CCDBG Implementation in California: Guiding Vision and Principles

Child care is the keystone of an equitable educational system, a productive workforce, and a fit society. Early experiences affect a child's brain development, providing the foundation for all future learning. Quality child care helps children develop a sense of security, knowledge and skills that are essential for their success.

Over the past seventy years, the availability of child care has become a pillar of gender equity by enabling women to participate in the workforce. Child care has also become a critical support for low-income families working to achieve economic stability. However, California's child care infrastructure faces significant challenges. Legislative changes and financial investment are needed to ensure a strong child care system that will return dividends to us in years to come.

New rules contained in the Child Care and Development Block Grant (CCDBG) Act of 2014, which reauthorized the Child Care Development Fund (CCDF), and the planning process it requires, present a unique opportunity for state agencies and the Legislature to be bold and visionary in strengthening the State's child care system.

We envision a robust and comprehensive child care system in California that serves a large and diverse population of approximately 6.5 million young children age twelve and under, their families, and the nearly 174,000 providers who are the backbone of the system. Such a system would:

- Provide access to all children who are eligible for child care, including the 230,000 children who are currently financially eligible but are not able to receive services – many of whom live in poverty and are Dual English Learners.
- Focus on children's well-being by providing continuity of care and minimizing the required burdens on parents to obtain and maintain child care services.
- Partner with parents to offer consumer information that is relevant, timely, and accessible to all Californian parents so that they can make choices that best suit their families' needs.
- Be inclusive of all parents to benefit from and contribute to creating a strong and supportive child care system focused on children and family development.
- Support providers by offering living wages for their work and enabling them to focus on quality improvements.
- Appreciate the multitudes of ways in which providers deliver quality care and education and support for families.
- Develop a linked network of support for ongoing quality improvement and professional development that is progressive, coordinated, incentive-based, easily comprehensible, and accessible for the diverse provider workforce.
- Support agencies and non-profits in the efficient and effective delivery of child care services and ensures that health and safety standards and other regulations are enforced in a positive and constructive manner.

CCDBG Implementation in California: Guiding Vision and Principles

In the spirit of working together to create a stronger state child care system, advocates offer the following principles to guide policy development and decision-making for implementation of new CCDBG provisions:

PROCESS

- Develop a long-term road map for strategic, multi-year implementation to absorb the changes and costs over time.

- Draw on the wisdom of children, families, providers, and other stakeholders to proactively move forward in setting policy goals that can be supported via legislative, administrative, regulatory and budgetary actions over a multi-year period.

- Reasonably interpret available federal guidelines in a light that is focused on the well-being of children and parents.

- Rely on transparent information, such as cost implications of the new requirements and solutions under current consideration by CDE and other agencies, to guide a robust dialogue and innovative approaches to CCDBG implementation.

SCOPE

- Implement changes across the entire child care and development systems, not just for those providers/programs funded through CCDF to minimize further bifurcation of our child care system, which would present a great disservice to the most vulnerable children and families.

- Embrace meeting the full intent of the law, including providing parents with critical information about their child care options, reducing burdensome reporting requirements and increasing stability of care for children, ensuring access to quality child care that promotes child development by strengthening health and safety standards, and supporting the child care workforce and ongoing program improvement.

IMPACT

- Ensure that existing services to children and families are not cut; retain the long-term goal of serving all income-eligible children. These proposals hold to "do no harm" criteria so that financially struggling families and child care providers do not bear the costs of implementation.

- Deepen the State's simultaneous commitment to two-generation solutions by helping low-income parents to work or pursue education while promoting their children's healthy development and early learning.

- Build upon our existing mixed-delivery supply of family child care homes, child care centers, state preschool and license-exempt care, and continue to provide families access to a variety of child care settings.

Promote Family Engagement through Outreach and Consumer Education

CCDBG Requirement

Systems designed to promote seamless linkages and useful information and other child and family services, such as during subsidy intake and redetermination processes and when parents utilize child care resources and referral or QRIS agencies. Parents are consumers that need information to make informed choices regarding services that best fit their needs. Consider how information can be provided to parents through the child care assistance system, partner agencies, and child care sites that will support parent's role as children's teachers and advocates.

Consumer and Provider Education Information. Section 658E(c)(2)(E) .

- Availability of child care services
- Quality of providers
- Other programs for which families may be eligible like TANF, SNAP, LIHEAP, Women and Infant, Head Start, Early Head Start, etc.
- Programs and services carried out under the IDEA
- Research and best practices concerning children's development
- State policies regarding social-emotional behavioral health of young children (which may include positive behavioral intervention and support models and policies on the expulsion of preschool-aged children from early childhood programs[1]
- Information about process for applying for child care
- The full range of child care options
- If available, information about the quality of providers (nationally recognized accreditation or other means). Section 658L(b)(2)(B)(ii).
- Financial assistance to obtain child care services
- How the State can help families/providers obtain developmental screenings for CCDBG children
- Outreach and services to parents who do not speak English. Section 658L(b)(2)(E).
- Any other provider specific information about compliance with licensing and H&S requirements

Deadline for Compliance: September 30, 2016

Monitoring and Public Accessibility of Inspection Reports. Section 658E(c)(2)(D).

A website that is consumer friendly and in easily accessible format, and which has:

- Provider specific information including date of inspection, monitoring reports that includes substantiated complaints; and where applicable, information on corrective action taken
- Information from unlicensed providers must also be reported (CCDF Preprint 2.3)
- Aggregate annual information about the number of deaths, serious injuries, and instances of substantiated in child care settings
- Information about licensing child care providers, conducting background checks and the offenses that would keep a provider from being allowed to care for children, and conducting monitoring and inspections of child care providers. CCDF Preprint 2.1.

Deadline for Compliance: November 19, 2017

[1] This requirement and the ones bulleted above can be found in Part 2, Section 1 requirements.

Promote Family Engagement through Outreach and Consumer Education

California's Current Law or Practice

Community Care Licensing has been implementing the "Transparency Project" since 2014, making a website available where parents or other interested parties can search for a provider's file and view history of inspections and complaint history. After April 2015, Inspection reports can also be viewed, and the ability to search by facility name (not just the license number). http://ccld.ca.gov/

The Community Care Licensing website includes the following: processes for licensing and monitoring child care providers, processes for conducting criminal background checks, and offenses that present individuals from being child care providers.

The State funds Child Care Resource and Referral (CCR&R) agencies in each county to provide child care and child development information to parents. This happens through a comprehensive child care planning process that meets all of the requirements of CCDBG. Information is provided to consumers in person, by phone, and online. CCR&Rs collect data on the supply and demand for child care services.

CCR&Rs have most up to date information about availability of licensed child care. License exempt child care data is not comprehensively available. Quality Rating of providers available at the local level is still in development and not yet available to all R&Rs. Data on all required federal and state services is not yet fully available at each local level. There is no statewide database; however, the foundation for compliance is in development.

Points of Agreement

Consumer Website (Section 658L(a)(b)(1)(2))

- Access to consumer education is good
- Having a centralized child care information for CA would help all parents who need care across the board
- Should be more dynamic than government pages and developed with modern and technology savvy parents in mind

Content of:

- Parents should be able to go online and type in their zip codes, and find all child care providers in their area, with detail information about the child care providers (i.e. center, large family home, small family home, takes subsidies or not, ages of children serve, pictures of child care setting, with reviews from other parents) and whether there are slots available at a particular child care. Structure has to be built and providers can do their own data entry. Right now, only fields required by CDE reporting and needed to conduct child car search will be included.
- Peer review is extremely desirable by consumers (in some ways, this might be best quality rating system because of subjectivity)
- Consumer website would have information about all public benefits program mentioned with a description of each program and with links to how/where to apply.
- Consumer website would have a section on children with special need in child care and relevant information for children in these categories including ADA, advise on working with child care providers to increase access to children with special needs, rate differentials for children with special needs, links to legal assistance for families that have problems with access for their special needs child.
- Consumer website would have a section that addresses children's development. Share

information from the multitudes of information and publications that address children's development. Collect articles/resources, summarize briefly, and provide links to parents.
- A page that explains all the different child care programs and eligibility components for them.
- A page with explanation of QRIS for parents
- A parent's ability to review child care providers. Note: there may be legal questions to work out before this can happen.
- Website with language capacity in English, Spanish, and the most commonly written materials, and with resource linkages for assistance in languages other than English (ex. through local R&R counselors).
- Parents should be able to apply for subsidized child care online.
- Website would allow parents to sign and up keep data of parents to show number of people on the wait list. Cross-reference Sec 658(c)(3)(B) reporting and audits that directs the US Comptroller General to conduct studies to determine, for each state, the number of families that: are eligible for CCDBG assistance, have applied for assistance, and have been placed on a waiting list for assistance.
- Website would have capacity to track wait list to any available slots and identify what programs exist (to assess match where possible)
- Build out collecting data points to study trends and other things we want to know about to meet the needs of family and build a better system.
- Linkages might be needed in some places to meet requirement; (Note: SWDB is being designed with the child care planning process and thus will have links to State and Federal programs for which families might be available)
- Consumer education, licensing inspection, and registry of child care providers and their credentials should be data linked in some way (if not, actual links should be provided)
- Consumer Website information should be able to draw from data from the local R&R and vice-versa in the feedback loop
- Providers should be able to go in and update their own information where it is relevant (to reduce data entry)

<u>Challenges with:</u>
- Linkages with other data sources to be included on a statewide Consumer Education website (licensing inspection reports, QRIS, CACFP, Medicaid, Head Start, etc.) require holders of that data (not necessarily at the Dept. of Ed), to assist in order to comply.
- Allowing people to enter their own data might create incorrect data or inconsistency of data (cleanup might be needed)
- Data might be outdated if updates do not happen by some mechanism (when relying on providers to enter own data, this can become a problem)

CCL's Website (Section 658E(c)(2)(D))
- Data in the aggregate on the number of deaths, serious injuries and child abuse are not readily available on CCLD's website.
- Information on crimes that are non-exempt and processes for conducting criminal background checks can be found using the search function, if one knows which words to use.
- CCL's website still has some potential inconsistencies with data. It needs descriptions to distinguish between substantiated and inconclusive complaints, and clarification to understand citations that are issued during inspections and those received during complaint investigations.

Promote Family Engagement through Outreach and Consumer Education

- CCL's website should be consumer-friendly and in an easily accessible format. In order for a website to be a useful tool for parents, it should be easy to navigate, with a minimum number of clicks and in plain language. The current website is cumbersome to navigate.

Points of Slight Disagreement

Points of Significant Disagreement

Things to Consider/Keep in Mind

1. The "Transparency Project" website is far easier to navigate than the main CCL website.
2. A considerable more amount of money is needed to build out consumer website to meet CCDBG requirements.
3. Would be good for family child care home providers to have a forum/venue to provide information about their business/services (right now, very few have mechanism to get the word out about their services)
4. Tadpoles.com (http://www.tadpoles.com) is very well liked. Is there a way to think about how they use their site to build on top of?
5. Cost savings might be had in the range of $389,939 (spanning every three years) and starting in the 2018/2019 fiscal year from eliminating the need to do a RMR survey if the consumer education website can track provider rates in various markets; this must be offset with cost to creating all the various data points.
6. Data to report the number of families that have applied for assistance (identified by the type of assistance requested), and have been put on a waiting list will be difficult without a Centralized Eligibility List.

Estimated Cost

One Time:

- DSS transparency website already financed, but no estimation of costs to include it in the consumer education website.
- RTT funds to DSS ($1 mil) for website to develop online training for providers on the most common citations and how to avoid them. This system is being developed.
- $300,000 to integrate data sources for a statewide consumer education website serves as a base for leverage.

Ongoing Cost:

- Website maintenance and further development (ex. integration of comprehensive data sources)

Stable Child Care Financial Assistance—
12-month eligibility, Fluctuation in Earnings, 3-Month Job Search, Graduated Phase-Out

CCDBG Requirement

CCDBG Act of 2014 section **658E(c)(2)(N, Protection for working parents,** includes requirements:

I. For a **12-month period** during which families are considered eligible and receive assistance, before the state redetermines eligibility
II. To account for **irregular fluctuations in earnings**;
III. To provide for **job search of not less than three months**;
IV. For a **graduated phase-out** of assistance to allow for continued assistance when family income exceeds the State's income limit, so long as income does not exceed 85 percent of SMI.

Deadline for Compliance:
Immediate per Act (no date given); preprint requires certain tasks by September 30, 2016.
Example: Where Graduated Phase-out not implemented, state must provide state-specific plan for achieving compliance, start and end dates and responsible agencies for necessary steps, and overall target completion date no later than 9/30/16. Preprint at 3.1.5.

California's Current Law or Practice

I. 12-MONTH ELIGIBILITY

A. Service limited to less than 12 months where (1) seeking employment; (2) seeking permanent housing; and, (3) children 'at-risk' of abuse or neglect.

Educ. Code §§ 8263(a)(1)(D), 8263(a)(2)(A)(ii), (b)(1)(B)('at risk' only 3 months without further certification), 8263(d)(seeking employment 60 working days unless generally extended under specified circumstances); Cal. Code Regs. Tit. 5 §18091(a) (seeking permanent housing only 60 days).

B. Redetermination intervals not to exceed 12-months. Cal. Code Regs. Tit. 5 §18103(a)(3).

C. Reporting that may result in redetermination and loss of child care prior to 12-months

1. *Need To Report Changes in Family Income, Size, and Need for Services Even If They Do Not Affect Eligibility*.

Cal. Code Regs. Tit. 5 §§18102 (families told to notify contractors within **5 days** of any changes in family income, family size, or category of need for services), 18083(e)(whenever such changes occur, contractors must update a family's application to document continued need and eligibility and determine any change to fee within **30 days**).

2. *Contractor Discretion To Terminate for Failure to Report Within 5 Days, or Where Temporarily Ineligible Based on Information*

3. *Elaborate Interim Reporting To Document Eligibility Based on Education/Training*

Cal. Code Regs. Tit. 5 §§18087 (c) (requiring parents to report any change in class schedule within five days of requesting the change) and (h)(requiring parents to provide official interim progress reports within ten days of their release by institution).

D. Re-Documentation of Need Every 4 Months for Parents with Variable Schedules

Parents with unpredictable days and hours of employment may be authorized for a "variable schedule" of up to a maximum number of hours of child care for actual hours worked. Cal. Code Regs. Tit. 5 § 18086(b)(2). Parents authorized for variable schedules must document their need for child care at least every four months by submitting pay stubs indicating the days and hours of employment, written statements from their employers, or other records of their time for the prior 4 months. Id.

II. FLUCTUATION OF EARNINGS

Where "income fluctuation," contractors "average[e] the income from at least three consecutive months and no more than 12 months preceding…the recertification that establishes services." Cal. Code Regs., Tit. 5 §18096(b)(3). Contractors often use the CDE "CD-ICW Income Calculation Work Sheet," which instructs fluctuating income calculation as "12 months worth of income divided by 12 months."[1] Where not "Seasonal, Migrant, Agricultural, [and] Fluctuating" (e.g. fluctuation due to job change) may base on fewer paystubs, making ineligible a parent who is over-income just prior to redetermination.

III. 3-MONTH JOB SEARCH

Only 60 working days under most circumstances. Educ. Code §8263(d); Cal. Code Regs. Tit. 5 §18086.5.

IV. GRADUATED PHASE-OUT

Statewide, we have no income eligibility phase out. At both entry and exit, income limit is 70 percent of SMI that was in use for the 2007-08 fiscal year. Educ. Code § 8263.1(c). Current Census Bureau SMI for a family of 4 in California is $79,418. Thus 85% of current SMI is $67,505, and the income ceiling for a family of 4 ($46,896) reflects only 59% of current SMI.

High-cost San Francisco and San Mateo counties administer individualized county child care subsidy plans with, *inter alia*, higher entry and exit income limits. Educ. Code §§ 8335 through 8347.5. In San Mateo and San Francisco, entry income limit is the state benchmark SMI under Education Code section 8263.1, but families phase-out at 80% of SMI, with a family fee schedule under which they pay approximately ten percent of their monthly income in child care fees. Alameda County established a similar pilot project in 2015, authorized through January 1, 2021. Educ. Code §§ 8340, et seq.

Points of Agreement

I. 12-MONTH ELIGIBILITY

The current reporting requirements are overly burdensome and should be reduced. State program integrity provisions should match parent reporting provisions.

California should look to models from other states: Implemented: WA & CO; Will be implementing MN, CT, NE. In other states, e.g. WA, the Lead Agency has hired an outside evaluator to assess eligibility workers' practices related to reporting, in order to identify and prevent reporting that exceeds federal legal requirements. Similar outside evaluation might benefit California.

[1] Cal. Dep't. Educ., CD-ICW Income Calculation Work Sheet 2, *available at* http://www2.cde.ca.gov/familyfee/famfeecalc2014.aspx

Requirements should align with Head Start, to the extent practicable: programs report absences rather than parents reporting continued eligibility. Continued absences results in efforts to reengage and ultimately termination. Chronic attendance below 85% results in funds reallocated to other programs. Alignment with these requirements easiest to implement with respect to regularly scheduled child care in either directly contracted or voucher contracted facilities, which may also receive Head Start funding. Eligibility determination and redetermination should be coordinated with other public benefits, to the extent practicable, to minimize required number of agency interactions.

II. FLUCTUATION OF EARNINGS

There should be no need to report changes that do not create changed need for care, except voluntarily to reduce family fees. Families should receive care for a full year as long as they do not go above income ceiling; families should report if income goes above 85% of SMI.

III. 3-MONTH JOB SEARCH

Current job search period is too brief.

IV. GRADUATED PHASE-OUT

Agreement on phase-out: current income limits at both entry and exit are too low. Raising the exit threshold to level at or close to 85% SMI would allow greater family stability through phase-out.

Points of Slight Disagreement

The extent to which schedule matters, e.g. highly variable schedules, or changes from night need to daytime need. Advocates maintain that so long as there is an eligible need and child continues to be in care, schedule change does not matter because child-focus means child's schedule in child care does not need precisely to match parent's schedule activity. Some contractors concerned about ability to earn contract if variability in schedules means parents do not use allotted care: will AP have to give the money back, resulting in loss of funds that might have been made available to other parents?

Amount of time for which job search should be an eligible activity. Stakeholder proposals range from 90 days to one year.

Whether entry limits should also be raised, or only exit limits, and how high limits should be raised. Support for pilot program models (80% of SMI exit threshold) and for use of federal limit of 85% SMI, but also recognition of impact on waiting lists.

Points of Significant Disagreement

Activity: The extent to which parent activity (e.g. work vs. job search), and child care setting (e.g. license-exempt vs. licensed) matter. Should we be worried about implications for families on the waiting list with working parents, when other families receiving care include parents engaging only in job search or other non-work/training activities? Some contractors believe that in light of limited resources and the traditional role of child care as a necessary work support, we should value the enrollment of new families who are currently working or in training, even if it means dis-enrollment of children who have received care for less than 12 months, if parents have lost a "need" for care related to work or training. Other stakeholders maintain that the helping parents to move out of poverty and their children's development require reducing churn, without placing a comparative value on different, eligible parental needs (e.g. job search as opposed to work).

Stable Child Care Financial Assistance—
12-month eligibility, Fluctuation in Earnings, 3-Month Job Search, Graduated Phase-Out

Job-search: Whether we certify for 12 months if initial eligible activity is job search. Whether parents need to report when they move from work or training to job search, or vice versa.

Setting: The extent to which we believe there is value to children in a full year of eligibility in license-exempt care, divorced from the value in supporting parents' eligible activities that require these settings (e.g. variable and non-traditional work schedules). Some stakeholders do not believe that these represent "high quality" settings, and that we should incentivize use of licensed family child care homes and centers. Other stakeholders believe that these settings can be high quality, offer stability and opportunity for focused adult attention and attachment, and represent equally valid parental choices about what will best support a child's development.

Things to Consider/Keep in Mind

I. 12-MONTH

Difference between eligibility and payment: even if eligible, have to submit documentation for payment. What and how much required documentation is appropriate for payment?

Should age of child matter? E.g. Child-focus may dictate one set of eligibility rules where child is 0-5, and another where child is school age.

II. FLUCTUATION OF EARNINGS

12 month eligibility without any reporting could obviate the need for separate income fluctuation policy.
What is time period for calculation of over 85% of SMI (Single paycheck? One month? Prior year?)
What happens if parent reports monthly income that goes over 85%--assessment of prior 12 months and expected ongoing income?

III. **JOB SEARCH**

Should 12 month initial eligibility on basis of job search be allowed? Should parents have to report if activity changes to job search during 12 month period?
Current practice does not explicitly address barriers for families that include individuals with long-term disabilities, which may create need for more time for job search, or to locate and maintain child care prior to redetermination.

IV. PHASE-OUT

If we use current SMI data, we are at roughly 59% of SMI. The closer we set entry income limits to federal benchmark of 85% current SMI, the less phase-out there is.

Estimated Cost

X One Time Ongoing Cost:

One-time costs related to changing training, forms, computer systems, and other relevant aspects of program administration. Reduces certain ongoing costs related to reporting and to otherwise administering state child care subsidy programs. Except in Stage 3, which is caseload driven, the number of "slots" in each CCDF child care program is static, limiting increased costs associated with payment for family with improved retention of a particular slot. In Stage 3, improved retention can impart some costs if it allows a family that would have lost child care instead to maintain it.

I. 12-MONTH ELIGIBILITY AND II. FLUCTUATION OF EARNINGS- In 2013, the California Department of Education estimated the cost of a similar provision in proposed federal regulations at $25 million. In

2015, LAO tagged 12-month eligibility with a cost estimate of $39 million.

III. JOB SEARCH and IV. GRADUATED PHASE-OUT

In 2015, an estimate of $28 million was attached to an Assembly proposal to increase the income limit at both entry and exit from 70 percent of SMI to 100 percent of SMI. Increase up to 85% of SMI, and/or only of exit income limits, would presumably cost significantly less.

Health and Safety Requirements for Licensing Providers

CCDBG Requirement

PRE-SERVICE AND ONGOING TRAINING IN AT LEAST TEN SUBJECTS:
Requires that the state certify that they have requirements designed to protect the health and safety of children that include minimum health and safety (H&S) training in ten topic areas, to be completed pre-service or during an orientation period, in addition to ongoing minimum training, appropriate to the provider setting. 658E(c)(2)(I)(i)(XI). The ten topics are:

1. prevention and control of infectious diseases (including immunizations);
2. prevention of sudden infant death syndrome and use of safe sleeping practices;
3. administration of medication;
4. prevention of and response to emergencies due to food and allergic reactions;
5. building and physical premises safety (including identification of and protection from hazards that can cause bodily injury such as electrical hazards, bodies of water, and vehicular traffic);
6. prevention of shaken baby syndrome and abusive head trauma;
7. emergency preparedness and response planning for emergencies;
8. the handling and storage of biocontaminants;
9. for providers that offer transportation, if applicable, appropriate precautions in transporting children; and
10. first aid and cardiopulmonary resuscitation (CPR).

The federal government expects these trainings will be part of a broader systemic approach and progression of professional development that will result in opportunities for child care providers to accumulate knowledge, competencies, and credits toward eventual completion of a professional certification of higher education. Draft CCDF Preprint 9-14-2015, Section 5.1.6(b).

NUMBER OF TRAINING HOURS: The State Plan must include the number of annual training hours required for CCDBG providers, as determined by the State. 658E(C)(2)(G)(iii). No minimum number is stated in the CCDBG requirement.

INSPECTION: All licensed child care providers must receive at least one prelicensure inspection, for compliance with health, safety, and fire standards, and at least an annual inspection for compliance with all licensing standards. 658E(c)(2)(K)(i)(II).

Deadline for Compliance: November 19, 2016. 658E(c)2)(K)

California's Current Law or Practice

10 Required CCDBG Topics and Corresponding CDSS/EMSA Child Care Licensing Requirements

1. Prevention and control of infectious diseases (including immunization) and establishment of grace period allowing homeless and foster care children to receive services while their families, including foster families, are taking any necessary action to comply with immunization and other health and safety requirements	Current EMSA training on infection disease includes: • Sanitation • Childhood immunizations (age and type requirements) • Infectious disease policies: notices for exposure to parents, guidelines for sick/inclusion/exclusion, disease that should be reported to local health agencies • Guidelines for managing mildly ill children

	• Community resources for health and prevention of child disease
2. Prevention of Sudden Infant Death Syndrome (SIDS) and use of Safe Sleep Practices	• Current training on child injury prevention includes procedures to reduce the risk of SIDS • Safe Sleep Practices will be part of the licensing training in January 2018 as part of AB 1207
3. Administration of Medication consistent with standards for parental consent	• Some training is provided for specific medical issues. • New procedures from CCLD on processes for handling medication, including doctor approval and parental consent are not included
4. Prevention of and Response to Emergencies due to Food Allergic Reactions	• Current training does not require, but has an option to include training related to food allergies • CDSS has reporting requirements for medical emergencies.
5. Building and Physical Premises Safety including identification of and protection from hazards that can cause bodily injury such as electrical hazards, bodies of water, and vehicular traffic	• Currently no training is required specific to the identification and protection from hazards that can cause bodily injury such as electrical hazards, bodies of waters and vehicular traffic. • Unknown if required "safety of care environment' and motor vehicle safety training meets these CCDBG requirements.
6. Prevention of Shaken Baby Syndrome and Abusive Head Trauma	• Current EMSA training on child injury prevention includes procedures to reduce the risk of Shaken Baby Syndrome • Does not include prevention of abusive head trauma
7. Emergency Preparedness and response planning for emergencies resulting from a natural disaster, or man-caused event (such as violence at a child care facility)	• Currently, no training on emergency response or preparedness is required • All providers are required to complete a disaster plan form when applying for a license • Centers must keep records as evidence that fire and disaster drills are conducted at least once every 6 months
8. Handling and Storage of Hazardous Materials and appropriate disposal of "biocontaminants" (living organisms e.g. virus, bacteria, fungi, etc.)	• Currently no training is being provided
9. Precautions in Transporting children (if applicable to providers offering transportation)	• Current training on child injury prevention covers transportation of children including: motor vehicle safety, child passenger safety, field trip safety and school bus safety
10. First Aid and CPR	• Current training on CPR and First Aid is required to obtain certificates • Certificate must be renewed every two years
May also include additional requirements relating to nutrition, access to physical activity, or other subject area determined by the State to be necessary to promote child development or protect children's	• As of January 2016, 1 hour of nutrition training required for licensure per AB 290.

health and safety	

NUMBER of TRAINING HOURS:

- CA currently requires 15 hours of H&S training completed pre-service or during an orientation period to qualify for licensure. Effective January 1, 2016, this will increase to 16 hours. This includes 8 hours of CPR/First Aid and 8 hours of Preventive Health & Safety (and includes 1 hour focused on nutrition).
- CDE has contracted with Merced COE to develop 14 hours of training on CCDBG topics (for a total of 30 hours if added to the existing 16 hours of H&S requirements). This would result in 22 hours of training on the CCDBG topics and 8 hours on CPR and First Aid.
- AB 1207, which will take effect in January 2018, will include information and training about shaken baby, safe sleep practices, recognizing abuse and neglect, reporting abuse, age appropriate forms of discipline, etc. The current recognizing abuse and neglect training is currently about 2 hours. With the additional topics, this online training is likely to become longer.

ONGOING TRAINING

- CPR and First Aid must be renewed every 2 years. No other ongoing preventive health and safety training is currently required.

INSPECTION:

- Licensed providers are not inspected annually. The 2015-2016 Budget Act funded inspection visits to be conducted once every 3 years.

Points of Agreement

TRAINING CONTENT:

- The health and safety of all children is of utmost importance.
- It's important that all child care providers and parents have access to quality H&S training that is appropriate and relevant to the care of their child(ren).
- Topic areas that have been outlined in the CCDBG are extremely important, especially considering the rate of death and injuries of young children, for example safe sleep practices, abusive head trauma prevention, etc.
- AB 1207, recognizing abuse and neglect, to the extent possible, should be incorporated to meet CCDBG requirements.
- Occupational H&S for providers should be included in the training because provider well-being is important to supporting the profession.
- Where possible, cultural sensitivity should be exercise (example: different cultures have different notions of sleep practices).
- Social-emotional well-being of children should be a part of the training.
- The approximately 30 hours of pre-service training that CDE proposes (and which is not a federal requirement) is a significant change in time requirement for all child care providers.
- Significant additional hours may discourage providers from caring for children who receive subsidies

Health and Safety Requirements for Licensing Providers

TRAINING DELIVERY and INFRASTRUCTURE

- Training capacity is a significant challenge.
- There currently isn't enough training that is accessible to child care providers.
- Family child care providers have many challenges with access to trainings including language, transportation, mode of communication (i.e. many do not have computers and use mostly cell phones)
- Given the challenges child care providers face in accessing training, hybrid of in-person/distance learning options are important to consider/offer whenever possible
- Much agency/staff time may be spent on outreach to providers to ensure access and completion of training.
- CPR/First Aid trainings will always need to be in person trainings.
- There is no current mechanism for tracking/verifying completion of the new trainings required by the CCDBG. Some kind of mechanism must be created.
- Training required by the CCDBG should be coordinated, and included (where possible) with the training required of all licensed child care providers, whether or not they serve subsidized children, as well as with quality improvement and workforce development activities.
- Training requirements should feed into college course work or other requirements that would provide upward mobility for providers; simultaneously, it should be done in a way that does not come at a financial cost to providers

FINANCING:

- Any Proposition 98 organizations that need to be licensed should have their training come from the Prop 98 fund

INSPECTIONS:

- Annual inspections of FCCH would be good for children.
- Funding for licensing of inspections should come from the General Fund

Points of Slight Disagreement

- Parents often have little time to secure a child care provider. Having a child care provider fulfill 30 hours of pre-service training is prohibitive.
- Mostly, stakeholders agreed that even non-CCDBG subsidized providers should also take the trainings so as to not create an unbalanced system

Points of Significant Disagreement

Things to Consider/Keep in Mind

There are categories of providers who will need to meet these training requirements before they can care for a child who receives subsidies through the CCDBG:

1) Licensees that received standard licensing training that did not include all the topics included in the CCDBG requirements will need additional training and inspection.
2) Providers who received child development training other than the standard licensing training through a community college course, and did not cover all of the required topics, and who now work at a center or have their own family child care business will require additional training and inspection.

Health and Safety Requirements for Licensing Providers

TRAINING DELIVERY and INFRASTRUCTURE

- CDE/EESD is planning for a total of 30 hours pre-service training; this includes the 16 hours of CPR/FA/H&S/Nutrition that is required for every licensed FCC Provider
- CDE/EESD has contracted with Merced County Office of Education (MCOE) and the R&R to develop the additional 14 hours of online H&S training (not including CPR, First Aid, and Preventive Health Practices, will address the topic areas outlined in CCDBG; training modules are being developed in partnership with the Network; the R&R is developing a set of approved curriculum they are offering to train the trainers.
- The 14 hours of H&S training will be video training modules that will be available online via CDE/EESD's free website: CECO.
- The Network will conduct webinars to train R&Rs on how to utilize the video training modules
- CDE/EESD encourages language-based cohorts like the R&R to implement the online video training modules; English, Spanish, and Mandarin trainings might be the only ones provided in person.
- If trainings are not provided to limited English proficient providers in a language that they will understand, what will happen to them? Should they be punished when the system or infrastructure does not have the capacity of serving them? Same might be true of other providers with special needs.

Estimated Cost

One Time: to develop the training modules & translate/adapt them, build the infrastructure to capture training fulfillment of training requirement for providers

Ongoing Cost: to conduct the trainings (outreach, training, and support); additional funding may be necessary to translate trainings into more languages. Currently, there are only plans to translate to Spanish and Chinese. There will be a cost associated with the language based cohorts provided by the R&Rs (should CDE/EESD opt to implement this model).

Cost of ongoing annual inspections to licensed child care providers are estimated at $13.5 million in AB 74, which covers visits to centers and licensed family care providers

Health and Safety Requirements for License-Exempt Providers

CCDBG Requirement

PRE-SERVICE AND ONGOING TRAINING IN AT LEAST TEN SUBJECTS:
Requires that the state certify that they have requirements designed to protect the health and safety of children that include minimum health and safety (H&S) training in ten topic areas, to be completed pre-service or during an orientation period, in addition to ongoing minimum training, appropriate to the provider setting for providers who receive CCDF. 658E(c)(2)(I)(i)(XI). The ten topics are:

1. prevention and control of infectious diseases (including immunizations);
2. prevention of sudden infant death syndrome and use of safe sleeping practices;
3. administration of medication;
4. prevention of and response to emergencies due to food and allergic reactions;
5. building and physical premises safety (including identification of and protection from hazards that can cause bodily injury such as electrical hazards, bodies of water, and vehicular traffic);
6. prevention of shaken baby syndrome and abusive head trauma;
7. emergency preparedness and response planning for emergencies;
8. the handling and storage of biocontaminants;
9. for providers that offer transportation, if applicable, appropriate precautions in transporting children; and
10. first aid and cardiopulmonary resuscitation (CPR).

EXCEPTIONS: Exceptions to the requirements exist for those who care for their own relatives. Draft CCDF Preprint 9-14-2015, Section 5.1.6. Exempt relatives are defined as grandparents, great-grandparents, siblings if living in a separate residence, aunts, and uncles by marriage, blood, or court decree. 45 CFR 98.41(a)(1)(ii).

In addition, exemptions to licensing requirements are likely permitted, but if the State exempts any child care providers from licensing requirements, it must state how the exemption is why such an exemption does not endanger the health and safety and development of children. Draft CCDF Preprint 9-14-2015. Section 5.1.

INFRASTRUCTURE: The federal government expects that these trainings will be part of a broader systemic approach and progression of professional development that will result in opportunities for child care providers to accumulate knowledge, competencies, and credits toward eventual completion of a professional certification of higher education. Draft CCDG Preprint 9/14/2015 Section 5.1.6(b).

NUMBER OF TRAINING HOURS: The State Plan must include the number of annual training hours required for CCDBG providers, as determined by the State. 658E(C)(2)(G)(iii). No minimum number is stated in the CCDBG requirement.

INSPECTION: Annual monitoring visit of license-exempt providers is required. 658E(c)(2)(K)(i)(II). States have the option of exempting relatives from inspection requirements. Draft CCDF Preprint 9-14-2015, Section 5.2.3.

BACKGROUND CHECKS: Criminal background checks are required of those licensed, regulated, or registered under State law or received CCDF funds (other than relatives).

Health and Safety Requirements for License-Exempt Providers

Deadline for Compliance: November 19, 2016. 658E(c)2)(K)

California's Current Law or Practice

License-exempt child care providers:

- have no training requirements
- are not subject to inspection.
- self-certify that they adhere to basic health, safety, and fire standards
- are required to go through Trustline within 30 days unless they are related to the child they care for as a grandparent, aunt, or uncle. Health and Safety Code §1596. 66.

Relatives who are license-exempt include spouses, parents, son, daughter, adult siblings living in a separate residence, aunt, uncles, grandparents, nieces, nephews, first cousins, and step-relatives or such persons of the preceding generation denoted by "grand" or "great". 22CCR §101152(r)(2); DSS Evaluator Manual FCCH, January, §102358(a).

Points of Agreement

GENERAL PRINCIPLES:

- Licensed child care supply remains low in most parts of the State. License-exempt care is an integral part of the state's current child care system and the parental choice of many program participants.
- There is a significant difference between license exempt facilities such as exempt afterschool programs, and license exempt, individual friend and neighbor (FFN) care.
- Significant training hours will likely discourage license-exempt providers from caring for children who receive subsidies.
- Licensed exempt providers should not be required to take training before providing service otherwise children will go without being served. This is especially important because this population provides more flexible care than family child care homes and centers. This might be where the state exercises its option to exempt license-exempt child care providers from the H&S training requirements as a pre-condition of providing service (or getting paid). H&S training could still be required of the license-exempt population (in a reduced form), and could be required within a year of commencing service to a subsidized child.
- State should utilize the exemption to the training requirement for relatives as defined in the CCDBG to preserve child care slots in this provider group and save money.

TRAINING CONTENT:

- Parents often have little time to secure a child care provider. Having a license-exempt child care provider fulfill 30 hours of pre-service training is prohibitive.
- License exempt providers should have a reduced requirement of the 16 base hours of CPR/FA/H&S Training
- Training should not only address the needs of children, but the provider's own needs in relationship to their work

Health and Safety Requirements for License-Exempt Providers

INFRASTRUCTURE

- There currently isn't enough training that is accessible to child care providers, including license-exempt providers. The problems of access are worsened when considering the characteristics of the license exempt population.
- Outreach to license exempt provider community will pose a significant challenge by virtue of the fact that language access, transportation, and communication for the population is more limited.
- Much agency/staff time may be spent on outreach to providers to ensure access and completion of training.
- License-exempt providers should get their training through the R&R.
- Trainings should be accessible to those with limited English proficiency and be provided at an educationally appropriate level for providers
- R&R should offer the language based training for the limited English speaking population.
- Significant administrative burden (i.e. tracking of who needs to be trained, what they have been trained in, etc.)
- Consider requiring no additional training for the license-exempt provider population, but instead, asking that all providers take some pre-approved list of trainings each year (or every two years) with additional training being incentivized with a higher pay scale over that of license-exempt providers with no training: license-exempt providers can take a selection of classes that is of interest to them based on their preference.

FINANCING:

- Training requirements have the potential to incur significant new costs, particularly with respect to FFN care: training costs to support language-based cohorts and influx of new providers who did not previously need training, and monitoring costs for providers who previously required no inspections.
- Cost associated with creating a training system for this population that is driven by the incentive to make more money if these trainings are taken; in addition to or in contrast, license-exempt child care providers should be paid for the time they spend in training

INSPECTION/MONITORING:

- The purpose and responsibilities of monitors who inspect license-exempt family, friend, and neighbor (FFN) care require a separate and clear definition. Many in the field do not believe that it makes sense for a license-exempt inspection to monitor and engage with FFN care in the same way as licensing engages with and monitors licensed care (for example, for a fire marshall to visit or a licensing inspector to make a checklist assessment of health and safety requirements).
- Community care licensing is not the right entity conduct monitoring visits with the licensing exempt population as their policing role will not work best in this environment.
- A mapping of best practices around these monitoring visits needs to be created.

Points of Slight Disagreement

Points of Significant Disagreement

Health and Safety Requirements for License-Exempt Providers

Things to Consider/Keep in Mind

H&S Training

- CDE/EESD is preparing for a total of 30 hours pre-service training; this includes the 16 hours of CPR/FA/H&S/Nutrition that is required for every licensed FCC Provider.
- CDE/EESD has contracted with Merced County Office of Education (MCOE) R&R to develop the additional 14 hours of H&S training (not including CPR and First Aid), which will address the topic areas outlined in the CCDBG; training modules are being developed in partnership with the R&R Network.
- The 14 hours of H&S training will be video training modules that will be available online via CDE/EESDs free website: CECO. Online trainings will be in English and Spanish.
- CDE/EESD encourages the R&Rs to host language-based cohorts to implement the video training modules.
- The Network will conduct webinars to train R&Rs on how to utilize the video training modules.

License Exempt Providers

- Nieces, nephews, and first cousins will no longer be exempt from licensing requirements.
- The greatest proportion of FFN care occurs in Stage 1 where providers are not required to meet these same standards, and most families are on Stage 1 for an extremely short period of time-less than six months.
- Management Bulletin (MB) 13-01 suggests limiting the use of FFN care in Stages 2 and 3 to relatives who are Trustline registered, but it does not require it.
- Imposing requirements that are not possible/feasible for license exempt child care providers to meet (due to lack of language access, transportation, access to technology) could be unfair and have disparate racial impact.

Past/Present/Future - Support for LEP/FFN Providers

- R&Rs and the Network supported LE caregivers in 72 local projects from 2005-2011, through the CA Informal Caregiver Training Project (ICTP) funded by CDE. ICTP also developed and used the state approved Growing, Learning and Caring curriculum designed to support LE caregivers.
- Many R&Rs continue to provide outreach, training, and support to FFN providers, including H&S training.
- A few R&Rs and the Network will be implementing Kaleidoscope Play & Learn, an evidence-informed promising practice for FFN providers in approximately seven counties starting January 2016.

Annual Visits – additional requirements of providers

- LEP will also be required to receive an annual visit – neither the entity that will administer the visits nor the content of the visits have been established
- It is not clear whether the law requires monitoring of license exempt child care provided in the home of the parent (e.g. does the parent's home then require inspection?).

Estimated Cost

One Time: to develop the training modules & translate/adapt them, create infrastructure for tracking training

On-going Cost: to conduct the trainings (outreach, training, and support), pay for trainers' time, build in a tier wage system based on coursework One time for cost for creating module for home visits of license exempt providers On-going cost for outreach to license exempt providers On-going cost for staffing time needed to make these visits and the substantial time commitment from staff to conduct visits well and with support (especially coaching) On-going cost for training of providers in threshold primary languages On-going cost to track training/completion of training

Workforce Development and Quality Improvement

CCDBG Requirement

Workforce Development: Requires state to offer ongoing annual training and to establish a progression of professional development opportunities to improve knowledge and skills of CCDF providers. States strongly encouraged to link CCDF required health and safety trainings and child development trainings and education to this broader professional development framework. 658E(c)(2)(G).

Deadline for compliance: September 30, 2016

Quality: States required to reserve and use an increasing portion of their Child Care and Development Block Grant funds for activities designed to improve the quality of child care services and increase parental options for, and access to, high-quality child care. States must use the quality set-aside to fund at least one of the 10 designated activities, including:

1) Supporting training and professional development;
2) Improving on development/implementation of early learning and development guidelines;
3) Developing, improving a tiered quality rating system;
4) Improving the supply and quality of care for infants and toddlers;
5) Establishing, expanding child care resource and referral services;
6) Supporting licensing, inspection, monitoring, training and health and safety compliance;
7) Evaluating quality of child care programs;
8) Supporting providers in voluntary pursuit of accreditation;
9) Supporting program standard related to health, mental health, nutrition, physical activity and development;
10) Other activities related to quality as long as outcome measures are possible. Section 658 (G).

Deadline for compliance:

Increased Quality Set-Aside:
At least 7% in FY 2016/17
At least 8% in FY 2018/19
At least 9% in 2020/21

Infant and Toddler Set-Aside:
3% by FY 2017

California's Current Law or Practice

1) CA has child development permit requirements (currently being updated by CTC and will be completed by June 2016) that guide level of education and ongoing professional development providers/teachers in Title 5 centers and FCCNHs and Title 22 centers. However the Permit Matrix does not apply to all providers/programs touched by CCDF. A significant portion of children in CalWORKs Stage 1-3 and Alternative Payment programs are served in Family Child Care Homes or License-Exempt settings.

2) Licensed Family Child Care providers must complete licensing orientation and 16 hours of health and

safety training (including new nutrition component). Currently no training is required for license-exempt providers. Additional modules are being developed to meet the health and safety pre-service/orientation requirements. Please see the write up on Health and Safety for more information.

3) CA currently invests CCDF quality set-aside funds in over 30 different initiatives, including workforce development and quality improvement activities. The FY 2015-2016 budget dedicated approximately $76 million toward these activities (includes $2.9 million in one-time federal carry over). The amount has decreased by approximately 30% since 2008. Funded initiatives also include infrastructure supports like resource and referral services and local child care planning councils.

4) Institutions of higher education, particularly community colleges, are critical to the delivery of workforce preparation and ongoing professional development, but do not directly receive quality improvement funding to support these efforts. Several workforce development programs funded through the quality set-aside provide support to early childhood instructional programs and students at community colleges and four-year institutions.

5) Other state-level quality improvement investments (that are not considered part of quality set-aside) include:
- $50 million CSPP QRIS block grant (ongoing, funded through Prop 98).
- $24.2 million Infant-Toddler block grant (one-time through 2017, General Fund)
- First 5 CA IMPACT ($190 million over 5 years to counties to develop/enhance quality improvement systems, building off $75 million RTT-ELC grant ending June 2016)
- Head-Start Child Care Partnerships ($64.1 million in federal funds directly to grantees but state contracted programs impacted by partnerships)
- $25 million for TK and preschool professional development activities (one-time, Prop 98).

5) Counties leverage multiple funding streams to support workforce development and quality improvement efforts, including QRIS. Other entities such as R&Rs and APPs also leverage and match funds to provide workforce and quality supports.

Points of Agreement

Workforce:

1) The State should not consider the professional development requirements fully implemented:
- Certain components of a professional development framework currently exist or are in development, some of them even supported via the last CCDF State Plan and the quality set-aside, however our professional development system still remains "piecemeal".
- The state's myriad training and professional development initiatives (using CCDF quality dollars as well as other funding streams) do not currently reach the entire workforce and are not necessarily aligned and coordinated to create a progressive career ladder (for license or license-exempt providers, if they so desire) that aligns with workforce registry, stipend and training programs, and institutions of higher education.

2) The state's ability to better identify needs of the workforce, track professional development efforts and their impact can be strengthened through widespread participation in a workforce registry. The infrastructure and expansion of a workforce registry should be supported. The registry should connect with the consumer education database that is being developed and counties' QRIS, and

could serve as a training registry as well. Utilization of workforce development programs could be tracked through registry rather than current evaluation process CDE has tried to implement (and for which data has been difficult to consistently collect). There is the CDTC training portal, though it has been difficult to collect the information and ramp up its use statewide.

Whatever "package" of training and professional development CDE considers should be competency-based, span the age spectrum of 0-12, align and/or coordinate with health and safety trainings, CTC permit requirements, and quality improvement systems. The state should incentivize unit bearing courses and trainings through community colleges and state universities if possible. Recent research indicates that professional development and training on infant and toddler development could be strengthened.

3) Once the permit matrix is updated, institutions of higher education will support implementation of the new requirements as they have done successfully in the past, however additional resources may be needed.
   For example:
   - If a higher number of clinical hours are required, community college laboratory schools may struggle to meet the demand given their budgets have been greatly reduced
   - Ensuring quality/compliance of professional growth hours (currently 105 over 5 years) has become a challenge. Professional Growth Advisors are no longer funded through the quality set-aside and this system is not working sufficiently.
   - If professional growth guidelines are determined for non-Title 5/Title 22 providers, how would these be implemented and monitored? What role would community colleges play in supporting these providers in the community?
   - State agencies will need to consider what information and resources trainers, faculty, mentors (and professional growth advisors if that model is maintained) will need in order to ensure students understand and are prepared to meet the new permit requirements.

Quality Improvement:

1) Our current quality investments are "piecemeal" and do not add up to a cohesive quality support system that includes all providers (license and license-exempt). There is no clear framework or "game plan" for a state infrastructure that supports local implementation of comprehensive workforce development and quality support. QRIS has grown, however, the level of implementation ranges across the counties and how the state can support its infrastructure going forward is not clear.

2) Stakeholders are generally supportive of an increase in spending toward these areas however the field is mindful of not wanting to compromise slots. Rates must be addressed as a foundation to quality before we can move toward a tiered reimbursement system. There has been some discussion about possible tiers (based on minimum requirements) and quality add-ons as a longer-term goal.

3) It is not clear what results we get for our current investments and how much more is needed. The state needs better data on current initiatives and a more coherent evaluation approach and feedback loop to ensure improvement. For example, the CCDF quality set-aside budget designates approximately $570,000 annually for evaluation but has resulted in only a handful of individual studies and how the results can be utilized are not clear. This is complicated by the fact that the

current system to track participation (and potentially impact) in these initiatives is not sufficient.

4) There needs to be a formal process for aligning professional development and quality improvement initiatives (those funded through CCDF, QRIS, and other funding streams too) to provide clear framework/definition for quality improvement and create clear infrastructure to support Consortia, R&Rs, APPs implementing quality improvement at local level. This would also help address accountability and data collection issues. The field has talked about the need for this type of coordination, and CCDBG presents the opportunity to actually achieve this type of planning. We would need to identify the goals and best approach for this process.

5) The State must build off existing infrastructure, particularly proven models/initiatives, but also consider innovative, promising models for addressing needs of programs/providers when appropriate. There are certain models/promising approaches that the field has expressed support for, such as coaching and technical assistance.

6) The State needs a way of measuring whether its programs are working to prepare children for school. QRIS is more focused to support continuous program improvement, but is not necessarily the right tool for this broad question. A statewide readiness assessment system would enable the state to collect kindergarten readiness indicators and see whether early care and education investments are impacting school readiness over time.

Points of Slight Disagreement

1) What should be the framework for quality improvement in California? Could the QRIS Continuum Framework and Pathways provide a framework to guide all types of programs/providers in ongoing improvement? Is the Framework designed more for programs serving 3-5 year olds? Could license-exempt fall within the Pathways? Possible step: Crosswalk current quality improvement initiatives with these frameworks. This type of mapping this process could help move the state toward a more coherent system. Another step: Require all programs receiving CCDF dollars to coordinate with each other at the local level and track how various funding streams are being blended to support workforce and quality improvement efforts.
2) Should quality set-aside funds be dedicated primarily to QRIS? How can we sustain/grow the progress that has been made with RTT-ELC funds? Should the state fund QRIS infrastructure support, such as quality assessments and ratings? Or, should there be a smaller menu of supports that Consortia can leverage?
3) Should the state implement more Head Start – Child Care Partnerships or a similar model? These are promising models for leveraging resources and expertise to drive continuous program improvement.
4) While CA does invest General Fund dollars as well as the CCDF quality set-aside in these areas, there are differing perspectives on whether the investment is robust enough.

Points of Significant Disagreement

Things to Consider/Keep in Mind

Workforce Development and Quality Improvement

1) Given current investments and existing workforce development and quality improvement investments (which are within the 10 specified areas), CDE could potentially argue that CA is meeting the provisions (at least until the required increase of 9%). However, it is clear to the field that there is work to be done to create a more seamless, coherent system. At the very least we need to "plan for the plan" and start addressing fundamental questions and mapping a long-term vision.

2) Even if the Department of Finance is hesitant to spend additional dollars, the topic of "quality" is gaining traction in the Legislature as important area of investment. We need to provide tangible plan/steps toward the quality support system we would like so that policymakers have a road map.

3) AIR study on QRIS should be released in January and should provide helpful data on the types of supports that are most effective for programs/providers. Emerging research on Family Child Care providers as well as license-exempt population should also be taken into account.

Estimated Cost

One Time Ongoing Cost:

The State currently spends over 4% (some estimates indicate 7%) of CCDF on workforce development and quality improvement initiatives, so the state may be close to reaching the first expected increase in FY 2016-2017. However, to establish a more cohesive workforce development and quality improvement state infrastructure, the state will likely need to invest additional funds over time, including General Fund and Prop 98. For example, Proposition 98 could be directed to Community College early childhood instructional programs and laboratory schools to ensure professional preparation, ongoing training and continued education opportunities throughout the state.

It would also behoove the State to have a coherent plan so that it will be clear to policymakers how additional required dollars should be spent.

Provider Reimbursement

CCDBG Requirement

***Equal Access**:* Requires that states conduct a market rate survey that accounts for geographic area, type of provider, and age of child or use an alternative methodology, such as a cost estimation model, and describe how payment rates will be established based on results of the survey or alternative methodology, taking into account cost of providing higher quality services. 658E(c)(4)(B). CCDF Draft Preprint 4.2.

Deadline for Compliance: September 30, 2016

California's Current Law or Practice

In California CCDBG funds are split between multiple child care programs. These programs include General Child Care, Alternative Payment, and CalWORKS Stage 3.

These programs use two different reimbursement rate systems. General Child Care utilizes the single Standard Reimbursement Rate and the remaining programs utilize the Regional Market Rate.

Points of Agreement

- Reimbursement rates in both the Regional Market Rate and Standard Reimbursement Rate have fallen far behind the cost of providing care.
- The current methodology for the Regional Market Rate Survey is flawed and fails to take into account the wide array of market factors in California.
- The Standard Reimbursement Rate has not kept up with COLAs or cost of living and inflation.
- The Standard Reimbursement Rate would benefit from regionalization to reflect the varied costs of operating throughout California.
- Over time California would benefit from merging the RMR and SRR into a single system which takes into account market costs throughout the state.
- Implementation of a single reimbursement system reflective of the current cost of care would be costly and would need a multiyear phase in plan.
- Monies to increase the reimbursement for programs shall not be at the detriment of other child development programs. Any increased amount of funding needed shall not be taken from other program budgets and shall be appropriated by the legislature.
- An increase of reimbursement rate allows for better utilization of the dollars allocated to these programs, as there will be less monies returned to the state.
- Because of the cost to increase rates to the current market the change to the system would need to be phased in.

Provider Reimbursement

Points of Slight Disagreement

- If the RMR and SRR are benched to the RMR system, how much would the SRR be? 100%, 95% or 90% of the RMR?
- Would a single reimbursement system be tied to the current RMR with county data, or would it utilize broader categories: High, Medium, Medium Low, Low. How many broad categories? 4 or 5?
- Would a single reimbursement system be tied to other indicators, e.g. cost of living, Consumer Price Index?
- Could the state moved to a tiered reimbursement system based on quality? How would quality be determined?

Points of Significant Disagreement

Things to Consider/Keep in Mind

- Development of a comprehensive statewide database of licensed child care providers through the statewide Resource and Referral system would provide statewide data on rates and make the creation of a derived rate unnecessary.
- Broader categories such as 4 or 5 tiers will be easy to manage administratively rather than a county by county rate.

Estimated Cost

One Time X Ongoing Cost:

RMR Cost – $375 Million to bring the RMR Survey to the 85th Percentile of the 2014 (most recent survey)

SRR Cost - Unclear what it would cost to bring to the current cost of doing care or to 85% of the 2014 the most recent RMR survey.

Estimates of merging the two rates and brining to current market costs would require and investment of nearly $1billion.