



July 15, 2015

Robert Sargis
ACF Reports Clearance Officer
Administration for Children and Families
Office of Planning, Research and Evaluation
370 L'Enfant Promenade SW
Washington, DC 20447

RE: Child Care and Development Fund Plan for States/Territories for FFY 2016-2018 (ACF-118)

Dear Mr. Sargis:

Thank you for the opportunity to comment on the recently released draft of the Child Care and Development Fund Plan for States and Territories for FFY 2016-2018. As you know, CLASP and NWLC jointly submitted comprehensive comments on the previous version of the Preprint, proposing significant changes. We appreciate ACF's consideration of those earlier comments, and that several of them were addressed in the new draft. For example, the new version of the document includes changes that:

- Strengthen and clarify the goals and requirements of the Child Care and Development Block Grant (CCDBG) Act of 2014;
- Strengthen CCDF leadership and coordination with relevant systems, encouraging partnerships at the state level;
- Strengthen and expand language around specific provisions to reach underserved populations; and
- Clarify expectations and goals around market rate surveys and provider payment policies.

CLASP and NWLC appreciate those important changes, and others that improved the document overall and that will enable the collection of more specific information about how states plan to implement the CCDBG Act of 2014. While we do not expect all of our earlier comments to be incorporated, and we understand that with changes in the document some of our earlier comments are no longer relevant, there are a number of areas where we still have concerns or suggestions.

CLASP and NWLC are resubmitting the following comments, and we ask that ACF consider addressing them in the final version of the document:

- 3.1.4. States should be asked to indicate if they plan to update their income eligibility limits—for example, by adjusting them for an updated state median income or federal poverty level—during the time period of the plan. If a state does plan to update its income limit, it should be asked to describe how the update will be made and when it will take effect.
- 3.2.2. The preprint should indicate that, in addition to the populations for whom it is required, states have the option to offer expedited enrollment to other populations of children and families. There should be an additional option: c) Describe the procedures to expedite enrollment for any other groups of children.
- 3.4. In discussing the requirement that co-payments should be set such that they are not a barrier to families receiving child care assistance, the preprint should note that, according to Census data, the average amount paid nationwide among parents who pay for child care is 7 percent of family income.

To offer states effective strategies in this area, the following changes should be made:

- 3.4.1 The text should make clear that states are being asked for copays for *one* child, to avoid confusion.
- 3.4.5. In the list of strategies for ensuring affordable co-payments, 10 percent of family income should not be specified, as this could be construed by states as the recommended federal benchmark, and since this recommendation could be revised in regulations or guidance for the new reauthorization law. Instead of including a particular percentage, states should instead be asked to check the box if they limit the co-payment to a certain percentage of family income, and, if they do, indicate what that percentage is.
- Also in 3.4.5., the text should be clarified by adding the following text (in italics) to the option “Does not allow providers to charge families the difference between the maximum reimbursement rate and their private pay rate *in addition to the co-payment they are already paying.*”

In addition, we offer the following *new* comments on the revised Preprint:

- Section 3.4 no longer includes language included in the previous version of the Preprint prohibiting use of the cost of care in determining a family’s co-payment. We recommend that there at least be language discouraging this practice, since it could deter parents from choosing higher-cost care—which is often higher-quality care.
- Reformat section 4.3.1. to ask states to clearly indicate which time unit they are using when they report their rates (i.e. instead of “Rate___”, use “Rate: \$___ per ____ [unit of time]”)

- In the list included in 4.5.2., delete the item “Pays within no more than 21 days of billing for services.” Timely payment is very important; however section 4.5.3 addresses timeliness of payment, so it may be repetitive. In addition, we are concerned that specifying the 21 days may be interpreted as setting a benchmark, even though this time period may be longer than the generally accepted payment practices that payment practices for CCDF-providers are now required to reflect.
- In the same section, revise the option, *“Supports fixed costs of providing child care services by delinking provider payments from a child’s occasional absences by providing full payment if a child attends at least 80 percent of authorized time.”* We are concerned that specifying 80 percent establishes that percentage as a benchmark without evidence that this reflects common practice for private providers. The item should be rewritten as follows: *“Supports fixed costs of providing child care services by delinking provider payments from a child’s occasional absences by providing full payment if a child attends at least a certain percent of authorized time. Specify percent: ___”*

Thank you for your consideration of the above comments. If you should have questions or need additional information, please do not hesitate to contact us.

Sincerely,

Helen Blank and Karen Schulman
NWLC

Christine Johnson-Staub and Christina Walker
CLASP