

Child and Adult Care Food Program Participation and Reimbursement During the COVID-19 Pandemic:

Analysis of Preliminary USDA Data

Introduction

The Child and Adult Care Food Program (CACFP) is a federal nutrition program that pays for nutritious meals and snacks for eligible children who are enrolled at participating child care centers, family child care homes, afterschool programs, and homeless shelters.

CACFP improves participants' nutrition, reduces obesity, strengthens the quality of early care, and helps boost and stabilize child care providers' income and services.

Many family child care homes and centers closed in response to the COVID-19 pandemic, resulting in significant decreases in the number of meals served and reduction in reimbursements for child care providers and sponsors.

Participation

In the first several months of the COVID-19 pandemic, from February to April 2020, the number of CACFP meals served decreased 28.0 percent (9.3 million) in child care homes and decreased 29.5 percent (39.3 million) in child care centers, for a total decrease of 29.2 percent (48.6 million), as seen in Figure 1.

Comparing the same month last year to this year, CACFP child care homes and centers served 67.3 million fewer meals in April 2020 compared to April 2019; 14.3 million fewer in child care homes and 53.0 million fewer in child care centers.

The number of meals served in CACFP varies by season and usually trends up from the months of February to April, but the COVID-19 pandemic has reversed this trend (see Figure 2).

Figure 1

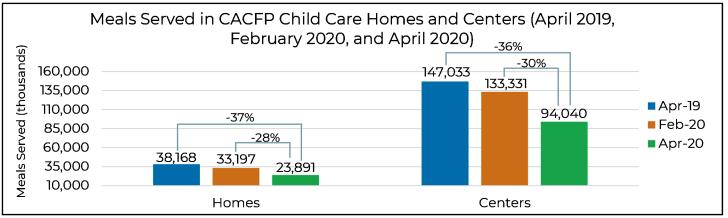
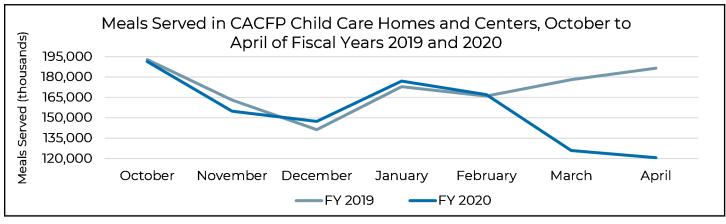


Figure 2



The number of CACFP meals served each month also varies because the number of working weekdays (i.e., the number of days CACFP meals are served) is not the same each month. To account for this variation, FRAC divided the number of meals served in a month by the number of working weekdays in that month. This creates an adjusted meals served measure that can better compare change across months.

Figure 3

Two-Month Percent Change in Adjusted Meals Served at Child Care Homes and Centers, February to April 2020, by USDA FNS Region*

USDA FNS Region	Child Care Homes	Child Care Centers	Homes and Centers
Mid-Atlantic	-47%	-31%	-33%
Midwest	-33%	-38%	-37%
Mountain Plains	-27%	-43%	-39%
Northeast	-72%	-66%	-69%
Southeast	-26%	-46%	-44%
Southwest	-19%	-26%	-25%
Western	-30%	-24%	-26%
U.S.	-36%	-38%	-37%
*USDA Food and Nutrition Service Regions: fns.usda.gov/fns-regional-offices			

Figure 4

From February to April 2020, adjusted meals served also decreased by 36.2 percent (over 616,000 meals) in child care homes and 37.5 percent (2.6 million meals) in child care centers, resulting in a 37.2 percent (3.2 million meal) decrease in CACFP adjusted meals served overall. Change in this measure varies in each United States Department of Agriculture (USDA) region, as seen in Figure 3.

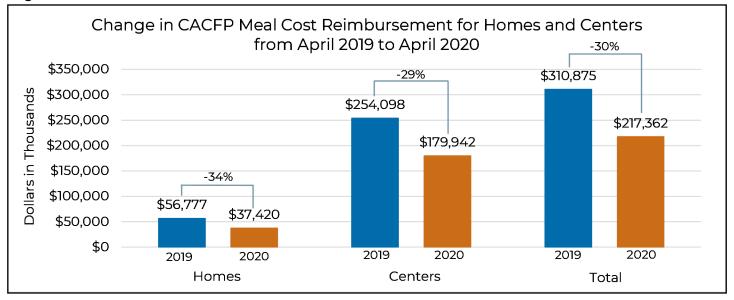
All regions experienced a two-month decrease (February to April 2020) in adjusted meals served at child care homes and centers, but the Northeast Region is the most affected with a percentage decrease near double the national average. The adjusted meals served in the Northeast Region decreased 68.6 percent over this two-month period, including a decrease of 72.4 percent in child care homes and a 66.4 percent decrease in child care centers.

The next largest percentage decreases are seen in Mid-Atlantic child care homes (-47.3 percent) and Southeast child care centers (-45.7 percent). The Western and Southwest Regions are the least affected with percentage decreases better than the national averages for child care homes, centers, and combined homes and centers.

Reimbursement

Child Care Provider Meal Reimbursement

Reimbursements for CACFP child care providers have decreased significantly. Since the onset of the COVID-19 pandemic, from February to April 2020,



meal reimbursement decreased 24.0 percent (-\$11.8 million) in child care homes and decreased 26.3 percent (-\$64.2 million) in child care centers, resulting in an overall decrease of 25.9 percent (-\$76.0 million).

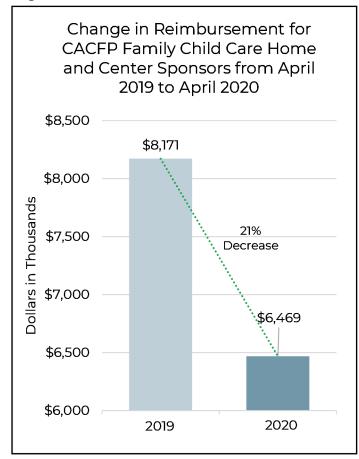
Comparing the same month last year to this year, child care providers received \$93.5 million fewer dollars (-30.1 percent) in April 2020 compared to April 2019: a drop of \$19.4 million (-34.1 percent) for family child care homes and a drop of \$74.2 million (-29.2 percent) for child care centers, as detailed in Figure 4.

Regional differences in child care provider's meal reimbursements mirror the regional trends described for adjusted meals served.

Sponsoring Organization Reimbursement

CACFP family child care home sponsoring organizations experienced a 20.8 percent decrease in reimbursements from April 2019 to April 2020: a drop of \$1.7 million throughout the U.S., as seen in Figure 5).

Figure 5



There are regional and state variations in sponsors' earnings from April 2019 to April 2020; however, the variations do not follow the same pattern for the number of meals served or meal reimbursements received because sponsors' earnings are based only on child care homes, not centers. The Mid-Atlantic Region is the most affected with a decrease of 43.5 percent or over \$260,000. The Southeast (-22.8 percent) and Midwest (-22.0 percent) Regions also have declines that are more extreme than the national average (-20.8 percent).

Significance

The significance of these findings is twofold:

- Children are not getting CACFP meals and snacks, which can strain family budgets, contributing to food insecurity and fewer healthy meals for children at home.
- Child care providers and sponsors lose out on reimbursements needed to support fixed costs; this loss contributes to deficits in already overburdened child care budgets, and creates instability in the infrastructure for providing child care in the U.S.

A complex set of factors is affecting CACFP participation and reimbursement, including the use of USDA waivers and regional variations in child care closures due to COVID-19. Some CACFP child care providers are using the non-congregate feeding, meal times, and parent/guardian meal pick-up waivers to offer "grab and go" meal delivery when child care locations are closed. FRAC's fact sheet, <u>Child and Adult Care Food Program: New USDA</u> <u>Waivers</u>, provides additional details on each type of waiver.

As the COVID-19 pandemic continues, more needs to be done to support CACFP sites and sponsors so they can continue to provide critical access to meals and snacks during the COVID-19 pandemic.

It is important to note that these USDA data are preliminary, and numbers are subject to change.

This brief was prepared by FRAC's Nutrition Policy Fellow, Katherine Jacobs, and Director of Nutrition Policy and Early Childhood Programs, Geri Henchy, with special thanks to Randy Rosso.