



CHILD CARE

State Capacity Building Center

Strategies for Building Quality Infant-Toddler Supply



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NATIONAL CENTER ON
Subsidy Innovation and Accountability

Reauthorization and Supply Building

Lead Agencies required to implement strategies to increase the supply and improve the quality of child care for:

- infants and toddlers,
- children in underserved areas
- children with disabilities
- children who receive care during non-traditional hours.

Reauthorization

Requires Lead Agencies to:

- ◆ Implement strategies for building supply of quality care
- ◆ Prioritize investments to increase access to high-quality care in areas of poverty and unemployment that are under supplied
- ◆ Develop and implement strategies to strengthen business practices
- ◆ Report on and evaluate progress



What do you already know about infant and toddler supply?

- Are there pockets of high supply?
- Are there gaps in supply?
- What types of providers?
- Wait lists?



Infant Toddler Supply – Possible Questions

◆ In your state

- How many I/T and where?
- How many slots for I/T and where?
- What is the quality of the I/T slots and where are there quality gaps?
- What about dual language learners, immigrants and other important populations?
- Are there gaps between quality care and the need/location of low-income I/T?

Data Sources

- ◆ CCR&R vacancy and provider data
- ◆ Subsidy market price study
- ◆ Waiting lists
- ◆ QRIS data
- ◆ Early Head Start needs assessments
- ◆ United Way, Part C providers, EHS, Homeless organizations
- ◆ Other state or local needs assessments and studies

How Can My Data Guide My Next Steps

- ◆ Prioritize
- ◆ Review Current Policies
 - Supportive?
- ◆ Brainstorm Strategies
- ◆ Create Policies



Determine the financing gap with a cost scan

- ◆ Actual cost of providing quality infant toddler quality care – use the *Provider Cost of Quality Calculator (PCQC)* tool
- ◆ Provider rates from subsidy program
- ◆ QRIS or other supplemental financing
- ◆ Families' ability to pay
- ◆ Other sources of funding

HOW LARGE IS THE GAP?

Financing Strategies

- ◆ Infant and Toddler Set Aside – 3% of CCDF
- ◆ Capital financing – grants and loans
- ◆ Subsidy rate setting
- ◆ Tax incentives/credits
- ◆ Pay for Success
- ◆ Incentives to convert to infant toddler classes



Programmatic Strategies

- ◆ **Family child care networks**
- ◆ **Community partnerships**
- ◆ **Hubs and shared services**

Programmatic, Quality Improvement Strategies

- ◆ Staffing incentives
- ◆ QRIS
- ◆ Technical Assistance
- ◆ Professional Development
- ◆ Program Assessment
- ◆ Infant and Toddler Credential
- ◆ Consultation to providers

Combination Strategies

- ◆ Subsidy wrap-around
- ◆ EHS-CC Partnerships
- ◆ Grants and contracts
- ◆ Leveraging multiple funding streams



How will you measure progress?

- ◆ Increasing supply of quality care for infants and toddlers
- ◆ Improving quality
- ◆ Increasing quality access
- ◆ More infants and toddlers from low-income families in high quality care

Resources

Community Assessment

Early Childhood Learning & Knowledge Center. (2016). Program Management and Fiscal Operations (Web Page). Retrieved from <https://eclkc.ohs.acf.hhs.gov/hslc/search?q=developing%20a%20plan%20for%20identifying&rows=20>

Supply Building

Early Educator Central. (2015) Stoney, Louise; ***“Financing High - Quality Center -Based Infant -Toddler Care: Options and Opportunities”***.(Web page) Retrieved from <https://earlyeducatorcentral.acf.hhs.gov/sites/default/files/public/resources/Financing%20High%20Quality%20Center%20Based%20Infant%20Toddler%20Care%20Options%20and%20Opportunities.pdf>



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Leveraging Child Care Assistance to Improve Access to High-Quality Care

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National Center on Subsidy Innovation and Accountability

Did You Know...

Infants and toddlers in the subsidy program are less likely to be cared for by trained caregivers in quality programs?

That there are not enough quality providers who are willing to accept subsidy children?



What do we know about the dynamics of the infant/toddler market?

- ◆ High cost of infant/toddler care due to ratios (personnel costs)
- ◆ Pressure to lower cost of preschool
- ◆ Lack of staff with specific I/T training
- ◆ Less public support
- ◆ Facilities difficult to retrofit for I/T care



CCDF Provisions

- ◆ Increase the number and percentage of low-income children in high-quality child care settings
- ◆ Develop and implement strategies to
 - Increase the supply
 - Improve the quality of child care services for children (infants and toddlers are a targeted population)

3 percent for improving the supply and quality of infant/toddler care beginning in FY 2017



What role does subsidy play in the infant/toddler market?

- ◆ Subsidy rate may determine what providers charge
- ◆ Subsidy may limit family access to only one type of provider
- ◆ Subsidy may support access to the highest quality providers
- ◆ Subsidy may focus on families in comprehensive infant and toddler programs, including EHS-CCP

The Subsidy “Iron” Triangle

Subsidy Authorization

- Part-Time vs. Full-Time
- Authorization should = Enrollment

Parent Fees

- Low parent fees for high-quality care (co-payment) can encourage parents to make better choices

Absence Policies

- Enrollment vs. Attendance

Explore Financial Strategies that Link Public Payments to Cost Rather than Price

- ◆ Cost Modeling Approach that is based on likely cost of delivery infant/toddler care
- ◆ Provider Cost of Quality Calculator (PCQC) or other alternate methodology (examples: Pennsylvania and Delaware)
- ◆ Layering funding from multiple sources (example: CACFP, State funds, other sources)

Three Areas of Impact



Promoting Access



**Provider Support
and Payments**



Rewarding Quality

Strategies and State Examples

Promoting Access



- ◆ Subsidy priority groups and waiting list policies
- ◆ Outreach including teen parents
- ◆ Messages on quality for infants and toddlers
- ◆ Copayment policies
- ◆ Homeless Families

Strategies and State Examples

Provider Support and Payments



- ◆ Rate setting for base rates
- ◆ Payment policies and practices
- ◆ Blended or layered funding
 - Wrap-around and EHS-CCP payments
- ◆ Grants and contracts payments
- ◆ Payment strategies

Strategies and State Examples

Rewarding Quality



- ◆ Tiered rates
- ◆ Quality bonuses
- ◆ Quality improvement grants

What about Family Child Care (FCC)?

- ◆ Appropriate payment rates
- ◆ Staffed FCC Networks
- ◆ Shared Services for FCC Homes
- ◆ Importance of promoting FCC as an option
- ◆ Outreach by states and networks to support FCC homes

Resources

- ◆ OCC Website, Brief 2014: Using Grants and Contracts to Build and Stabilize Supply: <https://childcareta.acf.hhs.gov/resource/using-grants-and-contracts-build-and-stabilize-supply>
- ◆ CLASP Policy Paper, Child Care and Early Education Series-Paper No.3, July 2002: Ensuring Quality Care for Low-Income Babies; Contracting Directly with Providers to Expand and Improve Infant and Toddler Care: <http://www.clasp.org/resources-and-publications/files/0422.pdf>
- ◆ Financing High-Quality Center-Based Infant-Toddler Care: Options and Opportunities, 2015: <https://earlyeducatorcentral.acf.hhs.gov/sites/default/files/public/resources/Financing%20High%20Quality%20Center%20Based%20Infant%20Toddler%20Care%20Options%20and%20Opportunities.pdf>
- ◆ Administration for Children and Families, Information Memorandum: Building the Supply of High-Quality Child Care, November 6 2015: http://www.acf.hhs.gov/sites/default/files/occ/ccdf_acf_im_2015_02.pdf

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