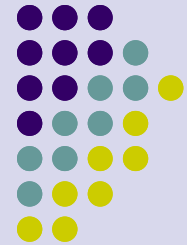


The CCDBG of 1990

VS.

The CCDBG of 2014

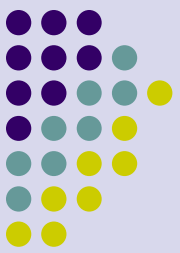


Challenges of Implementing the New Approach

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Norbert Haupt

Download handouts from: <http://1drv.ms/1peqE17>

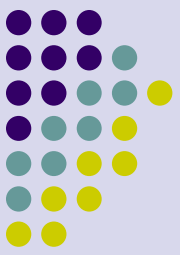


Summary of Presentation

Old CCDBG focused on parent:

- Income eligibility for services and co-pay
- Schedule for services
- Tracking changes to parent's circumstances
- Ensuring that payment was used for child care
- Parental choice – parents in best position to determine care allowing them to maintain labor market participation.

New CCDBG de-emphasizes the above.

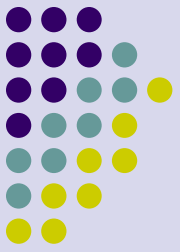


Summary of Presentation

Old CCDBG gave states broad discretion to determine eligible providers.

New CCDBG establishes a series of requirements that providers must meet:

- Criminal Background Checks
- Health and Safety
- Training

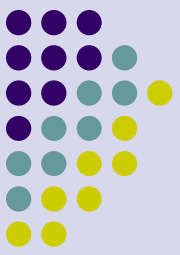


Summary of Presentation

Old CCDBG established clear distinction between providers receiving funds via a contract or grant and providers receiving a voucher.

- Different rules and expectations for each
 1. Quality
 2. Discrimination

New CCDBG fails to make a firm distinction.



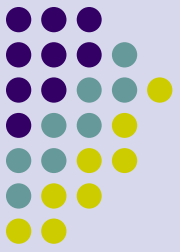
Summary of Presentation

Old CCDBG gave broad discretion regarding reimbursement for providers.

- States had to do a market survey, but relationship between results and reimbursement not direct.

New CCDBG creates new rules for reimbursement:

- Reimbursement must reflect survey
- Market standards for absences and holidays
- Must be timely

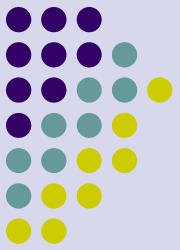


Summary of Presentation

Discussion of other Administrative Changes:

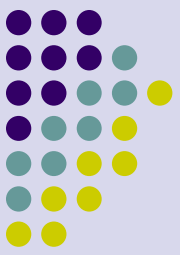
- Role of Resource and Referral Programs
- Disaster Preparedness and Child Care
- Other uses of Funds
- Timelines

Parents and the Old CCDBG



Old CCDBG was a welfare program:

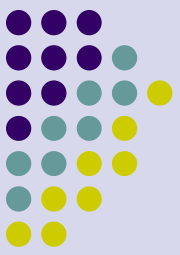
- Focus on supporting parents leaving cash aid
- Focus on continuing eligibility of parents – error rates increased emphasis.
- States set eligibility level – federal financial participation up to 85% of SMI.



Parents and New CCDBG

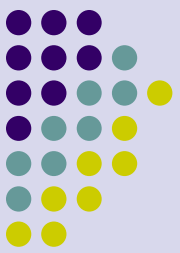
Provides one year of service once parents determined eligible.

- Paragraph N – “each child...will receive such assistance for not less than 12 months before the state ... redetermines eligibility, regardless of a temporary change in the on-going status of the child’s parent...”
- Not clear that file should be updated to reflect changes (co-pay or schedule of services).
- State must allow for fluctuating income



Parents and the New CCDBG

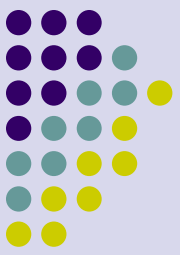
- Allow 3 months for job search after losing job or ceasing to go to school.
 1. Says “At the option of the state,” but all presentations by OCC indicate it is mandatory.
 2. Not clear if it is one-time, each time, once a year, or cumulative.
- States must “phase-out” services if parents over income until parent exceeds 85% of SMI.
- Re-determination of eligibility cannot inconvenience parents.



NASCCA Letter

“States request more clarity and guidance related to the 12-month redetermination period and the Improper Payments Act. Some states are experiencing challenges with high improper payment error rates and therefore, currently have a 6-month review period.”

“Many states currently require reporting changes within a redetermination period, and the agency might take action based on those changes. Will that no longer be allowed, either following the initial application and/or subsequent redeterminations?”



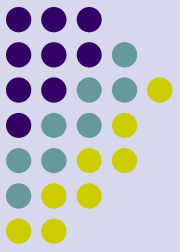
Providers and the New CCDBG

Old CCDBG gave all discretion and decision-making to states regarding:

- Which providers were legally operating
- What qualifications were necessary to participate in the CCDBG.

New CCDBG creates a series of new provider qualifications and administrative enforcement activities.

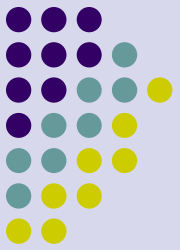
Who is a Provider Under the New CCDBG



Section 658P(6): An eligible provider means

- 1) a center, a family child care provider, or other provider of child care services for compensation that is licensed, regulated, or registered [trustline?] and satisfies all health and safety requirements in CCDBG; or
- 2) A relative of the child over 18 years of age that complies with applicable requirements.

Who is a Provider Under the New CCDBG

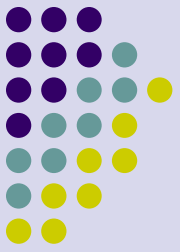


Section 658P

“As used in this subchapter:

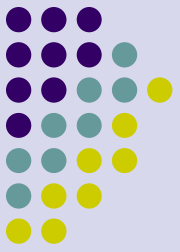
- (1) Caregiver – the term ‘caregiver’ means an individual who provides a service directly to an eligible child on a person-to-person basis.”

Providers and the New CCDBG – Criminal Background Checks



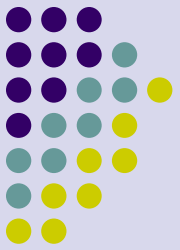
- Requires States to conduct criminal background checks on all childcare providers and their staff members. Not limited to providers serving CCDF children
- Relative caregivers are excluded
- Includes childcare center staff and family household members who do not care for children but have unsupervised access to children

Providers and the New CCDBG – Criminal Background Checks

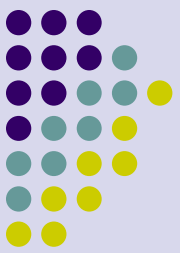


- Check must include
 - State criminal and sex offender registry
 - State child abuse and neglect registry
 - National Crime Information Center (NCIC by FBI)
 - FBI fingerprint check using Next Generation Identification
 - National Sex Offender Registry

Providers and the New CCDBG – Criminal Background Checks



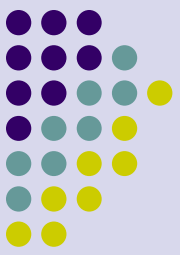
- Making Matters Complicated:
 - For the provider's current address and all states the person lived in for the last 5 years
 - Includes list of disqualifying crimes, allows State discretion to provide exceptions for felony drug offenses
 - Must have appeals process for providers for record accuracy
 - Penalty for non-compliance: HHS shall withhold 5% of the State's CCDF funds
 - Implementation by 9/30/2017



Providers and the New CCDBG

States must have in effect health and safety requirements in 10 areas.

- All eligible providers must be trained in each of those 10 areas either pre-service or “during an orientation period.”
- State shall have on-going training required for providers which incorporates
 1. Early learning and Development guidelines
 2. Health and Safety standards
 3. Behavior Intervention models.

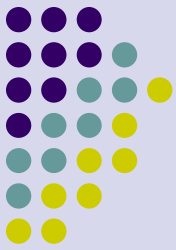


Providers and the New CCDBG

- Eligible providers and caregivers must complete annual training for a specified number of hours determined by the State.
- State must have and enforce child to provider ratios and group size limits “appropriate to the type of child care setting involved.”

How is this enforced?

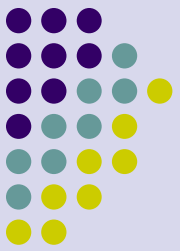
What factors determine provider eligibility?



Provider Errors and Appeals

350 QUALIFYING CARE AND PROVIDER ARRANGEMENT Determine whether services were provided by a center-based child care provider, a group home child care provider, a family child care provider, or an in-home child care provider, and that the provider met all applicable requirements, including health and safety requirements.	N/A	N/A	350 RESULTS 1. No Error / Error 2. Insufficient/ Missing Documentation
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Collapsing Contracts and Vouchers in the New CCDBG

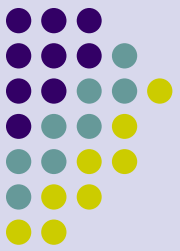


Old CCDBG was clear about difference between providers with a contract and providers that received a voucher.

Section 98.2 of old federal regulations stated:

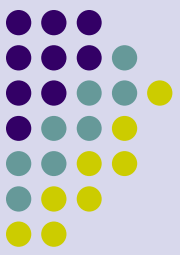
“Child Care provider that receives assistance means a child care provider that receives Federal funds under the CCDF pursuant to grants, contracts, or loans, but does not include a child care provider to whom Federal funds under the CCDF are directed only through the operation of a certificate program.”

Collapsing Contracts and Vouchers in the New CCDBG



Uses several terms for providers, without definition. OCC in training and comments, appears to think they refer to all providers.

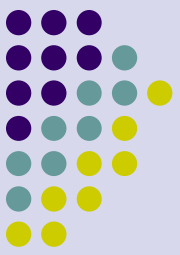
1. “Providers that provide services for which assistance is made available (provided).”
2. “Provider that is receiving assistance under this subchapter (pgs. 10, 25).”
3. “Early childhood programs receiving assistance under this subchapter (p.5).”
4. “funds received under this subchapter to support a child care provider.. (p. 6)”



Implications and Examples

Example 1: (K)(IV), under enforcement of licensing, states:

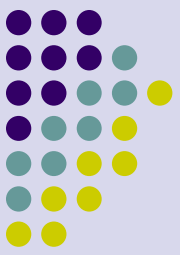
“require licensing inspectors...to perform annual inspections of each license-exempt provider in the State receiving funds under this subchapter [unless the provider is a relative provider] for compliance with health, safety, and fire standards.”



Implications and Examples

Example 2: (E)(i)(VI), under Consumer Education Information, states that the State will collect and disseminate information on “policies on expulsion of preschool-age children in early childhood programs receiving assistance under this subchapter...”

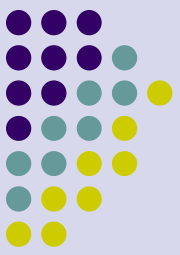
1. Does this require any early childhood program accepting vouchers to have expulsion policies?
2. Must they be acceptable? Protect kids with disabilities?
3. How much must be explained to parents?



Implications and Examples

When any reference to providers (e.g. “providers (or programs) that receive assistance”) means all eligible CCDF providers:

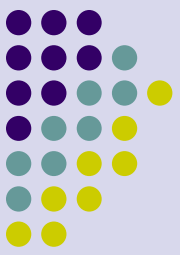
1. important distinctions between the public and private spheres dissolve
2. may require local administrators to impose public standards on private entities to make them eligible for public funds.



Payments and the New CCDBG

Payment Rates –

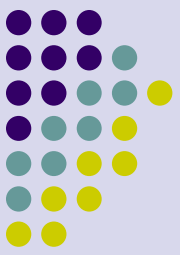
1. States must conduct a market survey (or other methodology) within 2 years of submitting plan, and base rates on that survey.
2. State must certify that payments reflect generally accepted ways of paying providers for non-subsidized care, including paying for sick days and holidays.



Payments and the New CCDBG

Payment Rates (cont.) –

3. The setting of rates has to take into consideration providing higher quality care than prior to 2014, “without, to the extent practicable, reducing the number of families ..receiving such assistance.”
4. Rates may take into account special needs, non-traditional hours, or higher quality.
5. State must ensure “timely payment” to providers.



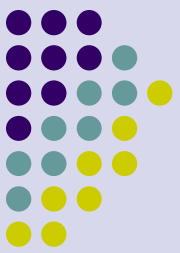
Payments and the new CCDBG

“Timely” is defined in the FAQs as “electronic funds transfer or other similar system.”

Other provider changes:

1. State plan must describe how state will improve the business practices of providers.
2. States early learning guidelines cannot be the sole basis of a provider’s eligibility or be used as the sole or primary basis to sanction or reward a provider.

Administrative Changes – Resource and Referral

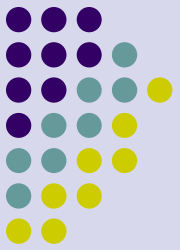


Section 658E(c)(2)(E) – p. 4

State will use R&Rs to disseminate to parents, public, and providers information about:

1. Availability of the full diversity of child care choices, including quality of providers and state licensing system.
2. Other programs for which families may be eligible, e.g., cash aid, Head Start, LIHEAP, SNAP, WIC, health insurance, IDEA.

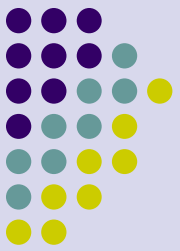
Administrative Changes – Resource and Referral



Section 658E(c)(2)(E) (cont.)

3. Research and best practices regarding child development, including social/emotional development, parent engagement, physical health and nutrition.
4. State policies regarding positive behavioral support and intervention, and policies on expulsion.

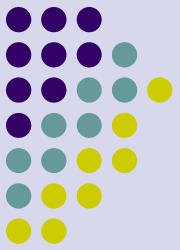
Administrative Changes – Resource and Referral



Role of R&Rs defined in 658E(3)(B)(iii)

1. Provide parents with consumer information regarding “full range” of child care options, including faith based, community based, non-traditional hours – “analyzed by provider”.
2. Work directly with families receiving assistance “in an effort to ensure that families are enrolling their families in the most appropriate child care setting to meet their needs and one that is of high quality (as determined by the State.)”

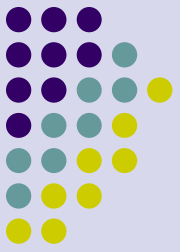
Administrative Changes – Resource and Referral



Section 658E(3)(B)(iii) – (Cont)

3. Collect data on the coordination of IDEA services
4. Collect data on supply and demand for child care
5. Work with other private and public entities to increase the supply of child care'

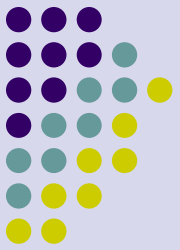
Other Changes – Disaster Preparedness



State Plan must address Disaster Preparedness (Section 658E(c)(2)(U))

1. Must address the needs of kids for safe child care during and after a state of emergency or a major disaster.
2. Must contain a statewide plan of coordinated activities among social services, CCL, OES, CDE, R&Rs, and State Advisory Council on Early Education.

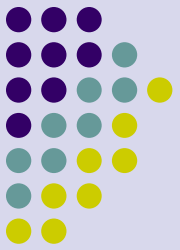
Other Changes – Disaster Preparedness



State Plan for Disaster Preparedness must include (cont) –

3. Procedures for evacuation, relocation, shelter-in-place, lock down, family reunification, and accommodation of disabled, infant/toddlers, etc.
4. Guidelines for continuing services after disaster, which may include temporary services or guidelines for service.
5. Staff training.

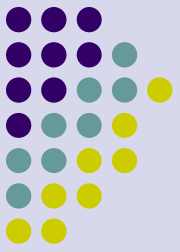
Other Changes – Use of Funds



Section 658E(3)(D) states that after State Administration (5%) and Quality set-aside, at least 70 percent of the funds should be expended on direct services as defined in Section 658E(c)(2)(A).

This new provision appears acknowledge the cost of local administration; and limit it to 30 percent of funds apportioned for childcare.

Administrative Changes – Timelines



1. All licensing, monitoring, and professional development 11/19/16
2. Monitoring and Inspection Database and Website 11/19/17
3. Criminal Background checks 9/30/17

States can request 1 year extension of timelines