Overcoming Challenges and Improving Quality in Your 2016 CCDF Plan

December 15, 2015
The BUILD Initiative’s Mission

The BUILD Initiative supports state leaders to develop a comprehensive, equitable system (infrastructure, programs, policies and services) that meets the needs of young children and their families.

This systems-building approach effectively prepares our youngest children for a successful future, while carefully using private and public resources.
**Presenters**

Miriam Calderon  
BUILD Consultant  
miriamelena@gmail.com

Heather Moss  
WA Department of Early Learning  
heather.moss@del.wa.gov

Jennifer M. Johnson  
NC Division of Child Development and Early Education  
jennifer.m.johnson@dhhs.nc.gov

Linda H. Anderson  
Knowledge Universe  
lhassananderson@kc-education.com

Pilar Torres  
Fathum Inc.  
pilar@fathuminc.com

Kenley Branscome  
ICF International  
kenley.branscome@icfi.com

Louise Stoney  
Opportunities Exchange/Alliance for Early Childhood Finance  
louise.stoney@gmail.com
Newly reauthorized Child Care and Development fund (CCDF) law gives states opportunity to make significant changes to their child care subsidy systems.

Many choice points for states as they work to develop CCDF plans that improve the health, safety, quality of child care, and access for low-income families.

Today’s call is offered to stimulate thinking about how to leverage this opportunity to drive quality

• Achieve goals of the reauthorization
• Advance vision for child care quality and reform through rate setting, family child care, policies push equity, alignment with other early learning programs
CCDF & Quality Early Learning

Heather Moss
Deputy Director
Department of Early Learning
Washington: Infusing quality across early learning

- **Early Start Act** (mandatory participation in Quality Rating and Improvement System: QRIS, standards alignment)
- **Preschool pilots** with licensed family home child care
- **Licensed exempt** care policy changes
- Addressing **racial equity**
Washington’s Early Start Act

- **Mandatory QRIS participation**
- **Fast-track 12-month eligibility** (Working Connections Child Care Subsidy)
- **Align program standards** across all early learning systems

  ◢ Efforts happened over the past several weeks at state-wide community meetings
Preschool in Licensed Family Homes

- State law requires a pathway to be developed to permit licensed family home to participate in preschool and ECEAP (state-funded pre-K)
- Pilot Preschool-ECEAP delivery with Licensed Family Homes grantees and sub-grantees
- Pilot support services model with two Child Care Aware of Washington regions

- Related efforts: age 0-3 slot pilot with SEIU 925 and EHS-CC (Early Head Start/child care) partnerships
Family, Friend and Neighbors (FFN) Care

- Family, friend and neighbor providers (FFN) include grandparents, aunts and uncles, elders, older siblings, friends, neighbors, and others who help families take care of their kids on an informal basis.

- How DEL monitors FFN care
- Increase background checks
- Training requirements in CCDF and the state’s Collective Bargaining Agreement (CBA) with SEIU 925
Racial Equity as Part of Our Quality Frame

- Understand where kids are and what type of care they use
- Put care where kids are (ECEAP pathway, FFN training)
- Diversify DEL and contractor workforce
- Address race and equity in our standards revision
Our Efforts and the CCDF Plan

- **12-month eligibility** in Working Connections Child Care subsidy program
- Annual monitoring
- Expanded background checks
- Broaden professional development opportunities and subjects
- Expand use of data
- Expand supply and quality of care for kids ages 0-3

Washington State Department of Early Learning
Related Challenges to Raising Quality

- Supply and demand
- Tiered reimbursement (cost of quality)
- Cap for Working Connections Child Care (subsidy)
- Workforce preparedness
- Pre-K and ECEAP facilities
Strategies for Success
Providing Quality for Children in Low-Income Families in North Carolina

Jennifer Johnson
Legislative Supported Strategies

- QRIS tied to Licensure
  - 1 Star = Minimal Requirements
  - 5 Stars = Highest Quality Rating

- NC Pre-K available for all eligible “at-risk” 4 year olds

- Subsidy only granted to 3, 4, & 5 Star programs
  - Subsidy Provider Agreements
Improving Quality and Diversifying Providers

- Funding to move programs from 1 & 2 stars to 3, 4, & 5
- Funding to license Public schools and religious sponsored programs
- Provided TA to centers and public schools
Quality Strategies through the Early Learning Challenge

- Infant Toddler
  - Tested increasing funds for I/T subsidy slots in high needs counties

- Validation Study
  - Testing improvements to QRIS
    - Create less variation within each star rated level
    - Raise the floor and the ceiling on quality in programs

- EQuIPS Measurement Tool
Equity and the Quality Frame

- Specific populations
  - Homeless
  - Tribal
- Strategies for working with Homeless
- NC Early Childhood Credential offered in Spanish
- Higher education has translated coursework into Spanish
- Cultural Competence Curriculum
How Our Innovations are in the CCDF Plan

- Professional Development Plan
  - Homelessness
  - Expulsion
  - Development Screenings/Formative Assessments
  - Governance Structure

- Articulation: High School to Bachelors and beyond

- Early Learning Standards embedded in curriculum and training

- Early Childhood Mental Health systemic approach
A Provider’s Perspective – Working Across States

Linda Hassan Anderson
Vice President - Education
Knowledge Universe ®
Knowledge Universe® Overview

- Community based learning centers for children 6 weeks to 12 years
- Approximately 1,400 centers in 38 states
- Serving approximately 135,000 children including over 3,000 military families; *About 1/3 receive third-party assistance*
- Approximately 21,300 teachers

- Employer-sponsored learning centers and back-up care
- Over 250 clients including 94 centers in 22 states and DC
- Serving approximately 11,000 children
- Partnerships with local and national businesses and government agencies
- Approximately 2,200 teachers

- Before- and after-school programs in partnership with elementary schools
- Over 400 programs in 15 states and DC
- Serving approximately 18,000 children
- Approximately 1,350 teachers

Knowledge Universe® has over 1280 nationally-accredited centers
Aligning Measures of Quality

Inconsistency

Licensing & Regulations

Critical Alignment of Various Measures of Quality

<table>
<thead>
<tr>
<th>Providers know what they’re aiming for…</th>
<th>Parents know what they’re seeking…</th>
<th>States know what they’re paying for…</th>
</tr>
</thead>
</table>

Providers know what they’re aiming for…

Parents know what they’re seeking…

States know what they’re paying for…
Flexibility in Curricula and Assessment

VERIFIABLE INDICATORS

- Evidence-based
- Reviewed by outside experts
- Aligned formative & summative assessments
- Rational scope & sequence
- Aligns to developmental domains
Mixed Delivery System

Quality
Licensed & Rated

Access
Within their community

Cultural Fit
Language, religion, environment

Schedule
Flexible & Alternative Hours

PARENTAL NEEDS
Public Rate Setting

• Alternative Rate Setting Methodology
• Economies of Scale
• Intended and Unintended Consequences
What It Would Take to Build a Quality Supply in Communities of High Need

- Continue to address the causes of disparities
  - Inadequate funding
  - Institutional racism, bias and privilege

- Advocate & support multiple options that meet the needs for families
Building quality child care in low-income DLL communities

Pilar Torres

December 2015
Why focus on DLL children?

- Equity + Social Justice
- Demographic Imperative
- School readiness
- Accountability
- Alignment of systems
- QRIS + ELS + Head Start
**Why Family Child Care?**

Natural resource

- Start where the kids AND providers are
- Available + Accessible + Flexible

Culturally congruent

- Regardless of SES

Economic + Community development

Multi-lingual/cultural teachers

- Entry into ECE workforce pipeline
Association, Networks

Professionalization

Intermediate, Advanced Bridge Training

Entrepreneurship

ESL English as a Second Language

Grass-roots Training and Recruitment

NAFCC Accreditation

Formal Child Care Sector
Maryland Outcomes

✓ Over 600 licensed providers in Maryland, 340+ in Montgomery County
✓ Developed over 120 hours of MSDE certified classes in Spanish including TOT
✓ Preschool Hub-Spoke model
✓ Developed corps of trainers mentors, coaches

How?

- An integrated ECE career ladder for Latina FFN
  - All classes in Spanish
  - Delivered in the community
  - Trained bilingual/bicultural staff
- A culturally competent family child care “system” (network)
  - Madres Comunitarias
  - Educacion Popular (Freire)
  - Community driven and participatory
  - Strengths-based
- Economic-Community Development
  - Micro-enterprises
  - Civic Engagement
  - Leadership
- Modeled parallel strategies
  - Education=Success=Power
  - Family Engagement
Public Health Management Corporation
Philadelphia

✓ 24+ hours of pre-service training
  ■ Spanish
  ■ Aligned with CCDF
  ■ Customized to local needs
✓ Teleducación
  ■ Scalable hybrid training model
  ■ Doesn’t reinvent the wheel
  ■ Uses resources / staff efficiently
✓ JHU- Third Party design evaluation

Escaleras
Grass-roots Training and Recruitment

Stages and Ages
Curriculum
Professional Standards
Sudden Infant Death Syndrome
Recognizing/Preventing Abuse and Neglect
Shaken Baby Syndrome
Health and Safety
Medicine Administration
Emergency Preparedness
CPR & FAID

Fathum + PHMC = Synergy

Unregulated Latina FFN providers

FATHUM: Learning Solutions©2015
Adapting Child Care Market Rate Surveys to Support Quality

Prepared for:
BUILD CCDF Webinar

Kenley Branscome
kenley.branscome@icfi.com

December 15, 2015
Child Care Market Rate Surveys at a Glance

- Child Care and Development Fund (CCDF) requires states to conduct surveys every two years

- Used to estimate the prices of child care in the private market and evaluate the level of access that state reimbursement rates provide to families

- Can be leveraged to inform policy strategies that expand access to high-quality programs for all children

- Reauthorized CCDF provides opportunities for new alternatives
New Possibilities for Market Rate Surveys in CCDF

- New emphasis on the validity and reliability of the collection and analysis of the data
- Must reflect variations by geographic area, type of provider, and age of child
- States can continue to conduct market rate surveys, but can also use an alternative methodology for setting payment rates – e.g., cost estimation model
- Still required every two years regardless of methodology
# Leveraging Market Rate Surveys to Address Policy Challenges

<table>
<thead>
<tr>
<th>Policy Challenge</th>
<th>Market Rate Survey Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State rates may not reflect regional market variations</td>
<td>Use advanced methodologies that use rate clusters/zones to account for variations</td>
</tr>
<tr>
<td>Limited information on supply of programs and workforce</td>
<td>Leverage surveys to collect data to support multiple research needs - e.g., program features, workforce</td>
</tr>
<tr>
<td>Limited understanding of the cost of quality</td>
<td>Leverage surveys to collect data on key revenue and cost drivers to allow cost modeling by quality levels</td>
</tr>
<tr>
<td>Limited understanding of cost of quality for special populations</td>
<td>Leverage surveys to collect data on key revenue and cost drivers to allow modeling for special populations</td>
</tr>
<tr>
<td>Limited understanding of family access to quality</td>
<td>Collect data necessary to support analysis of access to care by quality level at a regional/community level</td>
</tr>
<tr>
<td>Surveys cannot collect everything we need to know!</td>
<td>Design surveys to be linked with administrative data sources to support more robust analysis</td>
</tr>
</tbody>
</table>
How Can Market Rate Surveys Inform Cost Modeling?

- Price estimates from surveys can be used to inform assumptions about program tuition revenues
- Can collect information on program characteristics that can be used to inform estimates for key cost drivers – e.g., vacancy rates, desired capacity
- Can be expanded to collect workforce data to inform estimates of personnel cost drivers
- Survey data can be linked with administrative data to further enhance the accuracy of estimates
Resources to Keep in Mind

- **Adapting Market Price Surveys to Support State Quality Initiatives (Need Link)** – White paper that provides states with an overview of how states can adapt existing market rate surveys to support quality and align with new CCDF requirements.

- **Provider Cost of Quality Calculator** - New, easy-to-use, dynamic web-based tool that calculates the cost of quality-based on site-level provider data.
Early Education Services
A New Level of Thinking About ECE Quality and Supply

Louise Stoney
Alliance for Early Childhood Finance Opportunities Exchange
A New Level of Thinking about ECE quality and supply:

Structure
Markets

- Improving access doesn’t necessarily mean MORE providers.

- Investing subsidy in fewer, higher-quality settings (e.g. more slots per provider vs more providers) could increase access to quality and lower cost of licensing/QRIS

- Full enrollment is key to financial sustainability
  - many ECE programs are currently not full (especially 3-4 yr old classrooms)
  - Low enrollment is a key reason FCC homes close or fail to get off the ground initially

Data on the supply and enrollment of ALL high-quality settings (regardless of funding or auspice) is key.
A New Level of Thinking about ECE quality and supply:

Industry Consolidation

- A child care center needs at least 100 children to meet NAEYC standards and make ends meet financially, and closer to 300 in order to pay decent wages.
  ✓ But the average US center is only 75 children.

- Attrition among home-based child care is huge – in large measure because they can’t stay consistently full and guarantee steady income.

- Significant sums are spent to support ECE that is not sustainable or able to consistently meet quality standards.

- Alternative management & staffing structure can enable scale but keep sites small – but state policy is often a barrier.

State policy can hinder or support scale and sustainability aimed at strengthening quality & equity.
A New Level of Thinking about ECE quality and supply:
Target Dollars

- Equity doesn’t mean equal. Providers that serve high-need children or neighborhoods need targeted $.

- Spreading dollars across many providers may feel fair but without the concentrated funding needed to stay full many ECE programs will fail or limp along with poor quality.

- Dollars can be targeted and parent choice honored via contracts with a network of high-quality centers/homes in a specific neighborhood.

Strategically targeting dollars can promote equity, access and choice.
A New Level of Thinking about ECE quality and supply:

Understand Costs

- Market Rate Surveys measure the price of care. Prices are typically based on what families can afford or are willing to pay, and are unlikely to vary by quality level.

- Cost Modeling makes it possible to understand the cost of delivering services at each QRIS level. Modeling can be used to test policy options and understand the impact of scale, age mix, etc.

- Market rate surveys can gather helpful data on cost drivers like vacancies.

- It is possible to set rates using BOTH Market Rates and Cost Modeling.

Alternative rate-setting offers new opportunities to better understand program costs and market forces.
CCDF Rule Offers New Opportunities:

Key Considerations

- Link subsidy to quality standards
- Consider targeting dollars to high-quality providers that serve large numbers of low-income children
- Understand costs, and use this information to guide rate-setting
- Understand the power of scale. Support shared service strategies and look carefully at how current policy (QRIS, licensing, rates) can inhibit effective quality at scale.
- Track data on quality and enrollment levels in ALL public & private settings and use these data to inform policy and supply-building.

If we want low-income children in high-quality settings we must ensure those settings can succeed in the marketplace.
Questions, Reflections, Comments
BUILD Initiative

For more information:
www.buildinitiative.org
gcobb@buildinitiative.org