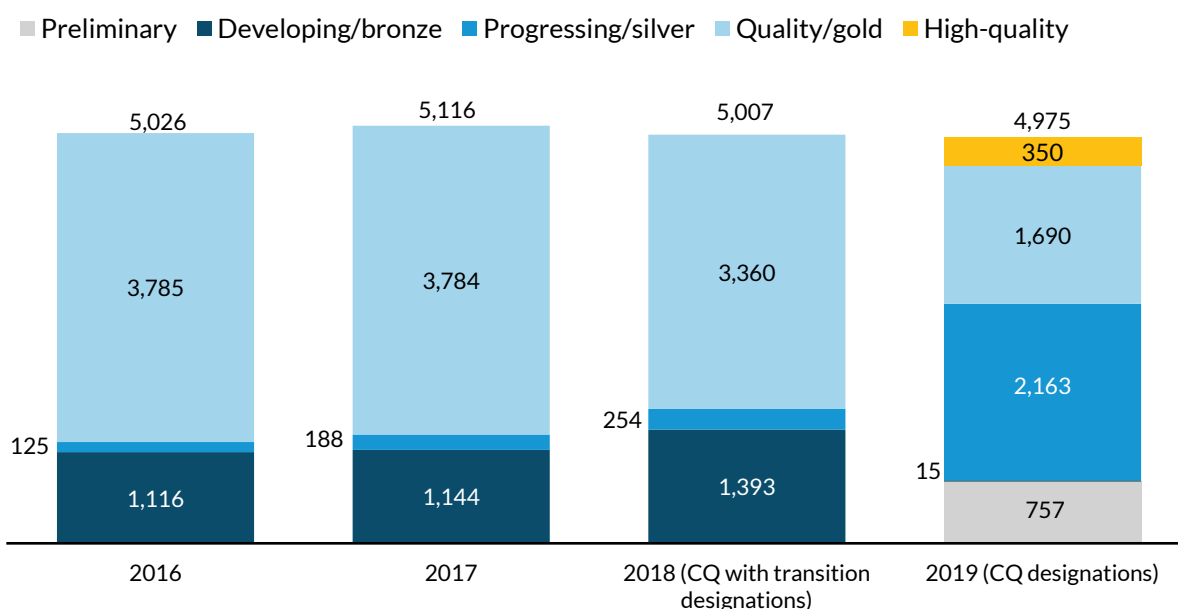
Nontraditional-hour facilities were more likely to have mid-tier or preliminary designations than all facilities participating in District QRIS (figures 4 and 16) during the transition to Capital Quality. Nontraditional-hour facility designations remained relatively stable from 2016 to 2017. From 2017 to 2018, when the Capital Quality transition designations went into effect, the number of slots in top-tier facilities (gold or quality) offering nontraditional-hour care decreased by more than 400, and the number of slots in low-tier facilities (bronze or developing) offering this care increased by more than 250. Between 2018 and 2019, the number of licensed slots decreased by about 1,300 in facilities with

the highest designations (quality and high-quality rated facilities) and increased by nearly 2,000 in progressing facilities, as the new Capital Quality designations went into effect. Nearly all developing facilities offering nontraditional-hour care had other designations by 2019. In the same year, 757 slots were in facilities with the preliminary quality designation, accounting for 15 percent of all nontraditional-hour facility slots (50 percent more than the share of slots in QRIS-participating facilities overall; figure 4).

FIGURE 17

Slots in Nontraditional-Hour Programs in the District, by Quality Designation

Slots in facilities participating in QRIS and operating during nontraditional hours in licensing records in November of each year, excluding those in facilities that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data and Capital Quality administrative data obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

Similar to findings on the quality of infant and toddler care, these findings do not necessarily indicate that there were changes in the quality of care provided during nontraditional hours in the District. Under both Capital Quality and Going for the Gold, underlying quality measures rely on data

collected during daytime hours, so these findings may have further limitations in describing care available in the late evenings, early mornings, overnight, and weekends.

Discussion

This report provides a comprehensive picture of child care supply and quality in the years leading up to and including the implementation of Capital Quality, DC's redesigned QRIS. Analyses leveraged multiple data sources to describe child care supply and quality in all eight wards of the District, by care type, and for priority populations, including families receiving subsidies, infants and toddlers, and families seeking care during nontraditional hours.

Findings began by describing all licensed facilities and all slots in licensed facilities before focusing on the more than 200 facilities participating in QRIS between 2016 and 2019. Key findings are the following:

- Overall, **child care supply held steady and capacity increased** from 2016 through 2019 while the composition of care types shifted. The number of center-based and expanded home facilities and slots grew across this period, while the number of child development homes and slots declined.
- **The number of slots decreased in wards 5 and 7, where relatively high shares of families have low incomes, while the number of slots increased in ward 6, which has the largest population, and held steady in other wards.**
- **The number of slots for infants and toddlers increased**, driven by growth in the number of toddler slots.
- **The number of school-age slots declined.**

After accounting for administrative changes related to QRIS participation, the supply and capacity of facilities participating in a District QRIS increased slightly between 2016 and 2019. This trend mirrors changes in the supply of care overall and by care type. By 2019, Capital Quality participants were more likely to locate in wards 7 and 8 and less likely to locate in wards 2, 3, and 6, in line with the distribution of families with low incomes in the District (box 3).

- Capital Quality participants were also more likely to serve **infants and toddlers and be open during nontraditional hours.**

- The number of **quality-rated slots for infants and toddlers** has increased steadily over time, with a large jump in 2019.

Capital Quality shifted the distribution of quality designations across the District. Overall, as Capital Quality designations began going into effect in 2019, the number and share of facilities rated as progressing increased, while the share rated as developing, quality, or higher decreased.

- Facilities rated developing and quality in 2018 had a similar likelihood of being rated quality or high-quality in 2019.
- Facilities previously rated developing in 2018 were more likely to have a preliminary designation in 2019.
- Nearly all facilities that had been rated as progressing in 2018 remained in the progressing tier in 2019.

For infant/toddler-serving facilities, nontraditional-hour facilities, children receiving subsidies, and centers, Capital Quality designations were more varied, and lower, on average, than Going for the Gold ratings. But for child development homes, designations improved under Capital Quality. Capital Quality appears to have given more homes access to the highest designations and all the benefits (including higher-tiered reimbursement) that go with them.

Looking Ahead

At baseline, Capital Quality does not seem to have affected the supply and capacity of child care in the District, overall or for subsidized children. This finding suggests that investing in quality improvement and maintaining a diverse supply of care that meets working families' needs do not have to be in tension, given sufficient public investment and supports.

Throughout this report, we have been careful to avoid causal language in interpreting findings on Capital Quality and the supply of quality care. Findings may reflect the influence of the QRIS among many other initiatives in the District. And changes in care quality can only be assessed under a common-assessment framework. Our study will continue tracking these trends through 2023, as facilities with preliminary designations undergo additional observations and all participating facilities experience the ratings and improvement supports included in the District's redesigned QRIS.

As this study moves forward, we will continue to center equity in assessing Capital Quality and the supply of quality care. Findings on the quality designations of child development homes are promising

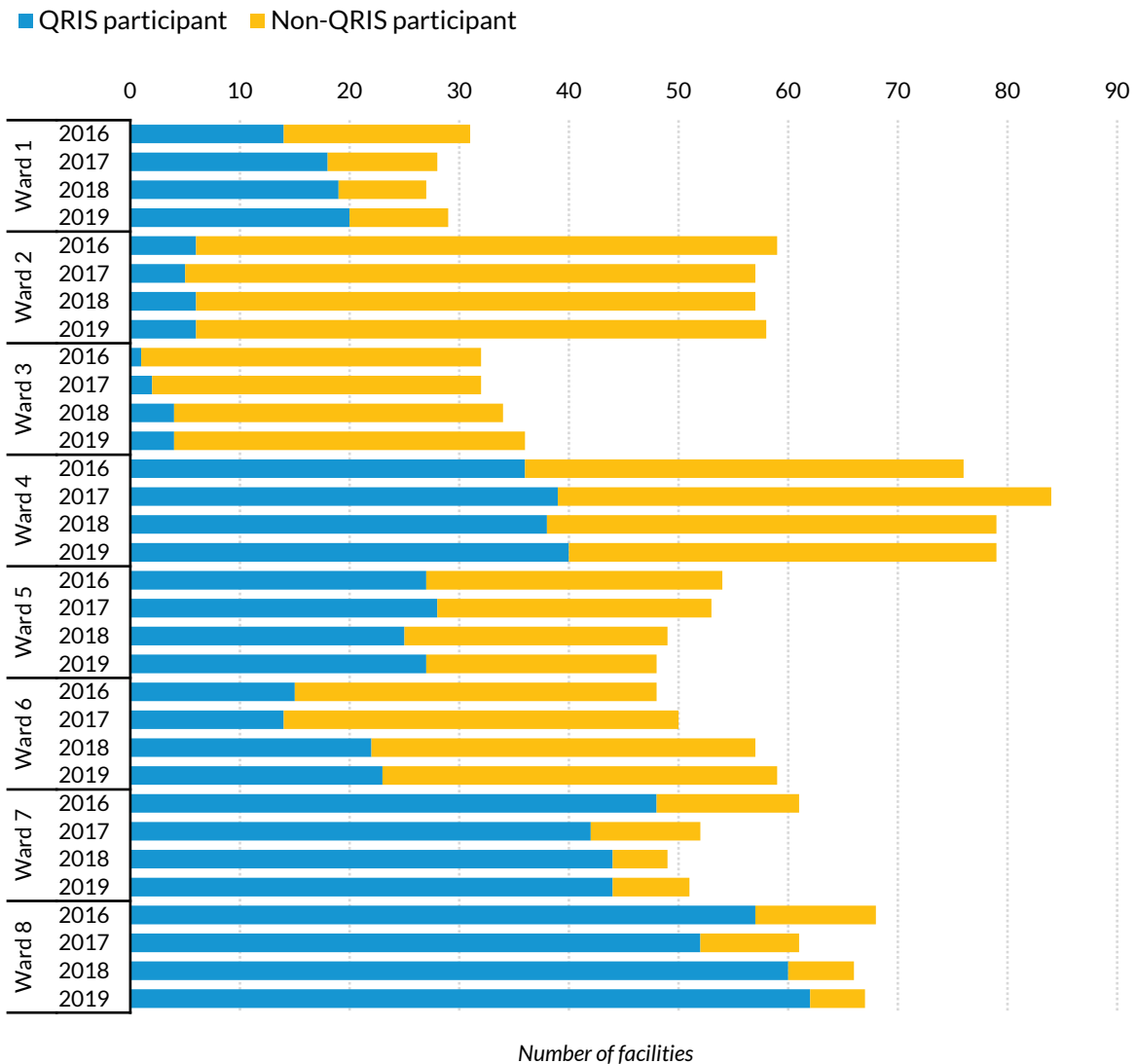
(Meek et al. 2020)¹⁰ and may support the provision and use of quality home-based care. Findings on *which* wards and neighborhoods have the highest shares of facilities earning quality and high-quality designations, and which do not, suggest the supply of quality care may not be equitably distributed across the District. Some features of Capital Quality, such as higher-intensity coaching for lower-tier facilities, are designed to address these disparities, while others, such as tiered reimbursement, may have the opposite effect. More research is needed to understand how to roll out quality improvements that maintain a diverse supply of care and advance equity in tandem. We will continue tracking child care supply, capacity, and quality trends in the coming years with equity at the forefront.

Appendix

FIGURE A.1

Facilities by QRIS Participation Status, Year, and Ward

Facilities in licensing records in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



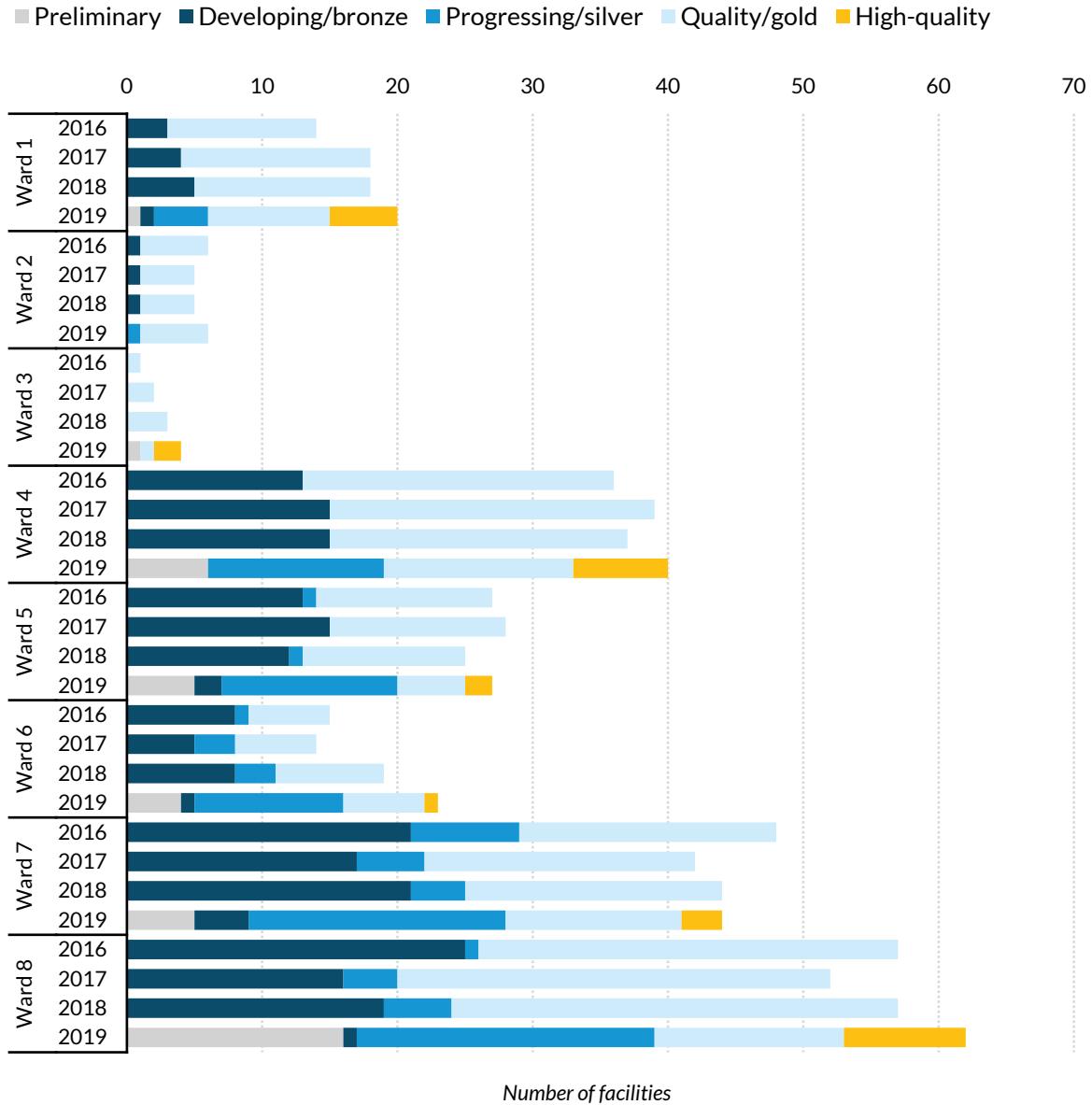
Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.

Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

FIGURE A.2

Facilities by QRIS Designation, Year, and Ward

Facilities participating in QRIS in November of each year, excluding those that received subsidies but did not participate in Capital Quality in 2018 or 2019



Sources: Child care licensing data, Capital Quality administrative data, and subsidy payment records obtained from OSSE.
Notes: Capital Quality participation status for 2019 is based on Capital Quality administrative data. Capital Quality participation status for 2018 is based on the Capital Quality group number in the administrative data and the start date of each group. Pilot group—group 4 are assumed to have started by November 2018, and group 5 is assumed to have started after November 2018. QRIS participation status was determined based on subsidy receipt records in 2016 and 2017 as Going for the Gold required facilities receiving subsidies to participate. An additional 10 facilities in 2018 were indicated as participating in QRIS but did not have data on quality designation for 2018 and are not included for 2018 here.

Notes

- ¹ “District of Columbia 2019-2020 Environment Rating Scales (ERS): Infant/Toddler Rating Scales-Revised (ITERS-R) Quality Observation: Data Collection and Quality Assurance Protocols,” DC Office of the Superintendent of Education (OSSE), updated October 7, 2019, https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/2019_20_ITERS_Protocol_OSS E.pdf.
- ² “District of Columbia 2019-2020 Environment Rating Scales (ERS): Infant/Toddler Rating Scales-Revised (ITERS-R) Quality Observation: Data Collection and Quality Assurance Protocols,” OSSE.
- ³ OSSE defines the terms provider and facility separately. Providers are the individuals who operate child development facilities in the District of Columbia. We follow OSSE conventions throughout this report.
- ⁴ Meagan Flynn, “D.C.’s Explosive Growth Continued over the Past Decade, Census Data Shows,” *Washington Post*, April 26, 2021, <https://www.washingtonpost.com/dc-md-va/2021/04/26/dc-population-census-growth/>.
- ⁵ Martin Auster Muhle, Twitter post, January 23, 2019, 6:02 p.m., <https://twitter.com/maustermuhle/status/1088210327240617984>; Flynn, “D.C.’s Explosive Growth Continued over the Past Decade, Census Data Shows”; Rachel Nania, “Child Care Shortage: Baby Boom, Operating Costs Lead to Waiting Lists,” *WTOP News*, February 13, 2017, <https://wtop.com/parenting/2017/02/child-care-shortage-baby-boom-operating-costs-lead-to-waiting-lists/>.
- ⁶ As part of the transition to Capital Quality, facilities received a preliminary designation in 2019 if they had fewer than two years of observation data or—per the hold-harmless provision—had been assigned a lower designation in observations than their transition designation.
- ⁷ Specifically, the analysis of QRIS participation and ratings omits facilities that received subsidies but did not participate in QRIS in 2018 or 2019 because of the change in QRIS participation requirements during the transition to Capital Quality. Facilities primarily serving school-age children or providing before- and after-care were dropped from analyses of 2016 and 2017 child care supply and capacity to clarify changes in subsequent years. All omitted facilities remained open and continued to receive subsidy from 2016 through 2019. Notably, analyses of subsidies received in the District do not make this exclusion because they were not directly affected by the change in QRIS participation requirements.
- ⁸ Steven Manson, Jonathan Schroeder, David Van Riper, Tracy Kugler, and Steven Ruggles, IPUMS National Historical Geographic Information System: Version 15.0 [dataset], 2020, <http://doi.org/10.18128/D050.V15.0>.
- ⁹ Available data do not allow us to tabulate the share of subsidy-eligible families with young children earning less than 250 percent of the federal poverty level (FPL), in line with DC subsidy eligibility requirements. Counts are available at 200 and 300 percent of FPL. We opted to undercount rather than overcount while recognizing the common barriers to accessing quality care for families earning just above the subsidy eligibility threshold.
- ¹⁰ Keisha Nzewi, Mary Ignatius, and Kim Kruckle, “Re: Quality Improvement in California,” letter to Giannina Perez, Office of Governor Newsom, Kris Perry, California Health and Human Services, Sarah Neville-Morgan, California Department of Education, and Kim Johnson, California Department of Social Services, August 14, 2020, <https://rrnetwork.org/assets/general-files/Master-Plan-QRIS.pdf>.

References

- Bassok, Daphna, Maria Fitzpatrick, Erica Greenberg, and Susanna Loeb. 2016. "Within- and Between-Sector Quality Differences in Early Childhood Education and Care." *Child Development*.
- Blau, David M. 2002. "An Economic Perspective on Child Care Policy." *Journal of Population and Social Security (Population)*.
- Bogle, Mary, Somala Diby, and Mychal Cohen. 2019. *Equitable Development and Urban Park Space: Results and Insights from the First Two Years of Implementation of the Equitable Development Plan of DC's 11th Street Bridge Park Project*. Washington, DC: Urban Institute.
- Danziger, Sandra K., Elizabeth Oltmans Ananat, and Kimberly Browning. 2004. "Childcare Subsidies and the Transition from Welfare to Work." *Family Relations* 53 (2): 219–28.
- Datta, Rupa A., Carolina Milesi, S. Srivastava, and Claudia Zapata-Gietl, 2021. *NSECE Chartbook - Home-based Early Care and Education Providers in 2012 and 2019: Counts and Characteristics*. OPRE Report No. 2021-85, Washington, DC: US Department of Health and Human Services (HHS), Administration for Children and Families (ACF), Office of Planning, Research and Evaluation (OPRE).
- Forry, Nicole D., and Sandra L. Hofferth. 2011. "Maintaining Work: The Influence of Child Care Subsidies on Child Care—Related Work Disruptions." *Journal of Family Issues* 32 (3): 346–68.
- Guzman, Lina, Nicole Forry, Martha Zaslow, Akemi Kinukawa, Andrew Rivers, Anne Witte, and Bobbie Weber. 2009. *Design Phase: National Study of Child Care Supply and Demand – 2010 Literature Review and Summary*. Washington, DC: HHS, ACF, OPRE.
- Henly, Julia R., and Gina Adams. 2018. *Increasing Access to Quality Child Care for Four Priority Populations: Challenges and Opportunities with CCDBG Reauthorization*. Washington, DC: Urban Institute.
- Hotz, V. Joseph, and Mo Xiao. 2011. "The Impact of Regulations on the Supply and Quality of Care in Child Care Markets." *American Economic Review* 101 (5): 1775–1805.
- Jessen-Howard, Steven, Rasheed Malik, Simon Workman, and Katie Hamm. 2018. *Understanding Infant and Toddler Child Care Deserts*. Washington, DC: Center for American Progress.
- Johnson, Anna D., Rebecca M. Ryan, and Jeanne Brooks-Gunn. 2012. "Child-Care Subsidies: Do They Impact the Quality of Care Children Experience?" *Child Development* 83 (4): 1444–61.
- Meek, Shantel, Iheoma U. Iruka, Rosemarie Allen, Dawn A. Yazzie, Veronica Fernandez, Evandra Catherine, Kent McIntosh, Lisa Gordon, Walter Gilliam, Mary Louise Hemmeter, Darielle Blevins, and Tunette Powell. 2020. *Start with Equity: 14 Priorities to Dismantle Systemic Racism in Early Care and Education*. Tempe, AZ: The Children's Equity Project.
- OCC (Office of Child Care). 2016. "Family Child Care Brief." Washington, DC: HHS, ACF, OCC.
- OSSE (District of Columbia Office of the State Superintendent of Education). 2019a. *A Guide to Capital Quality*. Washington, DC: OSSE.
- . 2019b. *Capital Quality Theory of Change*. Washington, DC: OSSE.
- Ryan, Rebecca M., Anna Johnson, Elizabeth Rigby, and Jeanne Brooks-Gunn. 2011. "The Impact of Child Care Subsidy Use on Child Care Quality." *Early Childhood Research Quarterly* 26 (3): 320–31.
- Sandstrom, Heather, Amy Claessens, Marcia Stoll, Erica Greenberg, David Alexander, Charmaine Runes, and Julia R. Henly. 2018. *Mapping Child Care Demand and the Supply of Care for Subsidized Families*. Washington, DC: Urban Institute.

Sandstrom, Heather, Erica Greenberg, Teresa Derrick-Mills, Cary Lou, Shirley Adelstein, Charmaine Runes, Ashley Hong, Devon Genua, Travis Reginal, and John Marotta. 2019. *Nontraditional-Hour Child Care in the District of Columbia*. Washington, DC: Urban Institute.

Yoshikawa, Hirokazu, Christina Weiland, Jeanne Brooke-Gunn, Margaret R. Burchinal, Linda M. Espinoza, William T. Gormley, Jens Ludwig, Katherine A. Magnuson, Deborah Phillips, and Martha J. Zaslow. 2013. "Investing in Our Future: The Evidence Base on Preschool." New York: Foundation for Child Development.

About the Authors

Erica Greenberg is a senior research associate in the Center on Education Data and Policy at the Urban Institute and coprincipal investigator of the District of Columbia Child Care Policy Research Partnership. Her research spans early childhood and K–12 education, focusing on programs and policies like public prekindergarten, Head Start, child care subsidies, and home visiting. She also investigates the causes, consequences, and measurement of educational inequality.

Cary Lou is a research associate in the Center on Labor, Human Services, and Population, focusing on policies related to poverty and opportunity. Before joining Urban, Lou worked on state higher education and workforce issues at the Georgetown University Center on Education and the Workforce.

Peter Willenborg is a research analyst in the Center on Labor, Human Services, and Population. His research interests include early childhood education and development and policies that could support financial stability for families and individuals.

Eleanor Lauderback is a research analyst in the Center on Labor, Human Services, and Population. Her research interests and background include community empowerment, food security and nutrition, and health equity.

Heather Sandstrom is a principal research associate in the Center on Labor, Human Services, and Population and principal investigator of the District of Columbia Child Care Policy Research Partnership. Her research focuses on early childhood development and public programs that support the well-being of low-income children and families, such as Head Start/Early Head Start, child care subsidies, and maternal and child home visiting. She has experience combining qualitative and quantitative methods and has managed several complex longitudinal studies.

Grace Luetmer is a research analyst in the Center on Education Data and Policy. Her research focuses primarily on early childhood care and education, with a particular focus on the workforce.

Diane Schilder, senior fellow in the Center on Labor, Human Services, and Population, works with a team of researchers studying programs and policies that affect children and families. Applying knowledge gained as principal investigator of studies at a large nonprofit research organization, Harvard University, and the US Government Accountability Office, Schilder studies early care and education programs, elementary and secondary programs and policies, and higher education initiatives.

STATEMENT OF INDEPENDENCE

The Urban Institute strives to meet the highest standards of integrity and quality in its research and analyses and in the evidence-based policy recommendations offered by its researchers and experts. We believe that operating consistent with the values of independence, rigor, and transparency is essential to maintaining those standards. As an organization, the Urban Institute does not take positions on issues, but it does empower and support its experts in sharing their own evidence-based views and policy recommendations that have been shaped by scholarship. Funders do not determine our research findings or the insights and recommendations of our experts. Urban scholars and experts are expected to be objective and follow the evidence wherever it may lead.



500 L'Enfant Plaza SW
Washington, DC 20024

www.urban.org