Child Care and Development Fund

FINAL RULE

Overview for Tribes
Presenters

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Reauthorization

• Congress reauthorized the Child Care and Development Block Grant (CCDBG) Act of 2014.

• President Obama signed it into law on November 19, 2014.

• Provided an **historic re-envisioning** of the Child Care and Development Fund (CCDF) program.
Proposed and Final Rule

• In Dec. 2015, HHS published a Notice of Proposed Rulemaking (NPRM).

• This Final Rule:
  ▪ Incorporates or clarifies changes made through the CCDBG Act of 2014;
  ▪ Clarifies that the requirements in the CCDBG Act apply to Tribes; and
  ▪ Responds to 150 public comments received.
Effective/Compliance Dates

**Effective Date:** 60 days after its publication

**Tribes:** Compliance through review and approval of the FY 2020 - 2022 Tribal CCDF Plans that become effective October 1, 2019.

**State and Territories:** Full compliance by September 30, 2018. Compliance determined through CCDF Plans and federal monitoring.
Alignment with Head Start

Where appropriate, we sought to align the program requirements.

CCDF Regulations

H&S standards, Training, Caring for Our Children Basics, and Background check requirements

Head Start Performance Standards
Tribal CCDF Framework
A Tiered Approach to Tribal Requirements

Establishes 3 tiers of tribal grantees based on the size of their allocation, with reduced req. for medium and smaller allocations.

- **Large Allocations:** over $1 million (34 Tribes)
- **Medium Allocations:** $250,000 to $1 million (72 Tribes)
- **Small Allocations:** under $250,000 (153 Tribes)
Tribal Requirements by Allocation Size

**Large Allocations (Over $1 Million)**
- Subject to the majority of CCDF requirements
- Some Tribal-specific exemptions

**Medium Allocations ($250,000 - $1 million)**
- Allowed the same exemptions as the large allocation category
- Exempt from operating a certificate program

**Small Allocations (Under $250,000)**
- Must spend their funds in alignment with CCDF goals and purposes
- Exempt from the majority of CCDF requirements
- Option to submit an abbreviated CCDF Plan
Tribes with Small Allocations

Only subject to:

• Health and Safety requirements;
• Monitoring requirements;
• Background check requirements;
• Quality spending requirements (except the infant/toddler quality);
• Eligibility definitions of Indian child and Indian reservation/service area;
• 15% Administrative cost cap;
• Fiscal, audit, and reporting requirements; and
• Any other requirement defined by the Secretary
Overview

Addresses the Law in 4 major topical areas:

- Protect the **health and safety** of children in child care
- Help parents make informed consumer choices and access information to support child development
- Provide **equal access** to stable, high quality child care for low-income children
- Enhance the **quality** of child care and the early childhood workforce
Protect the Health and Safety of Children in Child Care
Health and Safety Requirements

All Tribes, regardless of whether they are providing direct services, are subject to the health and safety requirements, including:

• Health and Safety requirements related to specified topics (first aid and CPR, SIDS prevention, etc.)
  ▪ Training (initial and on-going)
  ▪ Monitoring

• ACF will consult with Tribes on Minimum Health and Safety Standards to ensure Tribes be given the flexibility to incorporate customs and traditions into care, standards, and caregiver trainings
Health and Safety Requirements

The Final Rule:

• Requires Tribes to meet the immunization requirements

• Allows Tribes to exclude relative providers from H&S requirements (existing req. from previous regulations)
Training Req. for CCDF Caregivers, Teachers, & Directors

The Final Rule:

• Clarifies that the pre-service/orientation and ongoing training requirements for CCDF providers includes caregivers, teachers, and directors.
  ▪ Adds 2 new definitions: “teacher” and “director.”

• Exempts Tribes from the professional development framework requirements.
Monitoring

Tribes must meet monitoring requirements:

- **Licensed providers** have pre-licensure and annual unannounced inspections
- **Licensed-exempt providers** have an annual inspection

Allows flexibility to propose alternative monitoring strategy
Monitoring (cont.)

The Final Rule:

• Requires monitoring to cover specified H&S topics;
• Allows differential monitoring or risk-based approach;
• Encourages coordination; and
• Allows alternative monitoring requirements for care in child’s home.
Criminal Background Checks

Tribes must have comprehensive background checks in place for child care staff members of:

- All licensed, regulated, or registered providers;
- All providers eligible to deliver CCDF-funded services.

Allows flexibility to propose alternative background check approach.
Criminal Background Checks (cont.)

• Defines background check components;
• Requires checks for individuals age 18 or older residing in family child care home;
• Aligns with Head Start provisional employment requirements; and
• Requires timely responses to requests from other States, Territories, and Tribes.
Help Parents Make Informed Consumer Choices and Access Information to Support Child Development
Tribes receiving Large and Medium Allocations must provide information on:

- CCDF child care services, other assistance programs, & programs carried out under IDEA;
- Research and best practices concerning children’s development; and
- Policies regarding social-emotional behavior of young children (incl. expulsion policies).

Tribes with Small Allocations are exempt from these requirements.

All Tribes are exempt from the consumer website requirement.
Info for Parents, Providers, & Public

The Final Rule clarifies:

• Information on social emotional behavior should be for birth to school-age or age-appropriate;

• Tribes must describe policies to prevent suspension and expulsion of children birth to age 5 in child care & other early childhood programs;

• Tribal Lead Agencies may consider most effective ways to reach families, including partnerships with CCR&Rs.
Information on Developmental Screenings

Tribal Lead Agencies are required to provide information on existing resources and services the Tribe can provide in conducting developmental screenings and providing referrals, and a description of how a family or provider may use those resources.
Information on Developmental Screenings (cont.)

The Final Rule:

• Requires resources about developmental screenings be provided during the CCDF intake process, and to providers through training and education; and

• Recommends (but does not require) all children receive a developmental screening within 45 days of enrollment similar to Head Start.
Consumer Statement

The Final Rule requires a consumer statement for CCDF parents, which must include:

**General Information**
- How subsidies are designed to promote equal access
- How to submit a complaint through hotline
- How to contact local R&R or other community-based supports

**Provider-specific information**
- H&S and licensing or regulatory requirements met by provider
- Date of last inspection
- Voluntary quality standards met by the provider

Note: All Tribes are exempt from the consumer website requirement
Provide Equal Access to Stable, High Quality Child Care for Low-Income Children
Categorical Eligibility

- Allows Tribes receiving large or medium allocations the option to consider any Indian child eligible, regardless of a family's work/income/training status if the Tribe’s Median Income is below 85% of SMI, provided that services still go to those with the highest need.

- Tribes with Small Allocations have flexibility to set their own eligibility requirements.
Lengthened Eligibility

Tribal Lead Agencies are required to establish **minimum 12 month eligibility periods**, regardless of a temporary change in parents’ status as working or attending job training or education, if family income does not exceed 85% of GMI.
Lengthened Eligibility (cont.)

• Clarifies that min. 12 mo. eligibility applies to initial and subsequent eligibility periods;

• Defines “temporary” to include at a minimum:
  ▪ Specific time-limited absences from work or school;
  ▪ Any reduction in work, training or education hours; and
  ▪ Other changes to work, education, job training status that do not exceed 3 months.

• Prohibits shorter authorization periods within the min. 12 mo eligibility period.
Lengthened Eligibility (cont.)

Allows Tribal Lead Agencies to discontinue assistance prior to next re-determination only in limited circumstances:

• Excessive unexplained absences (after attempts to contact family);
• A change in residency outside of Tribal service area; or
• Substantiated fraud or intentional program violations.
## Continuity During Eligibility Periods

<table>
<thead>
<tr>
<th>At Determination &amp; Redetermination</th>
<th>During Minimum 12 month Period</th>
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<tbody>
<tr>
<td>Information needed to determine CCDF Eligibility:</td>
<td>• Families required to report if income over 85% of GMI.</td>
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<tr>
<td>• child age</td>
<td>• Limits what Tribal Lead Agencies can require families to report</td>
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<tr>
<td>• family income</td>
<td>• Requires that families be <em>allowed</em> to report changes at any time and that Lead Agencies act on information that is beneficial to family.</td>
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<tr>
<td>• qualifying activity</td>
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<td>• other information as determined by the Tribal Lead Agency</td>
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Tribal Lead Agencies must:

- Take into account *irregular fluctuations in earnings*; and
- Ensure that parents (esp. those receiving TANF) are not required to *unduly disrupt* employment, education or training to meet requirements.
Flexibility for Working Parents (cont.)

• Not required to limit care to parent schedule;
• May expand Protective Services category; and
• Must take child development into account.
Continued Assistance before Optional Termination

Tribes have the *option* to end assistance prior to the end of the eligibility period due to loss of work or cessation of attendance at a job training or educational program.

However, it must provide *at least 3 months of continued assistance* after such loss or cessation.
Continued Assistance/Job Search

- Cont. assistance must be provided at least the same level;

- No requirement to collect documentation; and

- If, by the end of the 3 month period, the parent is again engaged in an eligible work, education, or training activity, assistance cannot be terminated.

- Tribal Lead Agencies can still use job search status as initial qualifying activity as long as:
  - Assistance is provided for at least 3 mos; and
  - Assistance continues if the parent becomes engaged in an eligible work, education, or training activity
Graduated Phase-out

Tribal Lead Agencies that establish income eligibility below 85% of GMI must establish two-tiered eligibility. That second tier must be at either:

- 85% of GMI; or
- An amount lower than 85% of GMI for a family of the same size, that:
  - Takes into account the typical household budget of a low income family;
  - Provides justification that the second tier is:
    - Sufficient to accommodate increases in family income over time that are typical for low-income workers and that promote and support family economic stability; and
    - Reasonable allows a family to continue access child care services without unnecessary disruption

Tribal Lead Agencies may increase co-payments during graduated phase-out.
The Final Rule clarifies that the following situations are *not* considered errors or improper payments:

| 1. Family’s circumstances change during the eligibility period.* | 2. A child experiencing homelessness or a child in foster care is permitted to initially enroll, but is found to be ineligible once all documentation is submitted. |

*Unless income exceeds 85% GMI or at Tribal Lead Agency option, the family experiences a non-temporary cessation in work or attendance in a job training or educational program.
Homeless Provisions

- Uses McKinney-Vento definition used by Head Start and Dept. of Education
- Clarifies that children experiencing homelessness shall be given priority for services.
- Requires Lead Agencies to coordinate with other relevant agencies to help families receiving services during a grace period comply with immunization and other health and safety requirements.
- Specifies that grace period shall be established in consultation with appropriate health agency
Equal Access

Tribal Lead Agencies are required to:

• Certify that payment rates are **sufficient to ensure equal access** for eligible children that are comparable to child care services provided to children whose parents are not eligible for CCDF; and

• Provide a summary of the facts used to determine that payment rates are sufficient to ensure equal access.
Equal Access: Components

Requires Tribal Lead Agencies to provide the following summary of facts in its plan (new provisions in bold):

1. How a choice of the full range of providers is available.
2. How base payment rates enable providers to meet the health, safety, quality, and staffing requirements.
3. How the Lead Agency took the cost of higher quality child care into account.

(cont.)
Equal Access: Components (cont.)

4. How family co-payments are affordable and the extent to which providers charge above co-pay (if at all).

5. How payment practices support equal access to a range of providers.


7. Any additional facts considered by the Lead Agency.

All Tribal Lead Agencies are exempt from conducting a market rate survey or alternative methodology.
Family Co-Payments

• Prohibits Tribal Lead Agency from increasing co-pays within the min. 12 mo. eligibility period (unless the family is eligible through the graduated phase-out provision).

• *Recommends* a new benchmark of no more than 7% of a family’s income;

• Allows waiving of co-pays for families that meet criteria established by the Tribal Lead Agency (in addition to families below poverty or protective services); and

• Prohibits co-pays based on the cost of care or amount of subsidy payment.
Improving Payment Practices & Provider Stability

• Ensure timely payment;
• Delink provider payments from children’s occasional absences to the extent practicable;
• Reflect generally-accepted payment practices;
• Provide payment for any services in accordance with payment agreement or authorization for services;
Improving Payment Practices & Provider Stability (cont.)

• Ensure child care providers receive prompt notice of changes to a family’s eligibility status that may impact payment;

• Include timely appeal and resolution processes for any payment inaccuracies and disputes.
Enhance the Quality of Child Care and the Early Childhood Workforce
Focus on Quality Improvement

- All Tribes are subject to an increasing quality set-aside, starting at 4% in FY 2017 to 9% by FY 2022.
- Tribes with Medium and Large allocations also subject to a 3% Infant-Toddler set-aside starting in FY 2019.
# Focus on Quality Improvement

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<td>% Quality Set-aside</td>
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<td>% Infant &amp;Toddler Set-aside</td>
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<td>Total % Quality for Med./Large</td>
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Allowable Quality Activities

Tribal Lead Agencies must spend quality funds on at least 1 of 10 specified quality activities:

- Training & PD;
- Early learning & development guidelines;
- Tiered quality rating system;
- Infant and toddler supply;
- Child care resource & referral services;
- Licensing and health & safety requirements;
- Quality evaluation;
- Accreditation;
- Program standards; and
- Other measurable quality activities.

Note: Tribal Lead Agencies are exempt from completing the Quality Progress Report.
Building Supply of High-Quality Care

The Final Rule requires Tribes to:

• Describe strategies to increase supply and improve quality of child care services for:
  ▪ Children in underserved areas;
  ▪ Infants and toddlers;
  ▪ Children with disabilities; and
  ▪ Children who receive care during non-traditional hours.

• Use public-private partnerships to increase supply and quality of care
Questions & Additional Information

For additional information and resources on the Final Rule, please visit:

http://www.acf.hhs.gov/occ/ccdf-reauthorization

To submit questions, please email: CCDF.reauthorization@acf.hhs.gov
Thank you for all you do for children and families!