



## Oregon Infant-Toddler Policy Agenda

**October 2018**

Every year, 45,000 babies are born in Oregon. Nearly half are born into families earning at or below 200 percent of the federal poverty level. They enter the world full of potential and possibility. The first three years of life are monumental. Babies are born learners and what happens in the early years of life significantly shapes their later life experiences, from school to work, relationships and health.

Oregon must create a comprehensive early care and education system that will support the healthy development of young children. We can forge that pathway by first establishing an environment that ensures our youngest children and their families will thrive. This will require a multi-biennium commitment to investing directly in infants and toddlers, their families, and public systems of support. Children First for Oregon (CFFO), Children's Institute (CI), Council for a Strong America (CSA), Family Forward Oregon (FFO), and the Early Learning Division (ELD) have worked together to identify the most urgent and actionable priorities to improve outcomes for infants and toddlers in Oregon, starting with the next biennium.

## 2019–21 Policy Priorities

### 1. Increase access to high-quality, affordable infant-toddler child care for low-income families

High-quality infant-toddler child care supports children's health and development, allows families to work, and compensates providers with adequate wages and professional learning opportunities. Despite the importance of high-quality infant-toddler child care, nearly every county in Oregon is an infant-toddler [child care desert](#). There are multiple challenges to overcoming this complex problem and the current policy tools are inadequate for the scale of the crisis we are experiencing: current child care assistance reaches too few low-income families, and Oregon has some of the highest parent co-pays in the nation and low provider reimbursement rates. Inadequate professional development resources and a

lack of long-term planning further exacerbate these challenges. Advocates for child care have come together to develop an ambitious agenda that starts with the needs of infants and toddlers for the 2019 legislative session to make necessary headway in all these interconnected areas. Our 2019–21 priorities include:

A. Improve the current child care subsidy program.

- *Reduce Parent Co-Pays.* High co-pays create financial stress for low-income families. Families with infants and toddlers typically earn less than families with older children; thus, the Oregon co-pay approach hits families with infants and toddlers the hardest. When parents are unable to afford their co-pay, child care providers have a difficult choice—either stop serving a family and cause disruption for the child or make do with fewer resources and lower quality care. Passing legislation to reduce parent co-pays would help make progress on this issue.
- *Increase Provider Reimbursement Rates.* Low reimbursement rates, including especially low rates for infants and toddlers, limit the number of providers willing to serve families who receive child care subsidies. Passing legislation and using new CCDF funding to raise reimbursement rates based on the cost of quality instead of the current market-based system will provide families with more options by increasing the number of high-quality infant-toddler child care providers. Higher reimbursement rates will also help make child care a more economically viable business, decreasing staff turnover and increasing supply.
- *Increase monitoring, support, and professional development for child care providers.* Increasing access to child care subsidies for infants and toddlers will support their healthy development if they are cared for by well-trained and supported providers who follow best practices. Oregon currently has one child care licenser for every 138 child care providers, which does not allow them adequate time to support providers and ensure that basic health and safety practices are met. Oregon’s child care regulatory system must be strengthened through investments in professional development, technical assistance, and coaching for child care providers—particularly those who work with our youngest children. We are advocating for increased funding for the state’s child care regulatory system and for local child care staff working directly with providers.
- *Create a child care task force.* To facilitate a multi-year commitment and progress toward improving child care for infants and toddlers, the state will need a clear vision, legislative champions, and a plan. Oregon has not had a clear vision for building high-quality, affordable child care. We are proposing the development of a child care task force to fill this need. This task force will identify the policy goals for Oregon’s child care assistance programs, metrics for monitoring the achievement of those goals, and the policy levers for driving towards those goals across Oregon’s child care assistance programs and strategies, with an elevated focus on increasing access to quality child care in shortage areas like infant-toddler care.

By strengthening our existing child care assistance program to better meet the needs of infants and toddlers, **4,500 infants and toddlers currently served by child care subsidies will benefit.** These foundational changes are necessary to increase quality and access to child care assistance for infants and toddlers in future biennia.

## B. Expand access to high-quality infant-toddler child care.

- *Contract infant-toddler child care slots.* In addition to a stronger child care subsidy program for infants and toddlers, contracting with high-quality child care providers encourages them to serve low-income infants and toddlers, providing stability and support for young children, families, and providers. Contracting is a critical strategy to increase the supply of high-quality infant and toddler child care. In 2019, we aim to grow a pilot program for contracted slots for infant-toddler care that will pay at a higher level, come with additional supports to ensure quality, and use consistent infant-toddler quality standards. **1,000 new infants and toddlers who are not currently served will benefit.**
- *Expand Early Head Start.* For families living in poverty and facing significant barriers, high-quality early care and education that is not tied to work requirements combined with intensive family support offers a more comprehensive and effective approach. Early Head Start center- and home-based models are a proven strategy to support child development and family stability. Currently, 2,064 low-income infants and toddlers are served in Early Head Start in Oregon—just 9 percent of the state’s eligible population. In 2019, we will advocate for an expansion of state funding for Early Head Start. **2,000 new infants and toddlers who are not currently served will benefit.**

## 2. Universal Connections

Connections with effective family support programs provide parents with the information and tools they need to support their baby’s healthy and on-track development. Oregon lacks a universal, non-stigmatizing approach to connect families with services and communities lack adequate services and capacity to meet the needs of families. Now is the time to add this capacity, as regional Early Learning Hubs are increasingly established and better able to coordinate family resources and ease referrals. Continued investment in and development of Hubs will be important for implementing this strategy.

- *Launch Family Connects.* Bringing this proven model to Oregon will ensure every family with a new baby has the opportunity to be connected with support to help their new baby thrive. When fully implemented, **45,000 babies annually will benefit; our goal for the first biennium is 20,000 infants.**
- *Expand Home Visiting.* Home visiting is a proven two-generation strategy to support healthy and on-track child development. An estimated 25 percent of families who would be eligible for home visiting currently have access. Proposed expansion would improve

services for the **3,200 infants and toddlers currently enrolled and allow an additional 900 infants and toddlers and their families to be served.**

### 3. Other Related Policy Work

In addition to these policy priorities, partners are actively supporting the following efforts that will benefit infants and toddlers:

- Create a paid family leave program to support parent-child bonding, access to health care, and family stability for up to 45,000 births every year (led by Family Forward).
- Increase maternal depression screening, consultation, and care coordination for new mothers.
- Grow a pilot program to provide substance abuse treatment for pregnant women and parents with young children in settings that address the needs of both parent and child.
- Expand parent-child mental health services for children 1–6 years old.
- Develop an Early Childhood Equity Fund to provide culturally relevant services that support kindergarten readiness for 0–5-year-olds.
- Increase funding for Early Intervention/Early Childhood Special Education (IDEA Parts B & C) to increase services for 0–5-year-olds with developmental delays and disabilities, including more than 4,000 infants and toddlers.
- Increase funding for Relief Nurseries to prevent child abuse and increase family stability for families with children 0–5 years old.
- Provide new state funding for parenting education collaboratives.

Table 1. Oregon 2019–21 Policy Priority Details

PCI Policy Priority	Proposed Policy Solution	Current Status	Planned Action	State & Community Partners	Timeline/ Progress to Date	# of infants & toddlers impacted annually
High-Quality Affordable Infant-Toddler Child Care:  Parent Co-Pays	Reduce family copays to 7–10 percent of income	Oregon parent co-pays within our subsidy system are high compared to other states. Parents near the edge of eligibility must devote more than 40 cents of every extra dollar earned toward their ERDC co-pay. Because of these high co-pays, many families only seek child care subsidies when they have at least two children in child care, reducing the number of infants and toddlers served.	Change state law to provide guidance on co-pay levels.  Increase the budget from the state legislature and governor for this purpose (estimated cost to lower co-pays is \$12–24 million per biennium).	Early Learning Division Department of Human Services  Family Forward Children’s Institute Children First Council for a Strong America Oregon Center for Public Policy SEIU Local 503 Oregon AFSCME	Conversations with staff at DHS about options/pricing are beginning.  Legislative champion identified.  Legislative concept submitted.	4,500 infants and toddlers currently provided a child care subsidy would benefit from this change.  In addition, this change will help make the program work better for families, increase demand, and grow the child care subsidy program to serve more infants and toddlers in the future.
High-Quality Infant-Toddler Child Care:  Provider Reimbursement Rates	Increase subsidy reimbursement rates to 75th percentile (2018 rates) with a target for reimbursement rates based on cost of quality. Focus on infant-toddler and rural providers first.	Subsidy reimbursement rates are currently based on a market survey, then negotiated between the state and unions (family certified/registered is represented by AFSCME; family, friend, and neighbor by SEIU). Centers do not have representation and have fallen the furthest behind in rates. Market survey does not reflect true cost of quality child care, especially in rural areas. Increased reimbursement rates would stabilize the supply of child care and increase parent access to programs.	Prioritize increased subsidy funding for infants and toddlers and rural providers with CCBG funds.  Provide guidance in state law to set reimbursement rates, considering both market rate and the cost of quality for all provider types.  Monitor labor negotiations and rate setting for centers.	Early Learning Division Department of Human Services  Family Forward Children’s Institute Children First Council for a Strong America Oregon Center for Public Policy SEIU Local 503 Oregon AFSCME	Governor’s Children’s Cabinet recommendation to increase rates.  DHS prioritizing infants-toddler, rural rate increases with CCBG.  New rates to be negotiated by unions in July 2019 using 2018 market survey data.  Legislative concept submitted.	4,500 infants and toddlers currently provided a child care subsidy would benefit from this change.  In addition, this change will help make the program work better for providers, increase the supply of quality providers, and increase the number of infants and toddlers in high-quality care in the future.

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<p>High-Quality Infant-Toddler Child Care:</p> <p>Provider Support</p>	<p>Expanded provider support, technical assistance.</p> <p>Increase capacity of Child Care Resource and Referral (R&amp;R) Agencies to provide training, technical assistance, and coaching to early care and education providers, with a particular focus on infant- toddler care.</p> <p>Increase the number of licensors.</p> <p>Reduce the caseload for licensors to 1:100 from current 1:138 (recommended level is 1:50).</p>	<p>Oregon needs to strengthen its child care licensing regulatory system and provide ongoing training and coaching to providers to support best practices. The Office of Child Care currently lacks the staff capacity to provide on-going effective and responsive monitoring to ensure full compliance with health and safety standards meant to protect infants and toddlers.</p> <p>Oregon also needs to increase access to training and coaching to help providers implement best practices and fully support healthy development of infants and toddlers. Without the support of locally-based Quality Improvement Specialists, it is challenging for providers to change practices and meet the standards of Spark, Oregon’s Quality Rating and Improvement System.</p>	<p>Prioritize new CCDF Funds to address licensing capacity and to direct additional resources to R&amp;R agencies. Support R&amp;Rs to use these new resources to increase trainings, hire additional Quality Improvement Specialists, and expand the number of Focused Child Care Networks.</p> <p>Request additional funds from legislature to support R&amp;R system.</p>	<p>Early Learning Division</p> <p>Family Forward Children’s Institute</p> <p>Children First Council for a Strong America</p> <p>Oregon Center for Public Policy</p> <p>SEIU Local 503</p> <p>Oregon AFSCME</p>	<p>The Early Learning Division has hired an Infant &amp; Toddler Professional Development Specialist to lead development and implementation of professional supports focused on this age group.</p> <p>Legislature approved new CCDF funds to build the capacity of the Office of Child Care and increase resources for R&amp;Rs.</p> <p>The Early Learning Division submitted budget proposal to the governor to build Oregon’s professional development system for early care and education providers.</p>	<p>Potential impact on more than 70,000 infants and toddler in non-parental care.</p>

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High-Quality Infant Toddler Child Care:  State Child Care Task Force	Legislative task force to study the child care landscape, monitor above policy changes, and develop recommendations to improve child care (i.e. subsidy levels, removing obstacles for providers and families, workforce development, income eligibility expansions, and other quality improvements).	Oregon lacks a shared vision for the child care system we are trying to build long-term. We need a holistic, rather than piecemeal approach, with concrete steps to make progress and sufficient funding required to implement.	Win legislative support for a multi-year task force with clear direction and the involvement of key agencies and legislative leadership. Build support for task force that recognizes the complex nature of child care and the fact that it is overseen by two different departments (human services and education) and funded by two different budget subcommittees.	Early Learning Division Department of Human Services  Family Forward Children’s Institute Children First Council for a Strong America Oregon Center for Public Policy SEIU Local 503 Oregon AFSCME	Continuation of work begun in 2018.  Legislative champion identified.  Legislative concept submitted.	Necessary first step to improve child care for infants and toddlers. Lays the groundwork to cover additional children. We will come back to 2021 legislature to advocate for the recommendations.
High-Quality Infant Toddler Child Care:  Infant-Toddler Contracted Slots	Provide incentives and contract slots to increase the number of quality infant-toddler care providers and increase the number of infants and toddlers receiving quality early care and education.	35 of Oregon’s 36 counties are rated as infant-toddler child care deserts. DHS currently has about 100 contracted slots mostly through Early Head Start—Child Care Partnership grantees and to support extended hours for OPK/ Head Start programs. This initiative builds quality supply in an innovative way that addresses both the need for a different financial model and the importance of professional supports explicitly focused on the care of infants and toddlers	Budget increase of \$25 million by the state legislature and governor for this purpose.  Change state law to implement infant-toddler contracted slots (Baby Promise). Contracted slots will be administered by the Early Learning Division and local Resource & Referrals. Proposal is to pay providers 130 percent of subsidy rate and to require participation in on-going professional development.	Early Learning Division Department of Human Services  Family Forward Children’s Institute Children First Council for a Strong America Oregon Center for Public Policy SEIU Local 503 Oregon AFSCME	Children’s Cabinet is recommending \$29.3 million (federal and state) for infant-toddler contracted slots.  ELD requested \$25 million in funding for Baby Promise in the governor’s budget process.  ELD requested \$4.3 million in CCDF be used for this purpose.  Plan to begin pilot by Jan 2019.	1,000 new infants and toddlers would be served with a \$29.3 million allocation for Baby Promise.

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High-Quality Infant Toddler Child Care:  Early Head Start (EHS)	Expand access to center-based and home-based models of EHS.	EHS \$1.2M biennial budget from the state for 64 state slots. Funding has not increased since the first investment approximately 10 years ago. Federal funding for 2,850 EHS slots (mix of home & center-based).	Make changes to funding for Head Start that allows them to move funding to cover more EHS State slots. Possible \$45M increase in funding for OPK, some of which could be used to support conversion to Early Head Start.	Early Learning Division  Children's Institute Council for a Strong America Children First Family Forward Oregon Head Start Association	Governor's Children's Cabinet has recommended growing EHS.  ELD has requested funding and policy change to expand EHS.	2,000 new infants and toddlers.
Universal Connections:  Family Connects	Implement a Family Connects model of universal home visiting to connect families with critical services from birth.	Oregon does not currently have a universal referral system in place.	Pass legislation and allocate \$3.5 million in funding to launch Family Connects.  Continue expansion over three biennia to reach all children.	Oregon Health Authority  Early Learning Division  Sen. Steiner Hayward  Children's Institute Council for a Strong America Children First Family Forward	OHA has submitted POP to governor for this budget request.  Governor included this in her health care campaign platform.  Oregon State Senator Steiner Hayward has initiated discussions with private insurers about universal home visits as a mandatory service.	This initial investment will provide home visits to 20,000 families who receive Medicaid in the first two biennia. This is the first step in a three-biennia strategy to serve all families in Oregon. If all goes well, by the third biennia we will reach the remaining births (total of 45,000 births per year).
Universal Connections:  Home Visiting	Expand access to state-funded home visiting programs (HFO & EHS).	Home visiting touches less than 25 percent of those eligible for services. \$24 million biennial budget for HFO. Some federal funding through MIECHV.	Increase HFO funding by \$8 million. A portion will go toward increasing existing salaries and support for providers, and a portion will go toward additional slots.  (See EHS, above.)	Early Learning Division  Council for a Strong America Children's Institute Children First Family Forward	Governor's Children's Cabinet has included \$38 million for a mix of family/parent support (including HFO as 1 part).  ELD proposed expansions to governor.	3,200 infants & toddlers currently enrolled would see improved services.  Up to 900 additional infants and toddlers would be served.

