A Look Past the Cliff:
Findings from the Colorado Child Care Assistance Program’s Cliff Effect Pilot

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CCCAP Overview:

- CCCAP appropriations
  - $89.6 million in FY16-17
- Qualify for CCCAP
  - **Income**
    - Statewide income eligibility: 165% FPL
    - Most counties set minimums higher
  - **Eligible Activity**
    - Work, education, training, other
- Program *only serves about 13% of eligible families*
- Most are employed and funded through low-income CCCAP (67.9%)
  - 2,129 (6.3%) were funded through Child Welfare
CCCAP Overview:

CCCAP Key Facts:

- 19,985 Parents or Guardians
- 33,672 Children
- Nearly 60% of children served are 5-years-old or younger
- On average, families have 1.68 children enrolled in CCCAP
- 87% make below 165% FPL *
- 44.44% of CCCAP families are below 100% FPL
- 87.2% are single-parent families

*that's only $33,693 for a three-person family
The Cliff Effect

• Sudden loss of child care benefits
  • Short- and long-term effects

• The Colorado Cliff Effect Pilot Program
  • Turn the “cliff” into a “slope”
  • Authorized in 2012
  • 15 counties
Program Implementation:

Design Elements

- Variation in income eligibility
- Co-pay increases
- Redetermination
- Opt in or out
- Communication styles
County Insights

- Flexibility versus consistency
- CEPP is not well-publicized
- CEPP impacted by CCCAP evolution
- CEPP helps families but high cost of living, low wages hinder economic mobility
- Non-financial supports are needed in addition to child care
Program Implementation:

Economic Behavior and Perceptions of the Program: Parent Insights

- 60% of online survey respondents are single parents.
- 44% of respondents have never been married.
- Average annual income is $42,000.

Differences in Economic Behaviors by Group:

- Positive Actions
  - Cliff Effect
  - Non-Cliff Effect

- Negative Actions
  - Cliff Effect
  - Non-Cliff Effect
Parent Insights

**CEPP Mechanism of Change**

*Understanding/Being Aware of the CEPP*

**Have you heard of the Cliff Effect Pilot Program (CEPP)?**

- **Yes**: 54%
- **No or Unsure**: 46%
Parent Interviews

1. Families are worried about the cliff
2. Parents lack familiarity with CEPP
3. CEPP is helping but wide variation in impact
4. Communication, information and transparency matter
5. Additional interventions could make a big difference
Findings and Recommendations

1. Seek out strategies to refine CEPP; ameliorate the cliff.

2. Families welcome assistance from CEPP, anecdotal evidence it enables greater economic mobility.

3. Share information and materials about CEPP and county-specific guidelines
   • Share early before the cliff approaches and make publicly available

1. CEPP should link copay increases with household income increases
   • Incomes rise enough to qualify for the program, but not enough to keep up with the periodic copay increases

2. CEPP and CCCAP may benefit from other implementation consistencies and from the counties learning from each other.

3. We must strengthen public investment in child care for working families.
Suggestions for Future Research

1. Which copay strategies result in better retention rates: what best turns the cliff into a slope?
2. How can technology improve communication with families?
3. What strategies reduce parent worry? Which pieces of the program alleviate worry?
4. How likely is it that a family could be walked down the cliff, given employment trends?
5. Does the cliff effect result in more stable, high-quality child care?