

# Child Development and Care (CDC) Program

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HOUSE SCHOOL AID AND EDUCATION SUBCOMMITTEE

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# 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 the Child Development and Care Program 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 125% 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

# Family Contribution Chart

Family Contribution (FC) Based on Income Eligibility

FAMILY/ GROUP SIZE	Flat-Rate Family Contribution \$15.00	Flat-Rate Family Contribution \$20.00	Flat-Rate Family Contribution \$25.00	Flat-Rate Family Contribution \$30.00	Flat-Rate Family Contribution \$35.00	Flat-Rate Family Contribution \$40.00
1 or 2	\$0-1659	\$1660-2087	\$2088-2515	\$2516-2943	\$2944-3371	\$3372-3800
3	\$0-2093	\$2094-2566	\$2567-3040	\$3041-3513	\$3514-3987	\$3988-4461
4	\$0-2526	\$2527-3106	\$3107-3687	\$3688-4267	\$4268-4847	\$4848-5427
5	\$0-2959	\$2960-3568	\$3569-4176	\$4177-4784	\$4785-5393	\$5394-6001
6	\$0-3393	\$3394-4029	\$4030-4666	\$4667-5302	\$5303-5938	\$5939-6575
7	\$0-3826	\$3827-4491	\$4492-5155	\$5156-5820	\$5821-6484	\$6485-7149
8	\$0-4259	\$4260-4952	\$4953-5645	\$5646-6337	\$6338-7030	\$7031-7722
9	\$0-4693	\$4694-5413	\$5414-6134	\$6135-6855	\$6856-7575	\$7576-8296
10+	\$0-5126	\$5127-5875	\$5876-6624	\$6625-7372	\$7373-8121	\$8122-8870

# 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.

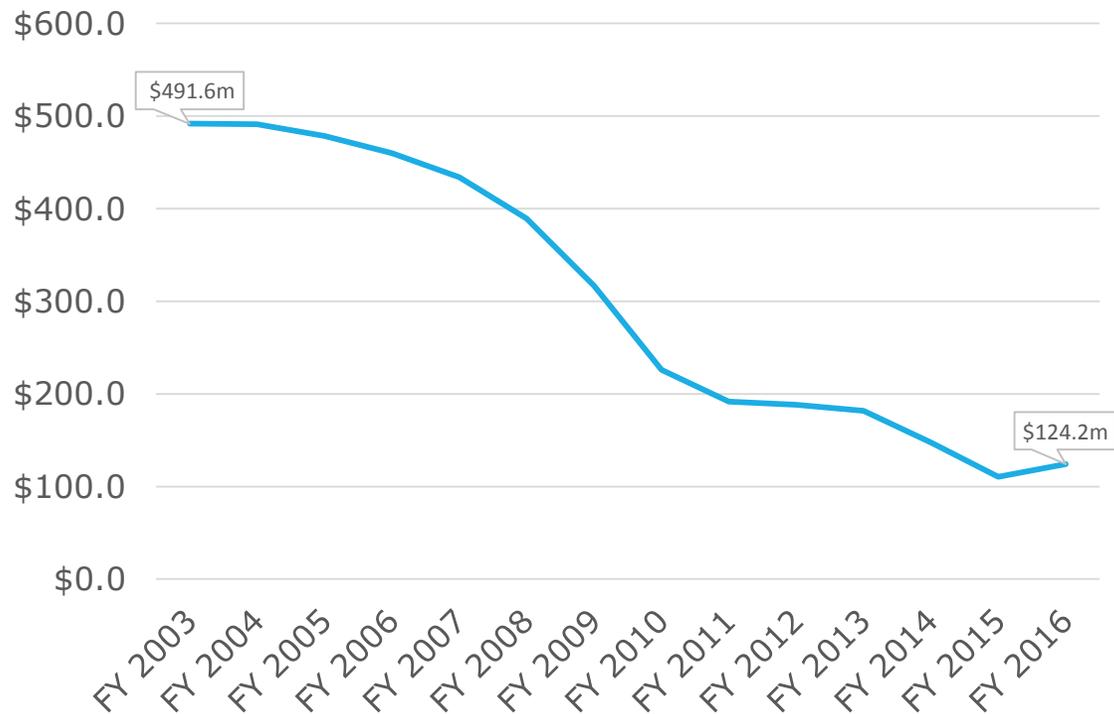
# Current Payment Rates

Great Start to Quality Star Rating	Child Care Centers Birth to Age 2½	Child Care Centers Over Age 2½	Family & Group Child Care Homes Birth to Age 2½	Family & Group Child Care Homes Over Age 2½
Base Rate (Blank Star and 1 Star)	\$3.75	\$2.50	\$2.90	\$2.40
2 Star Rate	\$4.00	\$2.75	\$3.15	\$2.65
3 Star Rate	\$4.25	\$3.00	\$3.40	\$2.90
4 Star Rate	\$4.50	\$3.25	\$3.65	\$3.15
5 Star Rate	\$4.75	\$3.50	\$3.90	\$3.40

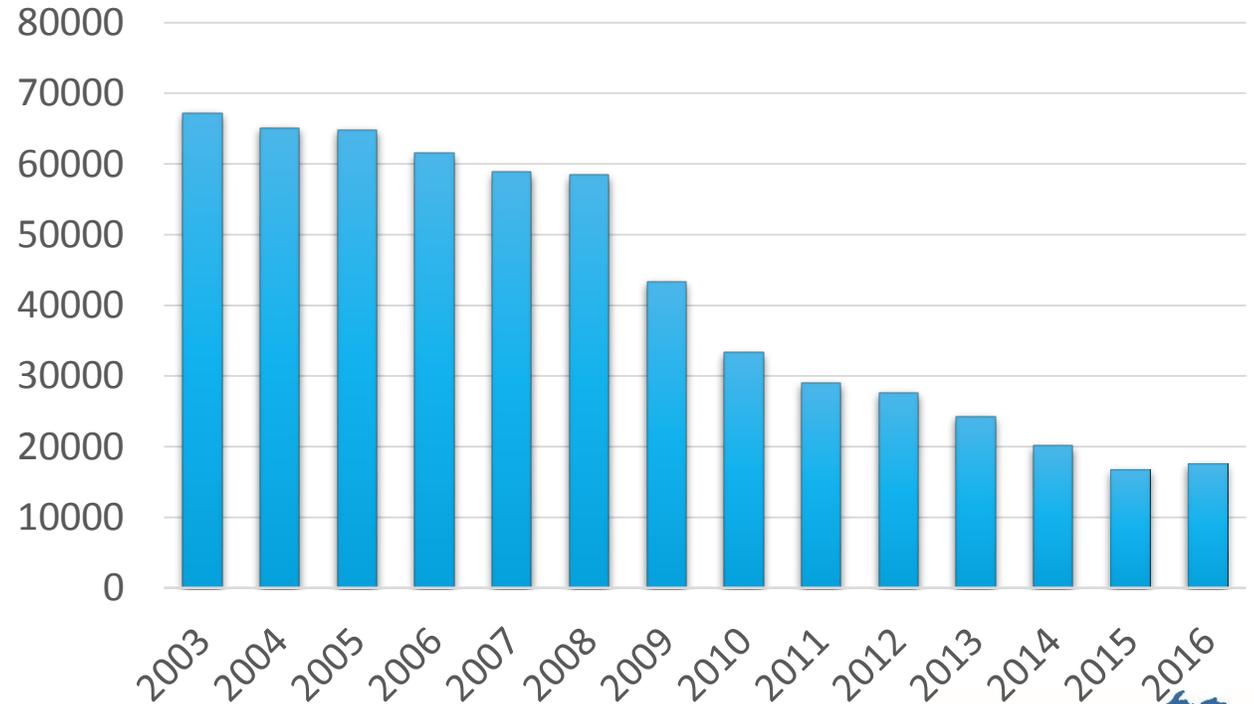
Level	Children Birth to 2 ½	Children 2 ½ and Older
Level 1	\$1.35	\$1.35
Level 2	\$2.20	\$1.85

# CDC Funding Trends

## Appropriations



## Child Care Cases



# How Does Michigan Compare?

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- In 2003, Michigan's spending on the child care program was the 11<sup>th</sup> highest in the nation. By 2013, we dropped to the 11<sup>th</sup> lowest in the country.
- Michigan currently has the lowest income entry limit across the country.
- As far back as 2001, Michigan has not reimbursed providers at the recommended 75<sup>th</sup> percentile.
- Since 2006 MI has served 50% fewer children.

# Building a Better Child Care System: What Michigan Can Do to Help More Parents and Children Access Quality Care

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Five overarching recommendations included:

- Increase financial assistance to families
- Increase access to quality providers
- Make it easier for provider to improve their programs
- Increase access to quality information
- Support the early childhood workforce

# Child Care Development Block Grant Reauthorization of 2014

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Reauthorization brings significant advancements to the program:

- Protect the health and safety of children in care.
- Help parents make informed consumer choices and access information to support child development.
- Support equal access to stable, high quality child care for low income children; and
- Enhance the quality of child care and better support the workforce.

# Efforts to Improve

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- ❖ 12 month continuous eligibility
- ❖ Graduated exit
- ❖ Tiered Reimbursement Rates
- ❖ Hiring of additional child care licensing consultants
- ❖ Reduction to eligibility determination timelines
- ❖ Application simplification
- ❖ Increased entrance eligibility

# New Opportunities

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- Providing low-income families with greater access to high quality care through provider rate increases.
- Improving the safety and well-being of children by ensuring required providers (and adult household members) have been FBI fingerprinted.
- Improving the safety and well-being of children receiving care in their own home.
- Support for technology improvements to successfully implement federally required program changes.

# Discussion and Questions

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