**Summary**

- The Child and Adult Care Food Program (CACFP) provides funding to serve healthy meals and snacks, which supports good nutrition and high-quality, affordable child care that helps children to develop fully and enter school ready to learn while allowing parents to work.

- A well-conceived reauthorization bill, focused on the right program improvements for CACFP, can help to reduce hunger, reduce childhood overweight and obesity, improve child nutrition and wellness, and enhance child development and school readiness.

- Congress can strengthen the program by improving the area eligibility test, increasing CACFP reimbursements, enhancing program reimbursements for CACFP sponsors, providing two year implementation funds for state CACFP agencies, continuing funding for USDA’s CACFP nutrition and wellness education, and program efforts, allowing the option of a third meal service (typically a snack or supper), streamlining requirements and reducing paperwork, and continuing the CACFP study.

**Introduction**

The Child and Adult Care Food Program (CACFP) uses federal dollars to provide nutritious meals and snacks to low-income children in child care centers and family child care homes. CACFP is very important – both in terms of the number of children it serves and its positive impact on young children in child care. Nationwide, preschoolers are consuming diets too high in calories, saturated fat, and sweets and too low in fruits, vegetables, whole grains, and low-fat dairy. The healthy food provided by CACFP, of course, makes a substantial contribution towards meeting the nutritional needs of children in child care, particularly low-income children. CACFP assures that children in child care receive good nutrition through ongoing training, technical assistance and support.

Childhood overweight and obesity, an issue that disproportionately affects low-income children, continues to be one of the nation’s most pressing public health problems. Intervening in early childhood and providing high quality child care programming is critically important as lifelong health behaviors are developed during this time. By paying for nutritious meals and snacks for eligible children enrolled at participating child care centers and family child care homes, CACFP plays an important role in improving the quality of child care programs and in making them more affordable for low-income parents.
CACFP provides high-quality nutrition and learning experiences for over 3.5 million children in child care each working day: more than two-thirds of them in child care centers, and the rest in family child care homes.\textsuperscript{23-24} Nearly $3 billion in federal reimbursements for meal and snacks is distributed to child care centers and homes each year.\textsuperscript{25} Unfortunately, under the current system, healthy CACFP meals and snacks are out of reach for millions of young children in child care. Across the nation, over half of the family child care homes operate without CACFP support for healthy meals. Family child care homes’ participation in CACFP, which had been one of the fastest growing nutrition programs, has dropped 30 percent since the introduction of a complex two-tiered reimbursement system in 1997.\textsuperscript{26} And although participation among child care centers has increased, not all eligible children have access to the program. In one study, researchers found that 60 percent of randomly sampled, non-participating centers were located in areas where the median household income was below the federal poverty level.\textsuperscript{27}

The Healthy, Hunger-Free Kids Act of 2010 took important steps toward improving and expanding the Child and Adult Care Food Program. Congress acknowledged CACFP’s role as a program responsible for the provision of nutritious foods that contribute to the wellness, healthy growth, and development of young children.

The 2015 Child Nutrition Reauthorization provides an important opportunity to build on the progress made with the Healthy, Hunger-Free Kids Act by continuing to increase program access, improve nutrition quality, and protect CACFP services for children in care by:

- Reducing the CACFP area eligibility test from 50 percent to 40 percent;
- Increasing CACFP reimbursements to support planned improvements in the nutritional value
- Enhancing program reimbursements to support CACFP sponsoring organizations and to
- Providing two year implementation funds for State CACFP agencies to successfully implement
- Continuing funding for USDA’s CACFP nutrition and wellness education, and program efforts;
- Allowing child care centers and homes the option of serving a third meal service (typically
- Streamlining program requirements, reducing paperwork, and maximizing technology; and
- Continuing the CACFP study.

**Benefits**

Research has demonstrated CACFP’s clear role in helping to assure good nutrition and high-quality, affordable child care. The program is a well-documented success:

- Data from the Fragile Families and Child Wellbeing Study, presented in \textit{Federal food policy and childhood obesity: A solution or part of the problem?}, showed that participation in federal child care and school meal programs, such as the Child and Adult Care Food Program, is associated with a lower Body Mass Index (BMI) in children, particularly low-income children.\textsuperscript{28}
The Institute of Medicine, citing research on the association between participation in federal nutrition assistance programs, improved dietary quality and decreased risk of overweight among children, identified increasing participating in CACFP as a strategy to promote healthy eating in the report *Local Government Actions to Prevent Childhood Overweight.*

The *Children’s HealthWatch study* compared low-income children who receive meals from child care centers and family child care homes that likely participate in CACFP to low-income children who rely on food brought from home. Children who received food from their child care provider were 62 percent less likely to be in fair or poor health and 64 percent less likely to have been hospitalized. These children were also more likely to be at a healthy height and weight for their age.

In a study of nutrition in child care, *It’s 12 O’clock...What Are Our Preschoolers Eating For Lunch?*, participation in CACFP was associated with several positive practices. Providers participating in CACFP were more likely than non-participating providers to serve whole grains and milk. The food served at participating family day care homes had a higher overall nutritional quality compared to non-participating homes. And the food served by providers was far superior to food brought from home. Meals brought from home were much less likely to include fruits, vegetables, milk, or lean meat while featuring more packaged snack foods, desserts, and fruit drinks.

In *Participation in the Child and Adult Care Food Program is Associated with More Nutritious Foods and Beverages in Child Care*, researchers conducted a statewide survey of foods and beverages offered at 429 child care sites. Compared to non-CACFP sites, CACFP sites served more fruits, vegetables, milk, and meat or meat alternates and less sweetened beverages and other sweets. Researchers attributed this difference to the additional monitoring, training, and reimbursement funds provided by CACFP.

In a nationwide study comparing CACFP-participating centers to similar non-participating centers, *The Child and Adult Care Food Program and the Nutrition of Preschoolers*, researchers found positive associations between CACFP participation and children’s dietary intake and weight status. Children participating in CACFP were more likely to consume the recommended amount of milk and vegetables. This study also found that CACFP may reduce the risk of overweight and underweight among participating children.

In *Dietary Intake and Health Outcomes among Young Children Attending 2 Urban Day-Care Centers*, researchers compared the intake of children at a center participating in CACFP to children at a similar center that required parents to send food from home. Children at the participating center consumed significantly more milk/dairy and vegetable servings while eating fewer fats and sweets. They also obtained more protein, vitamin A, B vitamins, calcium, magnesium, iron and zinc. In addition, children from the participating center had fewer absences due to illness than children from the non-participating center.

The Economic Research Service report *Maternal Employment and Children’s Nutrition Volume 1, Diet Quality and the Role of CACFP* investigated differences in diet between children cared for at home and children of employed mothers who received meals and snacks through CACFP. Children who received food through CACFP consumed more fruit and milk, less fat, and a greater variety of foods. These children also consumed less soda, other soft drinks, and added sugars. The report states that “these differences especially favor children in low-income households.” The authors concluded that “CACFP participants’ diets, on average, meet daily recommendations for food energy, protein, vitamins A and C, iron, zinc, calcium, cholesterol, and dietary fiber” and that “meals and snacks consumed in CACFP care make a substantial and positive contribution to these children’s total dietary intake.”

The U.S. Department of Agriculture’s *Evaluation of the Child Care Food Program* reported that the meals and snacks provided by child care centers and family day care homes participating in the food program were nutritionally superior to those provided by non-participating centers. The food
provided by participating homes and centers were more nutrient-dense and supplied a higher proportion of children’s daily needs for most nutrients. Participating homes and centers also had higher food quality and variety scores when compared to non-participating centers.

- The U.S. General Accounting Office’s report, *Promoting Quality in Family Child Care*, cited the effectiveness of the program: “Because of its unique combination of resources, training, and oversight, experts believe the [Child and Adult Care] food program is one of the most effective vehicles for reaching family child care providers and enhancing the care they provide.”  

- In a study conducted by the Midwest Child Care Research Consortium reported, that “participation in the USDA Food Program was associated with quality. This association held true for family child care providers and for infant/toddler center-based regardless of the provider’s education level.”  

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- The Families and Work Institute’s *Study of Children in Family Child Care and Relative Care*, cited participation in CACFP as one of the major factors associated with quality care, reporting that 87 percent of the family child care homes considered to be providing good quality child care participated in CACFP.

Child Nutrition Reauthorization Recommendations

Given the large number of children in child care, high rates of childhood obesity and prevalence of food insecurity, the need to provide nutritious meals and form healthy eating habits in child care has never been greater. Far too many low-income children in this country face both short- and long-term adverse effects on their health, social/emotional development, and ability to learn and perform in child care and eventually school, all as a result of limited access to good nutrition. The upcoming reauthorization of the child nutrition programs provides an opportunity to make much needed improvements to increase CACFP access and strengthen CACFP’s role in supporting good health and nutrition.

**Reduce the CACFP area eligibility test from 50 percent to 40 percent to streamline access to healthy meals for young children in child care.** Area eligibility, the most successful and inclusive CACFP eligibility mechanism, allows family child care homes in low-income areas to automatically receive the highest CACFP reimbursement rates. This “area eligibility” test has proven extremely effective because it substantially decreases the paperwork for providers and families by eliminating the need to individually document each child’s household income.

Currently, family child care homes only qualify for area eligibility in areas with 50 percent or more low-income children (as defined by local census data or the percentage of children in the local school eligible for free and reduced price meals). The threshold is too high to appropriately target many communities with struggling families. This is especially true in rural and suburban areas which do not typically have the same pattern of concentrated poverty seen in urban areas.

Reducing the area eligibility test to a 40 percent threshold would make many more child care providers who serve low-income children eligible for the higher reimbursement, and many more children in need would receive healthy CACFP meals and snacks. When confronted with the complex CACFP eligibility requirements to be met outside of the areas currently eligible, most providers choose not to participate. It is easier just to resort to serving cheaper, less nutritious meals and operate without the CACFP standards, oversight, and required paperwork. It is not uncommon for providers to forgo offering even the less costly meals and simply let children rely on food sent from home. Research has consistently shown that food brought from home is far less nutritious than the meals and snacks that children receive through CACFP.
Increase CACFP reimbursements to support good nutrition and expand participation. “Research has demonstrated that the meals and snacks children received through the Child and Adult Care Food program provide needed nutrition and may even reduce the risk of overweight among low-income children. The broad and outdated nutrition standards, however, do not reflect current recommendations. For this reason, the Secretary of Agriculture has issued proposed regulations updating the CACFP meal pattern based on the Institute of Medicine CACFP meal pattern report.

Cost is one of the most commonly cited barriers to providing healthier foods. Increasing the availability and consumption of fruits and vegetables, whole grains, lean protein, and lower-fat dairy products among young children in child care is absolutely essential to improve development, promote health and prevent obesity at exactly the time – early childhood – when it can have the most long-term effect. At the same time, family child care participation declines created by reimbursement cuts need to be reversed.

Research has shown that increasing reimbursements directly improves the nutritional value of foods served in family child care, while lowering reimbursements decreases the availability of fruits and vegetables and increases the percent of energy from total fat and saturated fat. Higher reimbursements will assure that more children participate in CACFP, both attracting more child care centers and helping to stem the loss of family child care providers.”

**Enhance program reimbursements to support CACFP sponsoring organizations in their efforts to implement the new healthier CACFP meal pattern and to sustain the participation of family childcare providers.** Sponsors’ administrative reimbursement rates should be brought to the level necessary to cover costs of administering the new healthier CACFP meal pattern. These costs include additional ongoing training and oversight, monitoring visits, and extra time spent to help low-income providers overcome literacy and language issues. Access to healthy meals is threatened by the breakdown in the network of CACFP sponsors, the non-profit community-based organizations supporting the participation of family child care homes in CACFP. Even before the new improvements in the CACFP meal pattern and nutrition education, many sponsors were unable to make ends meet due to high program costs and the loss of economies of scale as providers dropped out of the program, leading to a 28 percent decrease in the number of sponsors in the last dozen years. According to a 2006 USDA report, “costs reported by sponsors on average were about 5 percent higher than allowable reimbursement amounts.”

**Provide two year implementation funds for State CACFP agencies to successfully implement the new healthier CACFP meal pattern and sustain CACFP participation.** Similar to the implementation funds allocated to the State school meals agencies in the Healthy, Hunger-Free Kids Act, these funds would be allocated to State CACFP agencies to support the successful implementation of new healthier meal pattern including training, technical assistance, and oversight activities for the implementation of the revised meal pattern. States would distribute a minimum of half the funding CACFP sponsoring organizations. An important additional goal will be to use the funds to increase CACFP participation allowing more children to benefit from CACFP new healthier meals.

**Continue funding for USDA’s CACFP nutrition and wellness education, and program efforts.** These funds will be crucial to supporting USDA’s important role in providing materials, training and support to State agencies and program operators. Also, research suggests there is room for improvement in nutrition knowledge among child care providers, and that additional training could be an important step in promoting healthy eating among preschool children.

**Allow child care centers and homes the option of serving a third meal service (typically this would be a snack or supper), as was previously allowed.** National child care standards, based on the best nutrition and child development science, specify that young children need to eat small healthy meals and snacks on a regular basis throughout the day. Many children are in care for more than eight hours per day as their parents work long hours to make ends meet, so they rely on child care providers to meet a majority of their nutrition needs. Previously, child care providers could receive funding for up to three meals and one snack, and in 1995, 26 percent of all providers served two meals and two snacks. In 1996, Congress cut out
one meal service to achieve budget savings. This penny-wise and pound-foolish step harms children’s nutrition and health and weakens child care. We should restore CACFP support to the full complement of meals young children need and stop short-changing young children at a time when they can least afford it.

**Streamline program requirements, reduce paperwork, and maximize technology to improve program access.** This can be accomplished through a variety of no or low cost proposals which will improve CACFP’s ability to reach low-income families by streamlining program operations, increasing flexibility, maximizing technology and innovation to reduce parent paperwork, and allowing sponsors and providers to operate most effectively. These include the following recommendations:

- Cut red tape for child care centers serving low-income families by creating a “Provision 2” option for CACFP. This would reduce application burdens and simplify meal counting and claiming procedures. Currently, “provision 2” allows schools that predominantly serve low-income children to offer free school meals to all students. “Provision 2” schools establish claiming percentages and can then serve free school meals to all students for a 4-year period, without obtaining additional applications. In CACFP, “Provision 2” child care centers would use the existing blended rate formula to establish claiming percentages in the first year. They would agree to operate as “non-pricing” programs, where there are no charges for meals, and serve all children enrolled in child care. Creating “Provision 2” option for CACFP is a low-cost way to reduce application burdens and simplify meal counting and claiming procedures.

- Provide a carry-over option for organizations sponsoring child care centers and afterschool programs in CACFP.

- Authorize a representative work group to continue to guide USDA’s CACFP paperwork reduction efforts including maximizing the use of technology.

- In report language, Congress should direct USDA to fully utilize existing authorities by allowing child care centers operated by proprietary rather than non-profit organizations to establish institutional eligibility annually.

**Continue to monitor the status of nutrition and wellness in child care and access to CACFP:** Continue funding ($5 million) for the ongoing five year cycle of child care and CACFP nutrition and wellness, and access study authorized in the Healthy Hunger-Free Kids Act.

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