



In-Home Childcare Providers are Essential—And Overworked, Underpaid, and Sometimes Not Paid at All

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Childcare providers who take care of children in their homes meet otherwise unaddressed needs of U.S. working-class families at a low cost. Very often, such in-home care providers do more than they are being paid for—making up for America's inadequate public childcare subsidies and helping low-earning parents as they work long, often unpredictable hours. Unrecognized and underpaid, many in-home providers are very well qualified, and in many instances offer good food and culturally specific care as well as support for parents who look to them for advice. In addition to offering child care at flexible times, the best in-home providers provide information to parents and help them advocate for their children with public schools and agencies.

Because the United States has such weak family support and porous labor standards, in-home care providers pay a big price. They are among the lowest-paid workers in the United States, and the work they do is largely invisible and undervalued. Low compensation is shrinking offerings of vital care. The number of small, in-home providers dropped by half between 2005 and 2017, while large in-home providers fell by nearly one-quarter.

Working Extra Hours without Pay and Often with Little Notice

Our interviews with in-home childcare providers provide ample evidence of a system in crisis.

Vital for working parents but hard for providers is so-called “off-hour” care: early morning, evening, overnight and weekend care, increasingly needed on demand instead of pre-scheduled because of the growth of irregular work scheduling in retail, hospitality, health care, the uniformed services, manufacturing, and agricultural work. As one provider explained,

“There was this mom that sometimes worked double shifts and they would let her know on the spot, not advance notice. And I understand, right? I’ll help her.”

If payment is provided per day, with the expectation of eight hours of care, many providers do not charge extra for additional hours, resulting in several hours worked for free as parents’ jobs required them to stay later:

“I charge per 8-hour day, but as long as they don’t go over 10 hours I don’t charge them any extra, so many times they won’t pick their kids up until 7 or 8pm.”

When a parent reliant on ERDC, but deemed eligible for only part-time care, requested full time care so that her 12-year-old child would “stay out of trouble,” the provider agreed, stating, *“I could charge her, but I know that she’s a single parent, and I know that she’s struggling so I just take it as a loss.”*

Providers work for free at times to accommodate the needs of particularly low-income families without steady work. In this case, a provider compensated for the limited payments made by Employment Related Day Care, a federal subsidy administered by Oregon’s Department of Human Services:

“I watched [a child] while his dad was job hunting. You don’t get paid for [extra days] from DHS and he didn’t have the extra money. You know, it’s the way of the world.”

Providing Different Care than Public Programs Reward

Several providers discussed providing care for children with undiagnosed special needs despite not being able to receive appropriate compensation for the extra work required. Many described serving as advocates for families seeking approval for compensation of care of children with disabilities, and the arduous bureaucratic process of being compensated even for children with diagnosed disabilities:

"Say a child enrolled this month, it would take several months before I would even start getting compensated for caring for that disabled child, or a child with behavioral issues, because the state just takes so long, and they don't back pay you."

Providers consistently expressed concern over the cost of child care for working parents, particularly with regard to co-pays:

"I pride myself on providing high quality care for low-income families. So, over the years, I've lost a lot of money because I seldom charge co-pay that they can barely afford."

Policy Solutions

Ultimately, legislators must recognize that working parents depend on uncompensated and generous labor of childcare providers. By underpaying in-home childcare providers and failing to recognize the full spectrum of services they provide, the current system creates unnecessary conflict between families and care providers—too often resolved by providers absorbing the costs.

To remunerate the essential, skilled, and emotionally challenging work of in-home childcare providers, improved compensation should include not just higher wages and health and retirement benefits across the board but also higher rates for care for children with special needs, for care provided during "non-traditional" hours of service, or care that requires multi-language skills or extra expenditures of various kinds. Absent these improvements, in-home family care providers are left to absorb unfair costs imposed by America's inadequate childcare programs, the low wages and irregular work schedules rampant in the U.S. labor market, and the devaluing of the economically essential work of child care.

Read More:

Gina Adams and Kelly Dwyer, "Child Care Subsidies and Home-Based Child Care Providers," Urban Institute, April 2021

Emily R. Herman, Meghan L. Breedlove, and Sarah N. Lang, "Family Child Care Support and Implementation: Current Challenges and Strategies from the Perspectives of Providers," *Child & Youth Care Forum* 50 (2021): 1037-1062

Mary King, "The Labor Force for Needed Investments in Public Child Care Already Exists," Scholars Strategy Network, April 2021

Justine Monica, "Government Funding is Critical to Raise Wages for Child-Care Workers," *The Washington Post*, October 12, 2021.

Larissa Petrucci, Lola Loustaunau, Mary C. King, Lisa Dodson, Ellen Scott "A Labor Crisis within the Child Care Crisis," University of Oregon Labor Education & Research Center, September 2022.