

## **Status of DHS Starting Right Child Care Assistance Program (CCAP) August 2006**

The **goals** of the Rhode Island Starting Right Child Care Assistance Program [CCAP] are to support **accessible, affordable, high-quality early childhood education and childcare** for Rhode Island families with children from birth – 16 years.

### **Access to early childhood education and child care for families in FIP and low income working families**

CCAP continues to provide an essential resource to help low income working families and families in the Family Independence Program prepare for and sustain work that advances family strength and self-sufficiency. By emphasizing high quality child care services and using the 75<sup>th</sup> percentile of market rates as a standard to establish subsidy rates, CCAP advances a two generation approach to childcare that seeks to promote child development and school readiness while supporting parental work. In SFY 2006, CCAP provided critical child care assistance to over 13,000 children in approximately 8,400 families continuing a discernable and growing shift toward support for families engaged in work. In 2000, 39% of children assisted by CCAP were in FIP families receiving cash assistance; in 2006 only 17% of the caseload is in FIP. Approximately 65% of all families participating in CCAP are former FIP recipients no longer receiving cash assistance.

Program data shows a stabilization in growth and expenditures in the CCAP starting in SFY 2003 with slight declines in both caseloads and expenditures for SFY 2005 & SFY 2006.

CCAP emphasizes shared responsibility for child care payments (80% of families in the program have a co-payment ranging 1% - 15% of gross family income which equates to a range of \$3 - \$109 in child care expenses per week).

Rhode Island's CCAP is acknowledged as a national leader in providing access to affordable quality child care for low income families and received a High Performance Bonus award from the US Department of Health and Human Services in child care performance categories for FFY 2003 and 2004.

### **Availability of child care and choice of providers for CCAP assisted families**

CCAP supports a full range of child care choices available to families participating in the workforce in order to promote both early learning and school readiness in the preschool years and responsible supervision and positive youth development for school age children and youth in out-of- school hours.

Over the past 10 years regulated child care capacity in RI has almost doubled increasing from 23,255 slots in 1996 to 38,503 slots in 2006. This includes expansions in both center-based care and certified family child care homes. Access to all regulated providers for CCAP assisted families has also risen steadily progressing from 60% regulated provider participation in CCAP in 1997 to almost 90% participation of regulated providers in 2006. Given these choices CCAP assisted families have migrated from non-certified family, friend and neighbor providers into higher quality regulated settings. Approximately 97% of all CCAP assisted children are enrolled in regulated settings – this is one of the highest percentages of assisted children in regulated care in the country. One rapidly growing sector of the child care provider industry in RI has been certified Spanish speaking or bi-lingual Family Child Care Home providers who are able to provide culturally responsive care to Spanish speaking families. The DHS Office of Child has responded to this group by providing written materials in both Spanish and English and adding a full time Spanish interpreter to the staff in 2005.



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### **Supporting and enhancing the quality of early childhood education and childcare in RI**

Research demonstrates that the quality of childcare and early learning experiences has a significant impact on children's development and school success. For low income children the effects of quality are particularly dramatic. In order to insure that RI's children, particularly those participating in CCAP, have access to high quality child care, DHS supports a number of Starting Right Child Care Quality Initiatives managed by other state agencies and community partners and administered by the Office of Child Care.

In SFY 2006 DHS spent approximately \$2.28 million on projects advancing: child care practitioners' professional development and child care apprenticeship; licensing and monitoring of child care providers; expert on-site technical assistance to providers; the development and dissemination of RI's Early Learning Standards for preschoolers; technical assistance and low-interest loan funding for the development and enhancement of child care facilities; and child care resource and referral services for RI families.

In support of a healthy and stable child care work force, DHS expended \$3.4 million on health insurance assistance for licensed centers and certified family home providers who demonstrated a commitment to caring for CCAP assisted children.

An additional \$1.55 million in quality expenditures supports the Comprehensive Child Care Services Program (CCCSP), administered by the Office of Child Care, which provides high quality Head Start-like comprehensive services designed to meet the early education and social service needs of Rhode Island's most disadvantaged and very low-income children. In SFY 06, the CCCSP provided services to over 300 three to five year old children and their families in four certified CCCSP networks comprised of 29 approved CCCSP providers.

### **Cost containment and program integrity**

Through a series of administrative redesign efforts, DHS has improved CCAP program efficiency and integrity while creating a more effective user-friendly administrative system for DHS staff and CCAP approved providers. CCAP Redesign I & II: introduced an automated web-based system that tracks and monitors enrollment of CCAP assisted children with approved providers; moved CCAP into the IV-A INRHODES environment, integrating case data shared across all DHS programs; created system support for critical eligibility tests; and included policy clarifications, revised application documents, improved communication and intensive training for DHS staff, child care providers, families, and community organizations.

Over the past several fiscal years cost containment strategies have resulted in reduced expenditures and caseload reductions while preserving core benefits for eligible families. These include: introduction of a three quarter time rate, paying approved providers what they actually charge rather than a standard CCAP rate (the CCAP Established Rate is now a rate ceiling), re-structuring health care assistance for Family Child Care Home providers and increasing front end detection of program abuse and fraud. In SFY 2007, mandatory referral to the Office of Child Support Services and a liquid assets test are being introduced as conditions of eligibility in CCAP.

### **Interagency collaboration and coordination of child care**

As part of DHS's responsibility to coordinate child care services in the state, the Office of Child Care convenes and facilitates the Advisory Committee on Child Care and Development (ACCCD)



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as an opportunity for families, child care providers, representatives from agencies of the Children's Cabinet and other interested community members to come together regularly to discuss the evolving child care and early education system taking shape in RI. The ACCCD provides a forum for sharing information both from the department to members of the community and from members of the community to the department and one another – particularly information relating to child care for children from birth to 16, early education and child development. The ACCCD supports ongoing planning that is both collaborative and strategic for the future of child care and early education, CCAP, and related quality initiatives in RI. In 2005, in order to insure greater access to this group for particular constituencies, the ACCCD successfully launched two sub-groups that meet in the evenings – one including parents participating in the CCAP and the other for certified Family Child Care Home providers.

The Office of Child Care also represents DHS in several inter-agency and public-private collaborations including: the Successful Start Early Childhood Comprehensive Systems Initiative supported by a grant from the Maternal and Child Health Bureau and managed by RI Department of Health; the RI Child Care Quality Rating System Partnership supported by United Way and managed by RI Kids Count; the Strengthening Families Initiative supported by United Way and managed by Prevent Child Abuse RI; and the Early Childhood Sub-committee of DCYF's PEP Initiative.

The DHS Child Care Administrator serves as a representative of DHS at the Permanent Legislative Commission on Child Care.

### **Focus on Data & Research**

Supported by a State Administrative Data Capacity Grant from the Child Care Bureau, Office of Child Care, in collaboration with the MIS Unit at DHS, has collaborated with external partners to form and maintain the Rhode Island Child Care Policy Research Partnership (RI CCPRP). The goal of the RI CCPRP is to enhance the state's capacity to use administrative data to conduct policy-relevant research on an on-going basis. The RI CCPRP uses research produced through the project to build a sound basis to advance quality child care and early education goals in Rhode Island.

Using the DHS integrated INRHODES database for administrative data research and evaluation, the RI CCPRP focuses on three approaches to increase knowledge and inform policy-making about the state's Child Care Assistance Program (CCAP): independent expert research for program evaluation by the Wellesley Child Care Policy Research Partnership; enhancement of internal data analysis capacity especially for real time response to the policy-makers during the annual budget cycle and to inform administrative decision-making to improve program process and operations; and partnership with RI Kids Count to engage stakeholders in asking policy questions and to disseminate policy-relevant and research based products.

Research papers supported by the RI CCPRP include: Take-Up Rates and Trade Offs After the Age of Entitlement: Some Thoughts and Empirical Evidence for Child Care Subsidies. (March 2002); Evaluation of Rhode Island's Starting Right Program May 1996 – April 2001. (August 2002); A Preliminary Look at Employee Turnover. (February 2003); Impacts of Eligibility Expansions and Provider Reimbursement Rate Increases on Child Care Subsidy Take-Up Rates, Welfare Use and Work. (May 2003); An Examination of the Child Care Choices of Low-Income Families Receiving Child Care Subsidies (February 2004) (which will be extended this year to include data and CCAP policy changes from the last two years); An Examination of the Duration of Child Care Subsidies in



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Rhode Island: Impacts of Policy Changes and Cross State Comparisons; and Use of Child Care Vouchers in Rhode Island (September 2005).

The grant has also supported the creation of relevant on-going data reports regarding the CCAP and improved capacity for effective collaboration with DCYF and Options for Working Parents to synchronize data on regulated child care providers.