Implementing the Child Care and Development Block Grant Reauthorization

April 15, 2015
Today’s Webinar

• We will provide a broad overview of CCDBG reauthorization opportunities.
• We will discuss the context for CCDBG reauthorization in states.
• We will offer ideas and strategies to get started planning for CCDBG implementation.
Implementing the CCDBG Reauthorization: A Guide for States

- Detailed information on provisions in the new CCDBG law
- Recommendations and cautions for states
- State-specific information on key provisions of the law, CCDBG funding and children served

Available at www.nwlc.org and www.clasp.org/CCDBG
Reauthorization Overview

• The Child Care and Development Block Grant (CCDBG) governs the use of state and federal Child Care and Development Fund (CCDF) dollars for child care assistance and quality improvement initiatives.
• CCDBG reauthorization establishes many new requirements for states, but also maintains state flexibility in many areas.
• The reauthorization does not guarantee new funding to comply with new requirements.
New Opportunities in the CCDBG Reauthorization

• Protect the health and safety of children in care through more consistent standards and monitoring of those standards.
• Allow families to more easily access child care assistance that supports stable and continuous child care, and that can be coordinated with other programs.
• Improve the quality of care, including through increased quality set-aside, support for child care providers and targeted initiatives for priority populations.
The Context for Implementation

- Spending on child care assistance through CCDBG and Temporary Assistance for Needy Families (TANF) is at an 11-year low.
- The number of children receiving CCDBG-funded child care assistance is at a 15-year low.

![Average Monthly Number of Children Served in CCDBG in the United States FY 1998-2013 (in millions)](chart)

Source: HHS administrative data. FY 2013 data are preliminary.
The Context for Implementation

• Nearly one in five working mothers with very young children work in low-wage jobs.
• Over one-third of mothers who have very young children and work in low-wage jobs are poor.
• Low-wage workers increasingly navigate job schedules that are non-traditional, variable, and unpredictable—and make using formal child care extremely challenging.

The Context for Implementation

• Only one state (Oregon) set its payment rates at the federally recommended level, the 75th percentile of current market rates.
• In 34 states, payment rates for center care for a 4-year-old were at least 20 percent below the recommended level.
• 37 states pay higher rates to child care providers that meet specific quality standards. In most cases, the higher tiered rates are still below the 75th percentile.
Now is the Time to Get Started

• Don’t wait—the time is now to get started.
• Reauthorization is an opportunity.
  • Reflect on program goals.
  • Assess what’s working and what’s not in the current system.
  • Collect data.
  • Consult with parents, providers, case workers, advocates, and other stakeholders.
  • Envision a new system.
• New requirements need new federal and state resources—it’s important to start building support now.
Now is the Time to Get Started

• Select provisions have delayed effective dates, all others effective on enactment
• State FY 2016-2018 CCDF Plan submission: March 1, 2016
  • State Plan effective: June 2016
  • States may submit state-specific implementation timelines in State Plan.

See Appendix II of Implementation Guide and Office of Child Care Timeline of Effective Dates: http://www.acf.hhs.gov/programs/occ/ccdf-reauthorization
Where You Start Depends on Your State
Getting Started

Plan for Policy Change:
- What changes require administrative, regulatory or legislative actions?

Estimate Costs:
- Are there cost estimates for your state?
- What information is needed to estimate costs?
- What is the advocacy strategy for increased investments?
Getting Started

Reflect on Program Goals:

- How can implementation support multiple goals for children and parents?

- Will changes make the program more child-focused, family-friendly, and fair to providers?
Getting Started

Understand your Subsidy Program: Who Is Served?

Focus on Children

- What are the ages of the children served?
- Has the number of children served declined?
- What settings are children in?

Focus on Parents

- What are the work patterns of parents?
- Who gets help?
- Are family co-payments affordable?
Getting Started

Understand your Subsidy Program: Providers, Policies and Processes

Focus on Providers
- What are provider payment rates?
- What are provider payment processes and practices?

Focus on Administration
- Who determines eligibility?
- What does the eligibility/redetermination process look like?
Select CCDBG Provisions for Consideration
Pre-service and Ongoing Training

- Pre-service and ongoing training requirements are established for all providers in 10 topic areas.
  - Who is subject to training requirements now and in what topic areas?
  - Is training accessible for providers?
    - How is it delivered?
    - What are the costs?
    - Are trainings available in multiple languages?
  - Are there opportunities for cross-sector trainings?
On-site Inspections

- Requires pre-licensure and annual unannounced inspections for all licensed providers and annual visits for non-relative license-exempt providers.
  - Who is currently subject to inspections?
  - Who conducts inspections? Are there community-based alternatives?
  - How can inspections be used as a technical assistance opportunity?
  - Can inspections offer resources to providers?
  - Can visits through other systems (CACFP, home visiting, others?) be leveraged?
  - What fees related to monitoring and licensing are currently charged to providers?
Licensing Requirements and Background Checks

• Mandates that states have ratio and group size requirements:
  - What are current licensing requirements? Does the state have ratio and group size regulations?
  - For what age groups?
  - Do ratio and group size requirements reflect best practices in child development?

• Requires comprehensive background checks:
  - Who is subject to background checks and what is required now?
  - Who currently is not subject to background checks?
  - What fees related to background checks are currently charged to providers?
Investments in Quality

- Quality set-aside increases to 9 percent along with a 3 percent infant-toddler set-aside.
  - How does that compare to your state’s current quality investments?
  - What activities/programs do the quality funds support now?
  - How will the state invest in building quality for providers at all levels of quality?
  - How will the state increase access to high-quality child care for underserved populations and in underserved areas?

<table>
<thead>
<tr>
<th>Federal Fiscal Year</th>
<th>Quality Set-aside</th>
<th>Infant-Toddler Set-Aside</th>
<th>Total Quality Set-Aside</th>
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<tbody>
<tr>
<td>2016</td>
<td>7%</td>
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<td>7%</td>
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<tr>
<td>2017</td>
<td>7%</td>
<td>3%</td>
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<tr>
<td>2019</td>
<td>8%</td>
<td>3%</td>
<td>11%</td>
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<tr>
<td>2020 (and beyond)</td>
<td>9%</td>
<td>3%</td>
<td>12%</td>
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Infant-Toddler Quality

• Establishes an expanded 3 percent set-aside to improve the supply and quality of infant-toddler care.
  ❑ What activities/programs do the infant-toddler quality funds support now?
  ❑ How can these funds support quality improvements, increasing the supply of quality care and access to high-quality infant-toddler care?
Family-Friendly Policies

• Helps families retain child care assistance through temporary changes in employment/education/training and increases in income (until 85 percent of SMI).
  ❑ Does your state currently have the law’s required minimum 12-month eligibility periods for all children?
  ❑ Are there different eligibility periods for different families?
  ❑ How long do families currently receive subsidies?
  ❑ Does your state currently have the law’s required minimum of 3 months of job search before ending assistance?
  ❑ Does your state currently have the law’s required graduated phase out of assistance at redetermination for families above income eligibility (but below 85 percent SMI)?
  ❑ What does the eligibility/redetermination process look like?
Provider Payment Rates

• States must conduct statistically valid and reliable market rate studies every three years or use an alternative methodology such as a cost estimation model.

• States may differentiate rates based on various characteristics of care.
  - Does your state currently differentiate rates? Based on what characteristics?
  - How will your state establish base rates at a level that ensures providers have sufficient resources?
  - How will your state commit to regular increases in rates to reflect regular increases in the costs of providing care?
  - What are your state’s provider payment policies? How do they ensure payment for absent days and timely payments?
Moving Forward

• Implementation will be challenging—it’s complex, with many new requirements and time constraints.
• Seizing opportunities will require resources—now is the time for budget advocacy.
• It’s an opportunity to think broadly—not just about compliance with requirements.
• Remember CCDBG’s two-generation goals for children and parents.

• Let us help!
  • What provisions are most challenging in your state?
  • What information is needed?
Submit questions via the Chat Box.
Implementation Guide & Assistance

- **Implementing the Child Care and Development Block Grant Reauthorization: A Guide for States.** Available at [www.nwlc.org](http://www.nwlc.org) and [www.clasp.org/CCDBG](http://www.clasp.org/CCDBG)

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