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Does the Military Child Care System Serve Its Purpose?

The Department of Defense (DoD) operates the largest employer-sponsored system of high-quality child care in the country. As an employer-sponsored benefit, this system should promote the goals of recruitment, retention, and readiness. But despite the large subsidy DoD provides for military child care (MCC), such goals have not been a key consideration in its design or operation. The present study re-examined data from previous RAND MCC studies of child care cost and demand to assess whether MCC is serving the needs of the military and what changes should be made to improve the system’s ability to meet employer goals as well as family needs.

The MCC System Aims to Provide Flexible, Affordable, Quality Child Care

A variety of largely on-base settings enables the system to meet the needs of military parents for reliable, high-quality care while recognizing parental preferences concerning environment, size, and flexibility. Child care options include on-base Child Development Centers (CDCs) as well as DoD Family Child Care (FCC) homes (in which trained military spouses provide care for small numbers of children). In areas where on-base child care is not available, the military has recently begun offering some programs in local communities and help in identifying quality care providers.

Families using CDCs pay fees based on total family income; on average, these fees cover less than half the cost of providing care. A vast share of DoD child care resources is used to subsidize care in CDCs. These subsidies are mandated by the Military Child Care Act of 1989. However, many families using CDCs do not recognize the value of the substantial subsidy they receive. Additional MCC resources are used to provide modest subsidies to some parents using FCC and to MCC programs in local communities.

Abstract

Evidence suggests that the U.S. Department of Defense (DoD) child care system, the largest employer-sponsored child care system in the country, is not meeting recruitment, readiness, and retention goals or service member needs in an optimal way. To better leverage its resources and offer quality care that meets the needs of more military parents as well as its own manpower goals, DoD should assess the child care needs of military personnel and consider the options available both in the military and within the greater civilian community.

Families that cannot or choose not to use MCC receive no help in paying for child care.

Use of—and Satisfaction with—the Military Child Care System

According to the findings of a 2004 RAND survey, MCC programs reach only a small fraction of the total military population, in part because at any given time, many members do not have small children. At most, 7 percent of all military members are served by CDCs, and another 4 percent by FCC. Among families most likely to need full-time child care—i.e., families with children under age six—fewer than half use DoD-sponsored care. Dual-military and single-parent families receive higher priority and are more likely to use MCC than are families with a civilian working spouse (families with a nonworking civilian spouse are not eligible for MCC). Proximity to the base is also a factor in program use: the greater the distance between a family’s home and the base, the lower the likelihood of using MCC and the greater the likelihood of using civilian child care.

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MCC as a Compensation Issue

Beginning in the 1970s, some private-sector employers began offering a variety of child care benefits, including on-site or subsidized child care and resource and referral services, always with the aim of improving recruitment, retention, and productivity. Studies suggest that child care issues do affect private-sector productivity and that addressing these issues produces a positive return on investment.

Does MCC improve military recruiting, retention, and readiness? Given that few military personnel themselves are aware of the value of the DoD subsidy for child care, it is unlikely that MCC promotes recruiting. However, there is some evidence from the 2004 RAND survey that child care issues *do* affect military retention and readiness. Families with preschool-aged children—particularly CDC users—were much more likely than others to consider leaving the military because of child care issues. And given that on-base MCC is unavailable to activated Reserve and National Guard parents, the program plays no role in promoting the retention of these soldiers. The survey also identified effects on readiness: Over half of military mothers and nearly one-quarter of military fathers reported missing work in the previous month because of child care issues. Many parents said that they had difficulty reporting for duty or relocating following the birth of a child.

What Should Be Done?

In spite of its high cost, the present MCC system provides uncertain returns to DoD. Although DoD does not currently assess how MCC may be contributing to recruitment, readiness, and retention, it would be useful to know and would not be difficult to find out.

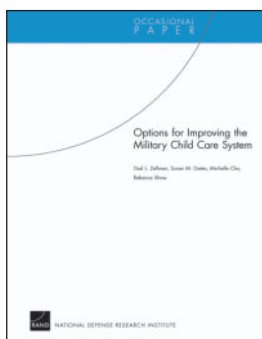
The MCC system currently funnels a large share of its resources into providing high-quality care to a relatively small number of families. Explicitly excluded are nonworking spouses. Implicitly excluded are those who live far from

base and those who cannot or will not use MCC. The entire MCC system is based on the idea that high-quality care promotes recruitment, readiness, and retention. However, a majority of military families with young children do not use MCC. Instead, many of these families are using civilian child care options, which, research shows, tend to be of mediocre quality. It would be in keeping with the MCC's mandate to strive to improve the quality of care received by *all* military children. To do so would require DoD to carefully evaluate the costs and benefits of a range of options, including the following:

- redistributing resources within the current system, while holding costs constant, a measure that would lead to CDC cutbacks
- expanding the MCC benefit to include more families and more types of care (which would increase costs)
- expanding access to MCC subsidies, creating more community-based FCC homes, and providing subsidies for civilian programs
- identifying and supporting ways to improve the quality of care offered by local civilian providers.

While there is some reluctance to devote DoD resources to community providers, implementing training and certification for local providers and tying DoD subsidies to provider quality would increase the numbers of DoD dependents in higher-quality care. This care would better address the needs of children, parents, and DoD.

By assessing the child care needs of military personnel and considering the options available both in the military and within the greater civilian community, DoD might better leverage its resources and offer a broader range of high-quality care that both meets the needs of military parents and promotes its goals of recruitment, retention, and readiness. ■



This research brief describes work done for the RAND National Defense Research Institute and documented in *Options for Improving the Military Child Care System*, by Gail L. Zellman, Susan M. Gates, Michelle Cho, and Rebecca Shaw, 2008, 76 pp., \$26.50, ISBN: 978-0-8330-4414-3 (available at http://www.rand.org/pubs/occasional_papers/OP217/). This research brief was written by Sydne Newberry. The RAND Corporation is a nonprofit research organization providing objective analysis and effective solutions that address the challenges facing the public and private sectors around the world. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors. RAND® is a registered trademark.

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