

MI Tri-Share 2024 **Evaluation Report**

Findings and Recommendations

August 2024

PSC



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Prepared for

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Executive Summary

Access to affordable, high-quality child care continues to be a challenge for working families across Michigan. The lack of affordable child care can force at least one parent to choose between working and not working. The MI Tri-Share program is a unique cost-sharing approach for child care that splits the cost among employees, their employers, and the State of Michigan. The program is designed to benefit families by reducing the cost of child care, benefit employers by aiding in employee retention and recruitment, and benefit child care providers by increasing their financial stability.

To better understand how the program has benefited these groups, the Michigan Women's Commission engaged Public Sector Consultants (PSC) to evaluate both the pilot phase of the program and the subsequent program expansion and scaling. Findings from the pilot evaluation informed the program's expansion and provided insight into participant experiences. Evaluation conducted during program expansion has further documented program successes and challenges from the perspective of each of the three participant types. Findings from the 2024 evaluation include:

- Program participation has grown nearly 100 percent over the past sixteen months.
- Employers believe MI Tri-Share has helped with employee retention and that it will be useful for recruitment and retention in the future. Most feel their participation has made them more competitive.
- Many of the participating child care providers also provide the benefit to their employees.
- Nearly all participating employees indicated the program had a positive impact on their family's financial security and stability.
- More than half of participating child care providers felt the program provided financial stability.
- Everyone agreed that the program's household income threshold limited participation in the program. Most expressed the need for a higher household income cap.

MI Tri-Share was successfully scaled through its expansion to additional facilitator hubs and the onboarding of a centralized statewide administrative partner, United Way of Northwest Michigan. The evaluation provides several recommendations for consideration as the program matures and participation continues to increase, including:

- Continue to build awareness of the program among all participant types, but particularly among employers.
- Consider aligning MI Tri-Share's geographic regions with existing regions with which local employers
 are familiar.
- Continue to explore new ways to increase program accessibility and equity.
- Examine different levels of eligibility requirements and their impact on expanding access.
- Create a research agenda that provides for continuous program improvement, measures impact on participants, and documents lessons for the field that could lead to program replication.

Background

Access to high-quality and affordable child care remains a challenge for working families in Michigan. The cost of child care is a significant barrier, one that often forces parents to choose between employment and caring for their children. Child care providers are also experiencing challenges with high operations, staffing, and facility costs, which create unpredictable business operating conditions. Employers across the state continue to seek new ways to attract and retain workers as labor markets persist in supply shortages.

The MI Tri-Share Child Care Program is an innovative, first-of-its-kind approach to addressing families' challenges to accessing child care. It uses a public-private cost-sharing model that reduces out-of-pocket child care costs for families and makes it easier for them to identify and secure licensed care. The program also seeks to increase labor market participation by allowing employers to offer a cost-sharing child care benefit to aid recruiting and retention efforts.

MI Tri-Share, which was created with bipartisan support in the 2021 state budget, began as a pilot program in three regions of the state. Since then, the program has received additional funding from the State, the W.K. Kellogg Foundation, and Ballmer Group to support continued growth and expansion into nine more regions. At the time of this report, MI Tri-Share has 12 facilitator hubs serving 64 of Michigan's 83 counties and a statewide administrative partner that provides centralized administrative support to the facilitator hubs and helps to serve the remaining 19 counties, ensuring all counties in Michigan have access to the program.

In partnership with the Michigan Women's Commission (MWC), PSC conducted a performance evaluation of the three pilot hubs in 2022. PSC then helped MWC develop a stakeholder-driven five-year strategic plan and prepare for the transition of program management to the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP). As part of that strategic plan, in December 2023, MI Tri-Share began onboarding a statewide administrative partner to centralize payment processing, participant enrollment, and data collection. These functions were previously managed by each individual regional facilitator hub, that now can devote its capacity and attention to participant recruitment and outreach. With MWC and MiLEAP assistance, PSC conducted a process and outcome evaluation of all current hubs from December 2023 through June 2024 to assess program effectiveness before and after these changes.

This evaluation report is divided into the following sections:

- Program overview
- Evaluation activities
- Evaluation findings
- Conclusion and recommendations

Program Overview

Traditionally, the financial burden of child care has fallen solely on parents and caregivers, but MI Tri-Share represents a unique public-private costsharing approach to help more families afford licensed care. By evenly splitting the cost of care among three payers, as shown in Exhibit 1, eligible working families can reduce their costs and enter or remain in the workforce, which benefits everyone.

EXHIBIT 1. MI Tri-Share Funding Split

State of Michigan

Employer

Employee

MI Tri-Share

Within this funding model, MI Tri-Share serves three core participants:1

- Working families (also referred to as employees)
- Employers
- Child care providers

These participant groups are the focus of the evaluation activities and findings in this report.

Objectives, Guiding Principles, and Strategic Directions

MI Tri-Share decision making is driven by objectives, guiding principles, and strategic directions. These elements all speak to the program's intended impact.

MI Tri-Share's $\mathbf{objectives}$ are to:

- Make licensed child care affordable and accessible for working parents by reducing out-of-pocket child care costs and alleviating the burden of finding child care
- Help employers retain and attract employees by removing child care affordability as a barrier to employment
- Support licensed child care provider stability and recruitment by helping to secure reliable payments

To pursue these objectives, the MWC used a set of **guiding principles** to guide pilot development and implementation. MI Tri-Share is designed to always ensure parent/guardian choice in licensed child care selection, prioritize reducing participants' administrative burdens, and target supports to working families in the ALICE population (asset limited, income constrained, employed) (PSC 2023).

¹ While the State of Michigan is one of the three payers in the Tri-Share approach, it administers the program and is therefore not considered a participant for the purposes of this evaluation.

In 2023, following a year-long stakeholder engagement project and concurrent with the evaluation, MI Tri-Share adopted a five-year strategic plan, included as Appendix B, which featured the following **strategic directions:**

- · Structure Tri-Share for scale
- · Standardize and streamline administration
- Enhance and expand communications and engagement

Eligibility Requirements

Each participant type has different eligibility requirements. Employers must be located in or have an office located in Michigan. Working within the employer's budget and the employee eligibility requirements, employers have flexibility in deciding how many child care slots they can support and how the benefit will be offered to participating employees.

Possible ways employers made this determination included:

- Each participating employee receives one slot
- Participating employees receive multiple slots based on how many children need care

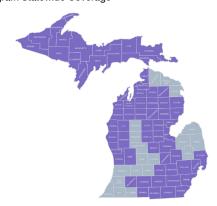
Participating employees receive one or multiple slots based on financial need, seniority, or via lottery. There is no minimum or maximum number of employees who can participate per employer. Since employer contribution amounts are determined in part based on employee child care costs, there is no minimum financial contribution as long as the employer's payment represents at least one-third of at least one employee's child care costs.

Because MI Tri-Share is intended to support ALICE families, not all employees are eligible to participate. To participate in MI Tri-Share, an employee must not be eligible for state's Child Development and Care (CDC) subsidy and should fall under MI Tri-Share's income range. Employers decide the number of child care slots and who gets them based on their budget. The original pilot required an employee's household income be between 150 percent and 225 percent of the federal poverty level (FPL). Eligibility criteria have been modified several times during the program to align with CDC program eligibility shifts. At the time of this report, MI Tri-Share accepts employees with household incomes between 200 percent and 325 percent of the FPL. Eligibility is re-evaluated after two years of program participation.

Geographic Scope

MI Tri-Share covers 64 of the 83 counties in Michigan (Exhibit 2). Any interest or inquiries into the program coming from the 19 counties not yet covered by a regional hub are being serviced by United Way of Northwest Michigan as the statewide administrative partner.

EXHIBIT 2. MI Tri-Share Program Statewide Coverage



Source: MWC 2024

Evaluation data are from all 12 hubs (the three pilot sites as well as the nine expansion hubs), which are highlighted in Exhibit 3. During the evaluation period, the hubs provided service coverage to 59 of Michigan's 83 counties. Together, the facilitator hubs added five additional counties to their coverage areas in spring 2024.

EXHIBIT 3. MI Tri-Share Hub Location and Administrator

Counties Included	Hub Administrator
Original Hubs	
Lake, Mason, Muskegon, Newaygo, Oceana, and Ottawa	Goodwill Industries of West Michigan
Arenac, Bay, Clare, Gladwin, Gratiot, Isabella, Midland, and Saginaw	Saginaw Intermediate School District
Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Manistee, Leelanau, Missaukee, and Wexford	United Way of Northwest Michigan
Expansion Hubs	
Calhoun	Calhoun Intermediate School District
Branch, Genesee, Hillsdale, Jackson, Lenawee, Livingston, Monroe, and Washtenaw	Child Care Network
Wayne	Everybody Ready
Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, Schoolcraft	Marquette-Alger Regional Educational Service Agency (RESA)
Otsego, Crawford, Montmorency, Ogemaw, Roscommon, and Oscoda	Otsego County Economic Alliance
Shiawassee	Shiawassee Regional Education Service District
Kalamazoo	Southwest Child Care Resources
St. Clair	St. Clair County RESA

MI Tri-Share Pilot Evaluation Findings

The 2022 pilot evaluation produced several findings and actionable recommendations MWC and MiLEAP could use for program improvements. More detail on each of these can be found in the pilot evaluation report (PSC 2022).

Key Findings

Counties Included

- · There was consistent growth in participation
- Direct outreach to employers was the most effective recruitment approach
- · All participant types were highly satisfied with the program
- More than 80 percent of employees strongly agreed the program made child care more affordable and more than 80 percent also agreed the program helped them continue working in their current job
- Child care is a new benefit for most of the participating employers
- A majority of the participating employers agreed the program would help them retain employees in the future

MI Tri-Share Pilot Evaluation Recommendations

- Take further actions to increase the program's racial and ethnic diversity
- Consider providing more waivers or setting a variance to allow for some additional latitude in the household income limit
- Access statewide campaigns that could educate the public, employer networks, and child care
 providers about MI Tri-Share
- Ensure a balance between regional flexibility and administrative consistency
- Continue data collection for regular program evaluation
- Consider additional metrics, such as referrals to the federal child care subsidy, that could further the understanding of MI Tri-Share's impact
- Standardize elements of the communication, eligibility screening, application, and enrollment
 processes to further reduce hubs' administrative burden as the pilot shifts to a recurring program

In response to lessons learned from the pilot evaluation, MWC undertook a year-long stakeholder engagement project to develop a five-year strategic plan for program improvement and expansion, included as Appendix B. Several program changes were subsequently made, including addressing program equity by expanding the geographic reach, instituting standardized administrative elements, centralizing the administrative function, and continuing to build statewide awareness and partnerships. Program improvements targeted at administrative functions were largely implemented after the evaluation period had ended, and as a result are not a subject of the 2024 evaluation activities other than to note their development.

Evaluation Methodology

The 2024 MI Tri-Share program evaluation focused on the program's expansion to additional nine hubs, analyzed its performance before the transition to MiLEAP, and described the outcomes experienced by each participant type. The evaluation included both process and outcome assessments. Data were gathered through surveys and focus groups with each of the three participant types and monthly hub reports.

The 2024 evaluation will help MI Tri-Share develop and improve its program as it implements its fiveyear plan and transitions to a recurring statewide program.

Research Questions

The evaluation's research questions focused on MI Tri-Share's program processes, operations, and impact for each of the three program participant types. Exhibit 4 contains the research question list for both the process and outcome assessments as well as the data sources that informed each.

FXHIRII	4. Eval	uation I	Research	Questions

Process Evaluation Research Questions		Data Sources
All Participant Types		
1.	What are the social and economic characteristics of program participants?	Participant surveyMonthly hub data reportsFocus groups and/or interviews
2.	What factors are driving and preventing program participation?	Participant surveyMonthly hub data reportsFocus groups and/or interviews
3.	What are the most common ways participants are learning about MI Tri-Share?	Participant survey Monthly hub data reports Focus groups and/or interviews

O	utcome Evaluation Research Questions	Data Sources	
Employees (Objective: Make Child Care Affordable and Accessible for Working Families)			
1.	How has MI Tri-Share participation affected participant career trajectories?	Participant surveyFocus groups and/or interviews	
2.	How has Tri-Share affected participant child care decision making?	Participant survey Focus groups and/or interviews	
3.	How many employees have previously participated in the CDC program?	Participant survey	
Er	nployers (Objective: Help Employers Retain and A	Attract Employees)	
4.	What is the program's impact on employee recruitment?	Participant survey Focus groups and/or interviews	
5.	What is the program's impact on employee retention?	Participant survey Focus groups and/or interviews	

Οι	utcome Evaluation Research Questions	Data Sources
6.	Does the program change employer spending on	Participant survey
	employee child care?	 Focus groups and/or interviews
Providers (Objective: Help Child Care Providers Secure Slots)		
7.	What is the program's impact on provider	Participant survey
	sustainability?	 Focus groups and/or interviews

Methods

PSC assessed program operations and participant demographics based on the information collected during the pilot evaluation of the three original hubs. Data collection activities included reviewing program documents, monthly reports, notes from previous interviews with hub coordinators, and other materials. Participant surveys and focus groups were also deployed and provided an opportunity to gather information about who is participating in the program, how they found out about it, and how they feel about the program's operations.

PSC collaborated with MWC to obtain data and participant contact information from hubs for survey and focus group recruitment. Most hubs shared this information with PSC, but one hub handled participant outreach on its own. PSC sent personalized survey links to most past and current participants; some hubs only sent contact information for participants they had pre-screened as willing to participate. Employees and child care providers received \$10 gift cards for taking the survey and \$20 gift cards for participating in a focus group. Employers were not eligible to receive gift cards for participating in the survey or focus groups.

The outcome data analysis included data through December 2023, the last month before MI Tri-Share began onboarding a statewide administrative partner and transitioning from MWC to MiLEAP. The program's relatively small sample size and data quality issues with monthly hub data prevented extensive and statistically complex quantitative research method application, but a mixed-methods approach combining qualitative and quantitative data provided valuable insights into program strengths and opportunities for improvement. PSC employed descriptive statistics on these data when possible and analyzed qualitative data thematically.

Evaluation Findings

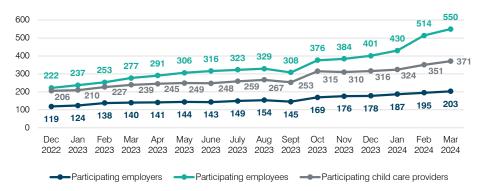
This section presents the findings for the process and outcomes analyses. Each finding is followed by discussion of the supporting data. Process findings are presented first, including overall program participation, who participated, the primary limitations on participation, and how participants learned about the program. These are followed by findings from the outcomes analysis which covers outcomes for employees, employers, and child care providers including program impact on affordability and accessibility, recruitment and retention, and financial stability.

Process Findings

Finding One: MI Tri-Share Participation Continues to Grow

Between December 2022 and March 2024, participation from employers, employees, and providers nearly doubled on average. The number of participants in all three types has increased every month since the beginning, as shown in Exhibit 5. During September and October 2023, hubs were transitioning to a shared set of data definitions resulting in incomplete data. Over the sixteen months between December 2022 and March 2024, employer participation increased by 71 percent, child care provider participation increased by 80 percent, and the number of participating employees more than doubled, increasing 148 percent.

EXHIBIT 5. Monthly Participation by Participant Type

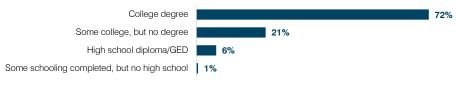


Source: Data provided by the MWC and analyzed by PSC

Finding Two: Participating Employees Were Likely College Educated

Exhibit 6 shows that almost three-quarters of employee survey respondents reported at least a college degree as their highest level of education completed. One-fifth of employee respondents reported having attained some college but without a degree completed. Six percent reported their highest level of education as high school diploma or GED, and 1 percent indicated that they had not yet attained a high school diploma.

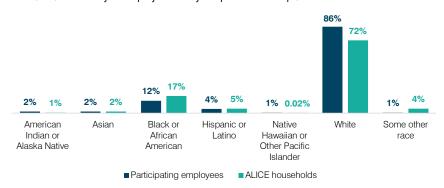
EXHIBIT 6. MI Tri-Share Employee Highest Education Level Completed



Finding Three: Participating Employees Were Slightly More Likely to Be White

MI Tri-Share is designed to support families with household income between 200 percent and 325 percent of the FPL, which puts the priority population firmly in the ALICE threshold. Data from the United for ALICE report provide a demographic profile of ALICE households in Michigan, which is useful for understanding how MI Tri-Share is reaching its intended audience. Based on employee survey responses, the program's expansion is apparently aligning MI Tri-Share more closely with the race and ethnicity of Michigan's ALICE households.

EXHIBIT 7. Race and Ethnicity of Employee Survey Respondents Compared to ALICE Households



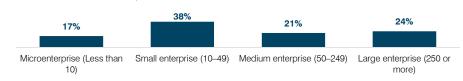
N (Participating employees) = 204 N (ALICE households) = 1.292.690

Source: United for ALICE. "ALICE Demographics 2022." United for ALICE. https://www.unitedforalice.org/demographics/michigan

Finding Four: More than Half of Participating Employers Were Micro or Small Enterprises

The program had employers of all sizes, from small single proprietorships to large regional service organizations, as seen in Exhibit 8. Of the survey respondents, 52 percent said their business has between one and 49 employees. One-fifth of employer respondents reported having between 50 and 249 employees and nearly one-fourth were large enterprises with 250 or more employees.





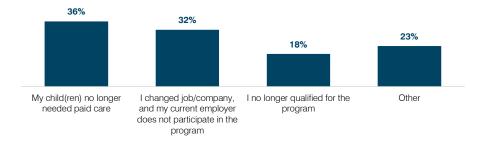
In open-ended survey responses and focus group discussion, medium and large enterprises expressed hesitation to join a program and offer an employment benefit when the program—and thus the benefit might end. Since these data were collected, the program has undergone several structural changes, including its move to MiLEAP and the onboarding of the central administrative partner. Anecdotal data from ad hoc conversations suggest these fears have been somewhat alleviated as a result of these shifts and ongoing efforts to make the program permanent.

Data indicated that just under half of employers (44 percent) were in educational services, while 13 percent were in manufacturing and 11 percent in healthcare and social assistance.2 Employers from the construction industry made up 7 percent of the employers participating, with lesser representation from finance, hospitality, professional services, public administration, real estate, retail, and transportation. Many of the participating child care providers also participated as employers who provided the benefit to their employees.

Finding Five: Employee Participation Was Limited by the Number of **Participating Employers**

Several factors limited program participation for each of the three participant types. As seen in Exhibit 9, when asked why they no longer participated in the program, employees said that it was because their children no longer needed care (36 percent), they changed jobs/companies and no longer received MI Tri-Share as a benefit (32 percent), and they no longer qualified for the program (18 percent). Other limitations on participation that were shared included children entering kindergarten, a participating child care provider closure, and moving out of state.

EXHIBIT 9. Reasons Employees No Longer Participate in MI Tri-Share



² Child care providers are counted as educational services. Of the 20 educational services providers that responded, 16 (80 percent) are early child care providers.

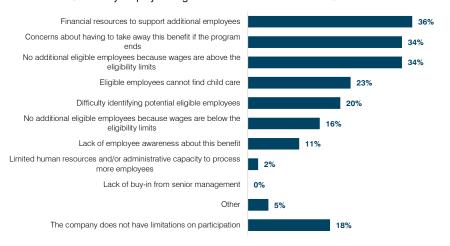
Finding Six: Employer Participation Was Limited by Financial Resources, Concerns the Program Would End, and Employee **Eligibility**

The median number of program slots offered by employers was eight and the median number filled by employers was two. When asked how they determined how many slots to provide, employers shared that their determinations were based on criteria such as:

- Employer internal financial resources/budget
- Employee interest/need
- Number of employees

When asked about what might limit the number of program slots offered, employers cited lacking financial resources to support additional employees (36 percent), having no additional eligible employees (34 percent), and concerns about the program ending (34 percent) as the main reasons there would be limitations on the number of slots they support. As shown in Exhibit 10, nearly one-fourth of employers cited issues with eligible employees not being able to find licensed child care. One in five employers (20 percent) were challenged in identifying eligible employees, and a similar proportion (18 percent) indicated they had no limitations on the number of child care slots at all. Very few employers (2 percent) cited limited administrative capacity as an issue.

EXHIBIT 10. Reasons Why Employers Might Limit the Number of MI Tri-Share Slots



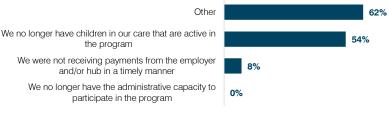
When asked what factors may increase the number of program slots offered, many employers talked

- Expanding income eligibility to include higher household incomes
- Increasing licensed child care options in their area
- Increasing awareness of and interest in the program
- The need to fill their existing slots first

Finding Seven: Child Care Provider Participation Was Limited by the **Number of Eligible Children in Their Care**

More than 50 percent of child care providers who reported not participating in the program said it was because they no longer have participating children in their care (Exhibit 11). A small portion (8 percent) indicated they stopped participating because they did not receiving payments in a timely manner. 3 Almost two-thirds of child care providers (62 percent) gave other reasons for not participating, chief among them was that employers no longer participated or that the employee had switched to a nonparticipating employer.

EXHIBIT 11. Reasons Child Care Providers No Longer Participate in MI Tri-Share



Finding Eight: All Participant Groups Identified the Household Income Eligibility Threshold as a Universal Barrier to Family **Participation**

The program's income eligibility requirement is a major barrier for employees, employers, and child care providers who want to participate. In focus group discussions, child care providers expressed that they wanted to expand the program to reach middle- and high-income families and involve their own employees in it. Employers discovered that many employees are excluded from the program because the program's income threshold is based on household income, not individual income. Employers only know an employee's income, not that of their household. Employers also noted the threshold could be problematic for employees who advance in their careers.

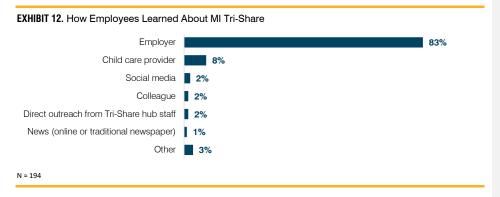
³ The implementation of a statewide administrative partner is intended to address the timeliness of payments by eliminating wait times for payments to providers to be processed.

"With climbing wages in our company, several might not qualify for this great benefit due to the income constraint." —Participating employer

Many participating employees reported the household income threshold to be a barrier to entry for their coworkers and friends. They also shared their employers' concerns that promotions and career advancement would render them ineligible for the benefit.

Finding Nine: Employees Overwhelmingly Found the Program through Their Employer

Eight of ten (83 percent) employees reported they learning about the program through their employer. As shown in Exhibit 12, a small percentage (8 percent) of employees learned of the program through their child care provider. Fewer reported hearing about the program through social media (2 percent), colleagues (2 percent), MI Tri-Share program staff (2 percent), and the news (1 percent). Among the other sources of information about MI Tri-Share employees listed were friends, general internet searching, and radio interviews.

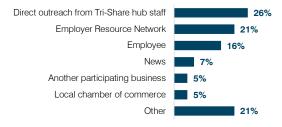


Finding Ten: Direct Outreach from Hub Staff to Employers Remains the Most Common and Effective Method to Engage Employers

Recruiting employers to participate in MI Tri-Share is perhaps the most challenging aspect of the program. To ensure that more child care needs are supported by employers, a great deal of effort has gone into employer outreach, education, and recruitment. Data from the survey of participating employers indicate that the most common way employers learned about the program was by direct outreach from MI Tri-Share facilitator hub staff (26 percent). Using the Employer Resource Network to engage MI Tri-Share was the next most common (21 percent) for employers to learn about the program. Sixteen percent of employers heard about MI Tri-Share from their employees, and as shown in Exhibit 13, even fewer learned of the program through the news (7 percent), from other employers (5 percent), or from their local chamber (5 percent). Other sources of information provided in the survey responses included Great

Start, Michigan Works!, and the Michigan Department of Licensing and Regulatory Affairs. Feedback from employers suggests that the program may have greater success with employer engagement if MI Tri-Share's facilitator hub regions were more closely aligned with existing regions where businesses already meet and learn about opportunities together, such as Michigan's Prosperity Regions or MiLEAP's new Regional Child Care Coalitions boundaries.

EXHBIT 13. How Employers Learn About MI Tri-Share



N = 43

Employee Outcomes

Employee Outcome One: Families Reported Increased Financial Stability and Security

The MI Tri-Share model aims to reduce families' child care costs and improve their financial stability (ability to pay the bills every month on time) and financial security (ability to pay all bills and set aside for emergencies and retirement without concern). Employees provided many examples of how the program helped improve their family's financial stability primarily by allowing the savings to offset the costs of other essentials such as groceries, home maintenance, and child necessities, and 98 percent reported a positive impact on their financial stability because of the program.

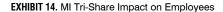
> "It's a HUGE benefit that I am so grateful for. With rising costs of rent/mortgage payments, it allowed us to be able to keep a roof over our heads by cutting down daycare costs." —Employee participant

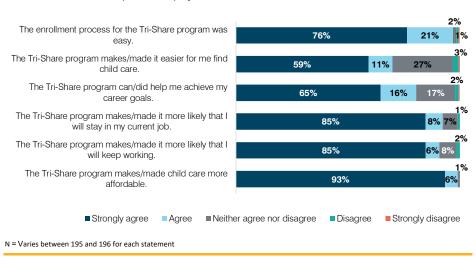
Participating employees also praised the program for increasing their family's financial security, and 97 percent agreed the program increased financial security. The additional funds helped alleviate the need to use savings or juggling bills to pay for child care.

"This helps us worry less about child care and allows us to know we have money for things like groceries and gas." —Employee participant

Employee Outcome Two: MI Tri-Share Increased the Likelihood of **Employees Staying in the Workforce with Their Employer**

More than eight out of ten employees strongly agreed that the program made it more likely they would keep working and stay in their current job. As shown in Exhibit 14, 99 percent of the employees were in agreement that the program made licensed child care more affordable and 97 percent found the enrollment process to be easy for them. There was only slightly less agreement that the program helped employees achieve their career goals, with 81 percent agreeing or strongly agreeing, and that the program made it easier to find licensed child care (70 percent).

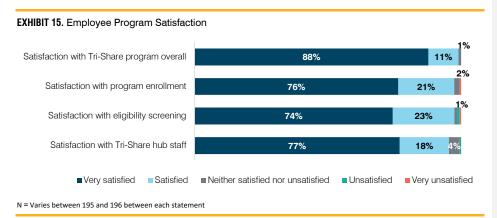




Employee Outcome Three: High Satisfaction with Program Enrollment, Eligibility Screening, Staff, and the Program Overall

There was a very high level of satisfaction with MI Tri-Share among employees. Exhibit 15 shows that nearly all (99 percent) stated they were satisfied or very satisfied with the program overall and 95 percent were satisfied or very satisfied with facilitator hub staff. In addition, program enrollment and eligibility screening both received 97 percent satisfaction from employees.

Most employees (92 percent) had not received employer support for child care expenses prior to the program, and 93 percent had not previously participated in the CDC program.



Many employees also shared that participating in the program enabled them to maintain their employment and even pursue additional opportunities.

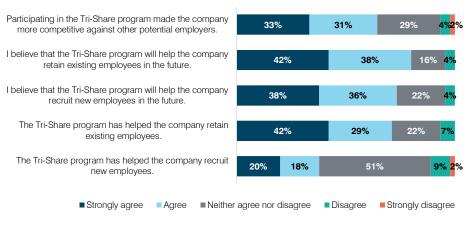
> "This program has allowed me to continue to work which provides food, shelter, and an education for my child, as well as other basic needs such as clothing, continuing my education in college, and overall wellness." —Participating employee

Employer Outcomes

Employer Outcome One: Tri-Share Increased Employer Labor Market Competitiveness and Employee Recruitment and Retention

Overall, employers agreed that the program will help with making the employer competitive against other potential employers, retain existing employees, and recruit new employees. As shown in Exhibit 16, nearly three-quarters (71 percent) of employers agreed that MI Tri-Share had helped retain the employees who had participated, and even more (80 percent) agreed that MI Tri-Share would be an effective retention tool in the future. As expected, while there was not a lot of agreement that the program had helped employers recruit any new employees (38 percent), there was a much more positive outlook on the future of MI Tri-Share as a recruitment tool, with almost three-quarters (74 percent) in agreement. Almost twothirds of employers (64 percent) agreed that offering MI Tri-Share as an employment benefit made their companies more competitive.

EXHIBIT 16. Employer Perceptions of Program Participation on Recruitment and Retention Efforts

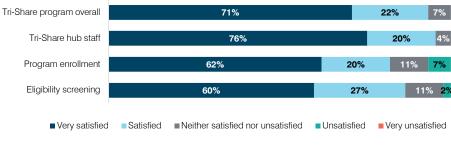


N = 45

Employer Outcome Two: High Satisfaction with the Program

Employers were highly satisfied or very satisfied with MI Tri-Share facilitator hub staff, program enrollment, eligibility screening, and the program overall. Exhibit 17 shows that employers exhibited the highest level of satisfaction (96 percent) with facilitator hub staff, and more than nine-tenths of employers (93 percent) were satisfied or very satisfied with their experience with the program overall. More than 80 percent of employers were satisfied or very satisfied with program eligibility screening (87 percent) and program enrollment (82 percent).

EXHIBIT 17. Employer Program Satisfaction



Employers stated in open-ended responses that the program was good for their communities and employees, easy to participate in, and that they want to offer the it more widely. The most common areas where employers saw opportunity for improvements were to increase the household income eligibility threshold, create more awareness about the program among employees, and get more employers to participate.

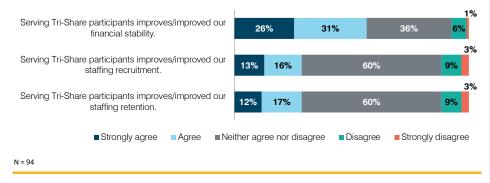
> "The Tri-Share program is simply excellent ... and is arguably the most important benefit outside of health insurance that I offer." —Participating employer

Child Care Provider Outcomes

Provider Outcome One: The Program Improved Financial Stability for a Majority of Providers

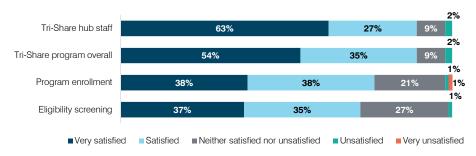
On average, providers had three children enrolled in MI Tri-Share in their care. While most providers agreed or strongly agreed that program participation improved their financial stability (57 percent), 60 percent of providers stated they were neutral about whether serving MI Tri-Share participants improved staffing recruitment and retention. However, as noted above, 44 percent of the participating child care providers have chosen to also engage as employers offering the program to their own employees.

EXHBIT 18. MI Tri-Share Impact on Participating Child Care Providers



Most child care providers were satisfied or very satisfied with facilitator hub staff, program enrollment, eligibility screening, and the program overall. As shown in Exhibit 19, most MI Tri-Share child care providers were very satisfied or satisfied with facilitator hub staff (90 percent). Nearly nine out of 10 (89 percent) of child care providers were very satisfied or satisfied with the program overall. Satisfaction with program enrollment and eligibility screening was only slightly lower, with 76 percent and 72 percent satisfied respectively.

EXHIBIT 19. MI Tri-Share Child Care Provider Satisfaction



N = 94

When asked if there were ways the program could be improved, participating child care providers mentioned things like increasing employer participation, improving paperwork processes, and creating broader access to the program. Even with the benefits of MI Tri-Share, providers described the broader need for additional funding assistance for increasing staff, purchasing additional equipment, making facility improvements, staff trainings, and improving overall care.

Conclusions and Recommendations

Since its initial pilot, MI Tri-Share has begun to successfully scale, growing program availability and participation by almost 100 percent in the 16 months from December 2022 through March 2024. The program has received praise and high levels of satisfaction from all participant types for reducing the burden of child care costs for working Michigan families. Employees noted the program's importance in helping them maintain employment, and employers identified the potential for the program to serve as a recruitment and retention tool. As the MI Tri-Share program continues to grow and expand to serve more employers and employees and their families, there are several key areas where increased attention could improve desired outcomes.

- Continue efforts to increase awareness of the program statewide, regionally, and locally. It might be beneficial to conduct market research on program messaging that resonates with both employers and employees. It would also be useful to explore alternative avenues to direct marketing, possibly by working with business organizations like Chambers of Commerce or local business service providers like Michigan Works!
- Consider redefining local facilitator hub regional boundaries to more closely align with existing regions where employers already meet to share opportunities and networks. Working within existing coalitions and associations may help validate the program and amplify hub recruitment efforts.

- Explore additional avenues to increase equitable program access. Though there were marked improvements in increasing the racial and ethnic diversity of participants during the program's expansion, further efforts to increase participation from families across racial and ethnic demographics within the ALICE population would be beneficial.
- Expand eligibility requirements so more people can take advantage of the program. This was identified as needed program improvement by all participant types. Increasing the household income threshold or switching to individual employee incomes carries equity concerns but may also help maintain the program as a recruiting and retention tool for employers as long-term employees receive promotions and/or increased compensation.
- Continue to identify and address barriers to participation by gathering regular feedback from program participants.
- Continue to assess the regional hub model and centralized administrative function for effectiveness and efficiency.
- Continue to provide and develop operational guidance and marketing materials to standardize communication and processes. For example, create an eligibility checklist that potential employee participants can reference when considering whether to apply for the program.
- Create clear definitions and standards for data and data management to support recordkeeping and future research.
- Further develop a research agenda to support budget discussions for fiscal year 2026 and for the fiscal year 2027 benchmark evaluation called for the current five-year strategic plan. Such an agenda could include metrics to understand the program's impact, short-term research projects to assess effectiveness of program elements or operational changes, and research questions on program effectiveness and replicability.

References

Michigan Legislature. September 30, 2020. "Act No. 166." Public Acts of 2020. $\underline{https://www.legislature.mi.gov/documents/2019-2020/publicact/pdf/2020-PA-0166.pdf}$

Michigan Women's Commission (MWC). "MI Tri-Share Child Care Program Guidelines." Michigan Department of Lifelong Education, Advancement, and Potential. https://www.michigan.gov/mileap/-/media/Project/Websites/mwc/Tri-Share/Tri- $\underline{Share\ Program\text{-}Guidance\ 452023.pdf?rev=400a420197a14a288ec72409d3673665\&hash}$ <u>=BD97C3F2A43770E2E26C42AA8CF05999</u>

Public Sector Consultants. October 2023. MI Tri-Share Pilot Evaluation. Lansing: Public Sector $\underline{Tri-Share-Pilot-Evaluation-Report-FINAL.pdf?rev=b22e11e8ff544f4ba7666644447647fd}$

Appendix A: Data Collection Instruments

Commented [MII]: Formatting please add the employee, employer, and provider surveys, located here:

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Appendix B: MI-Tri Share Strategic Plan

Appendix C: MI Tri-Share 2024 Evaluation Key Findings

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