

Child Development and Care (CDC)



**PRESENTATION TO THE HOUSE
APPROPRIATIONS SUBCOMMITTEE
ON EDUCATION**

MARCH 9, 2016

Child Development and Care Program

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- Federal and State funded program specifically designed to:
 - ✦ Promote self-sufficiency by making safe and quality child care more affordable for low-income parents in Michigan.
 - ✦ Foster healthy child development and school success by improving the quality of child care.
- The program benefits:
 - ✦ Children.
 - ✦ Parents.
 - ✦ Child Care Providers.

Who does CDC serve?

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- The CDC program helps eligible families with child care costs while the parent/parents are:
 - ✓ Working
 - ✓ Completing high school/GED courses
 - ✓ Participating in job training or education programs
 - ✓ Engaging in family preservation activities (e.g. court-ordered rehabilitative activities).
- Eligible families/children include:
 - ✓ Low-income families—below 121% of the Federal Poverty Guidelines
 - ✓ DHS Cash Assistance and SSI Recipients
 - ✓ Foster children in DHS-paid placements
 - ✓ Children with an active Children’s Protective Services case at DHS

Child Care Providers

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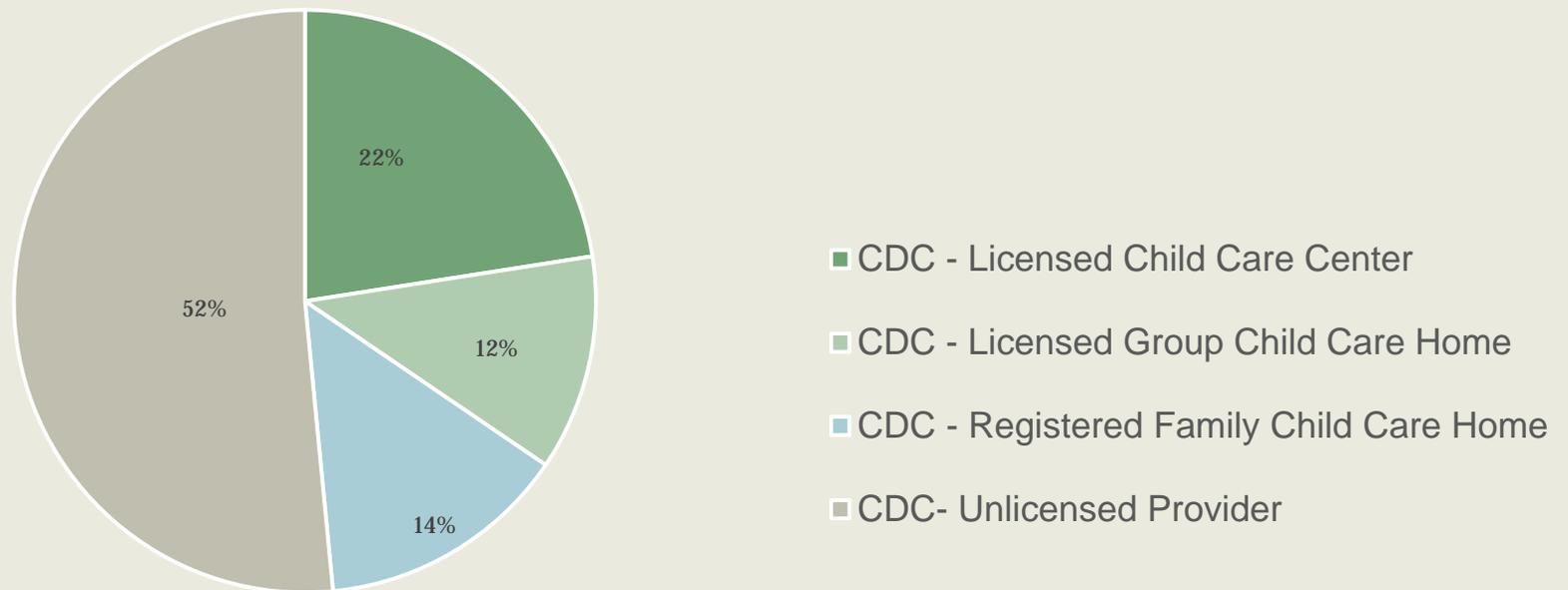
Each parent who is eligible for CDC can choose the provider and care setting that best meets the family's & child's needs from the four types below:

- Licensed Child Care Centers– Licensed to provide care in facility other than a private residence.
 - ✦ Includes Head Start and Great Start Readiness Programs
- Licensed Group Child Care Homes– Licensed to provide care for up to 12 children at one time in a private residence.
- Registered Family Homes– Registered to provide care for up to 6 children at one time in a private residence.
- Unlicensed Child Care Providers (often referred to as Family, Friend, and Neighbor Care)– Can provide care for up to 4 children at one time in the child's home or, if related, in the provider's home.

Visual of Providers

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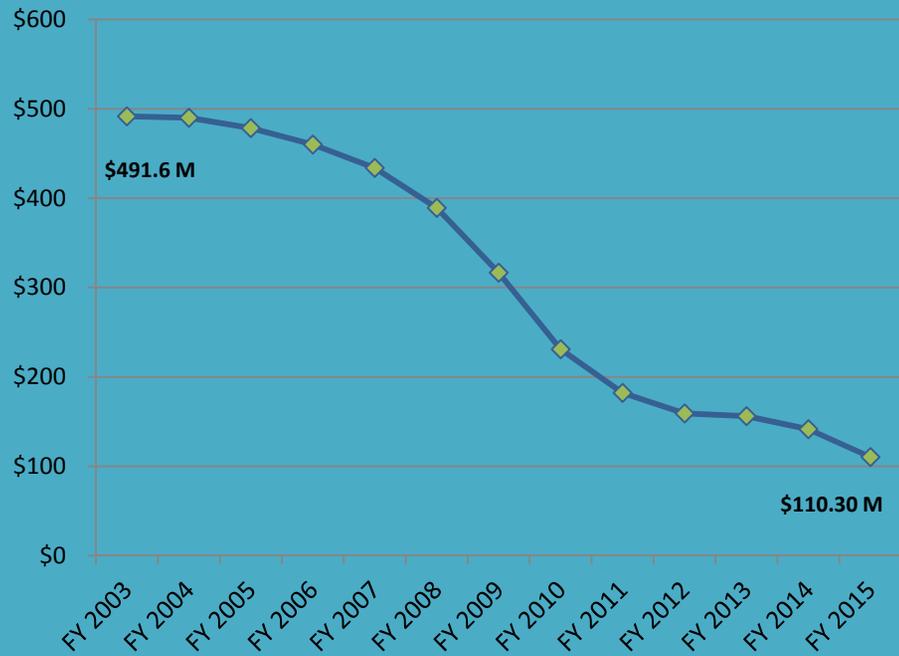
Types of Providers Serving CDC Children FY2015



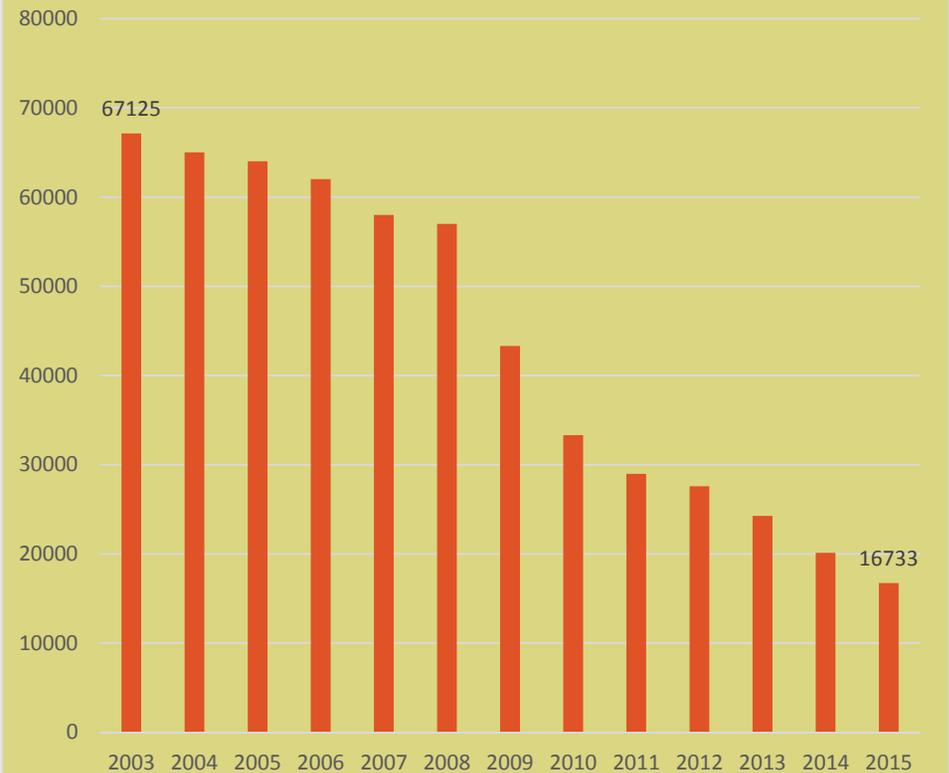
CDC Funding Trends

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Appropriations



Child Care Cases



CCDF Reauthorization

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- The Child Care and Development Block Grant (CCDBG) Act of 2014 was signed into law on November 19, 2014. Reauthorizes the CCDF program for the first time since 1996.
- CCDF is a \$5.3 billion block grant program that provides funding to States, Territories and Tribes to provide access to child care services for low-income families and improve the quality of child care.
- The CCDBG Act of 2014 renews authority for CCDF through FY2020 and represents a historic re-envisioning of the program
- Focused on better balancing dual purposes – to promote economic self-sufficiency for low-income families and support healthy development and school readiness needs of children.

Scope of Reauthorization

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Reauthorization brings significant advancements to the program:

- Makes child care safer by defining health and safety requirements for child care providers, requiring background checks, and inspection to facilities.
- Provides more stability for parents and children through family-friendly eligibility policies.
- Helps parents better understand child care choices available to them by improving accessibility and transparency of information about providers.
- Includes a significant number of changes, some of which are straightforward to implement, while others are complex and will be phased-in over several years.

Key Features of Reauthorization

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- Health and Safety
- Criminal Background Checks
- Monitoring
- Training and Professional Development
- Eligibility Policies
- Consumer Education
- Family Engagement
- Increased Quality Spending
- Infants and Toddlers
- Payment Rates and Provider Payment Practices
- Underserved Populations

Key Reauthorization Changes

Key Dates

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Criminal Background Checks (658H(j))	Compliance by 9/30/2017: Not later than the last day of the 2nd full fiscal year after enactment (states may request an extension of not more than 1 year).
Monitoring of Licensing and Regulatory Requirements (658E(c)(2)(K))	Compliance by 11/19/2016: Not later than 2 years after the date of enactment.
Posting Results of Monitoring and Inspection Reports (Website) (658E(c)(2)(D))	Compliance by earlier of 11/19/2017 or 1 year after monitoring in place.
State compliance with Priority for Services (658E(c)(3)(B)(ii))	Compliance by 9/30/2016: Not later than September 30 of the first full fiscal year after the date of enactment (ACF will make an annual determination and report thereafter). The requirement to submit this report applies to ACF. However, prior to submission of this report, states will need to provide information to ACF regarding their compliance with priority for services.

Recent Program Changes

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- 12 month continuous eligibility
- Graduated exit
- Increased provider rates
- Homeless and migrant
- Hiring of additional child care licensing consultants

Tiered Reimbursement

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- Increases the number of high quality programs available to children in Michigan.
 - Higher quality care is more expensive to provide and is often not accessible at the current CDC reimbursement rates.
 - Provides a financial incentive for programs currently serving CDC children to increase their quality level.
- Positively impact school readiness for children.
 - Research clearly demonstrates that high quality early learning opportunities improve child outcomes- short and long term.
 - Low-income children show greater benefits from high quality care.
- Focuses funding on achieving greatest outcomes.

How does Tiered Reimbursement work? Great Start to Quality

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Star Level	Overall Programs	Programs Serving CDC Children	% of Programs at Level Serving CDC Children
	87	39	45%
	296	157	53%
	1,189	739	62%
	1,218	326	27%
	147	44	30%

Flint

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- Pilot the expansion of CDC eligibility to birth to 3 year olds for half day universal child care services by removing household income as a determinate of eligibility
- Provide information to child care providers on identification and intervention services for children demonstrating developmental delays associated with exposure to lead
- Amend the state plan

Discussion and Questions

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