



Commonwealth of Massachusetts Department of Early Education and Care

Board of Early Education & Care – March Meeting

March 21, 2023

Agenda

Routine Business

- Approval of Minutes from February 14, 2023 Meeting – VOTE
- Approval of Minutes from February 21, 2023 Meeting – VOTE

Items for Discussion and Action

- FY24 Governor's Budget Proposal
- Child Care Financial Assistance
 - Proposed Regulation Revisions
 - Review Public Comment Received and Related Revisions
 - Early Childhood Educator Pilot Update



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FY24 Governor's Budget Proposal

H.1 - FY 24 Budget Highlights

H.1 proposes a \$1.5 billion budget for EEC in FY24, including:

- \$475 million for Commonwealth Cares for Children (C3) Operational grants
- \$798 million to support access to subsidized care for low-income families, including families receiving services or supports from the Department of Children and Families (DCF) or the Department of Transitional Assistance (DTA)
 - An additional \$25 million to expand access to families currently on the waitlist
- \$30 million for the Commonwealth Preschool Partnerships Initiative (CPPI)
 - A \$15 million increase over FY23 funding
- \$20 million for a rate increase for both center-based and family child care providers
 - Annualizes the \$80 million provider rate increases implemented earlier this year
- \$5 million for a comprehensive strategic analysis to build on the work completed through the Special Legislative Early Education and Care Economic Review Commission
- \$5 million for early childhood mental health supports and services for children and early education professionals

EEC Appropriations

\$1.5 billion proposed for FY24

Line Item	Description of Purpose and Investment	FY23 Total Available	FY24 Governor's Proposal
Administration	Funds staff positions and six offices across the Commonwealth	\$12,201,537	\$11,591,537
Quality Supports	Funds monitoring and licensing activities, quality supports, coaching and technical assistance for programs and educators in the child care system	\$44,551,119	\$46,706,191
System Wide Supports	These funds supports system-wide infrastructure investments and improve access to early education and care services for children and families	\$20,000,000*	-
Access Management	Funds child care resource and referral activities, as well as a statewide parent hotline	\$20,000,000	\$20,000,000
Child Care Financial Assistance Investments	Supports tuition reimbursement subsidies for children birth-fourteen enrolled in child care including a recently approved, historic rate increase for FY23	\$753,650,367	\$773,650,368
Rate Increase	Rate increase for both center-based and family child care providers	-	\$20,000,000
Grants to Head Start	Supports a grant to all Head Start grantees in MA to help meet their non-federal match	\$16,500,000	\$15,000,000
Commonwealth Preschool Partnership Initiative	Funds innovative funding partnership between the LEA and local child care providers to expand high quality preschool opportunities in additional communities	\$15,000,000	\$30,000,000
Mental Health Consultation	Funds access to mental and behavioral health consultants for coaching and technical assistance to child care providers	\$3,500,000	\$5,000,000
Community and Family Engagement	Supports a network of more than 90 community collaboratives designed to provide parenting resources and supports to all families in every community, inclusive of Parent Child Plus programs	\$15,699,190	\$15,699,190
Neighborhood Villages	Funds a pilot program to provide high-quality economically-integrated infant and toddler classrooms	\$1,000,000	\$1,000,000
Higher Education- Career Pathways	Supports a targeted initiative across all the network of state community colleges to develop credit-bearing CDA course work to increase the supply of qualified educators	\$10,000,000	\$10,000,000
Reach Out and Read	Supports Reach Out and Read, a pediatric literacy intervention program which trains doctors, nurse practitioners, and other medical professional to incorporate evidence-based model into regular pediatric checkups	\$1,548,228	\$1,000,000
Commonwealth Cares for Children (C3)	Ongoing monthly payments to support operating costs for all EEC-licensed child care providers	\$455,093,303**	\$475,000,000

FY24 State Budget Timeline

We are here

March

Governor submits her FY24 budget proposal

April

House of Representatives introduces and debates their FY24 budget proposal

May

State Senate introduces and debates their FY24 budget proposal

June & July

House & Senate convene a conference committee to produce a compromise budget for the Governor's consideration.

Governor reviews the Legislature's compromise budget and acts on proposal.



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Child Care Financial Assistance - Overview



Background and Context: Child Care Financial Assistance

- The Child Care and Development Fund (CCDF) is a federal and state partnership program authorized under the Child Care and Development Block Grant Act (CCDBG).
- States use CCDF to provide financial assistance to low-income families to access child care so they can work or attend a job training or educational program.
- States also use CCDF to invest in quality initiatives including building the skills and qualifications of the workforce, supporting programs to achieve higher standards, and providing consumer education to parents.
- EEC's child care financial assistance programs are primarily funded by CCDF.

Federal policies establish the basic requirements for eligibility for CCDF-funded child care subsidies

- Children must be under 13 years of age (unless the child has special needs)
- Family's income cannot exceed 85% of state median income, and countable assets cannot exceed \$1M.
- Parents or guardians must be working or attending a job training or educational program, with some options for states to grant exceptions.

EEC must follow these policies in order to use CCDF monies for its child care financial assistance programs, and EEC develops its regulations and policies accordingly.

Child Care Financial Assistance System - Constructs

The child care financial assistance system is governed by federal and state statute and regulations

Purpose

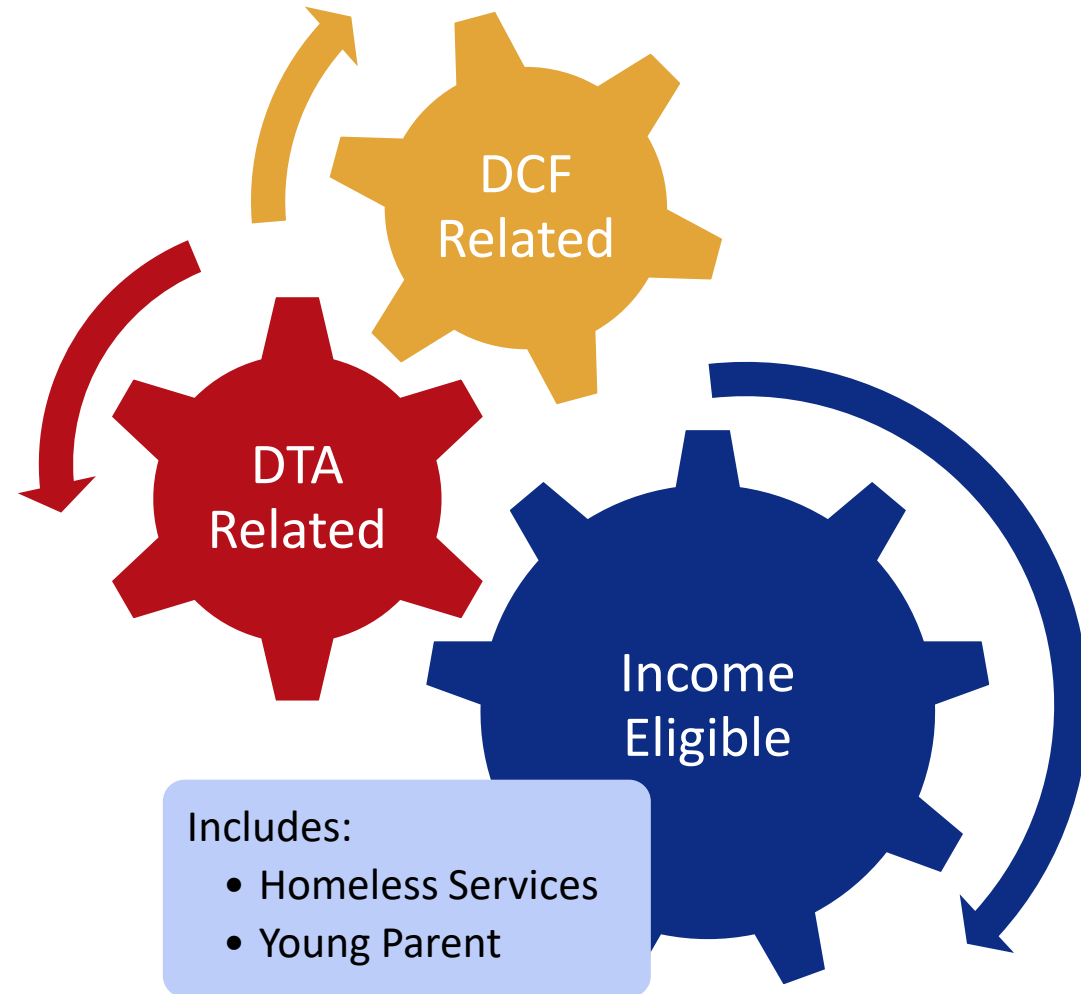
Role of EEC

Federal Statute (CCDBG)	The Child Care Development and Block Grant (CCDBG) establishes the baseline eligibility requirements for subsidized child care	Determine policies & processes, define terms, decide on methods for eligibility and care
Appropriations	State Appropriations dictate how we can use funds earmarked for the subsidy	Ensure spending is in accordance with the law
State Statute (MGL)	Massachusetts General Law (MGL), Chapter 15D, § 2, articulates responsibilities for administering subsidies	Administer federal funds, subsidy waiting list, and rate structures

Child Care Financial Assistance Programs

EEC administers three child care financial assistance programs accessible to families in the form of vouchers or contracted slots.

Families access these programs through the EEC centralized waitlist or by referral from an authorized state entity.



Forms of Assistance

Voucher

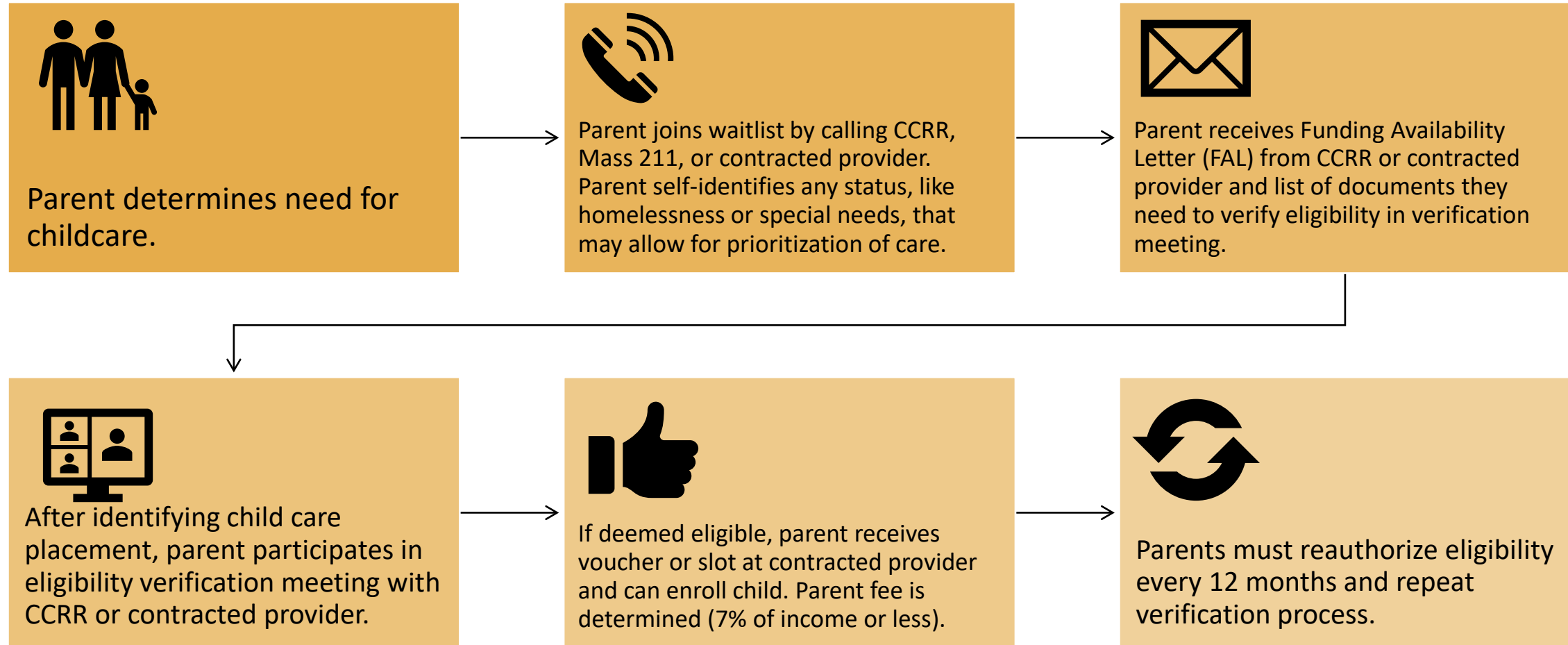
- Subsidy available to families through CCRR that can be used to pay tuition at participating early education programs
- Administered by CCRRs only
- Enrollment managed by CCRRs
- May be used at any program that accepts subsidies

Contracted Slot

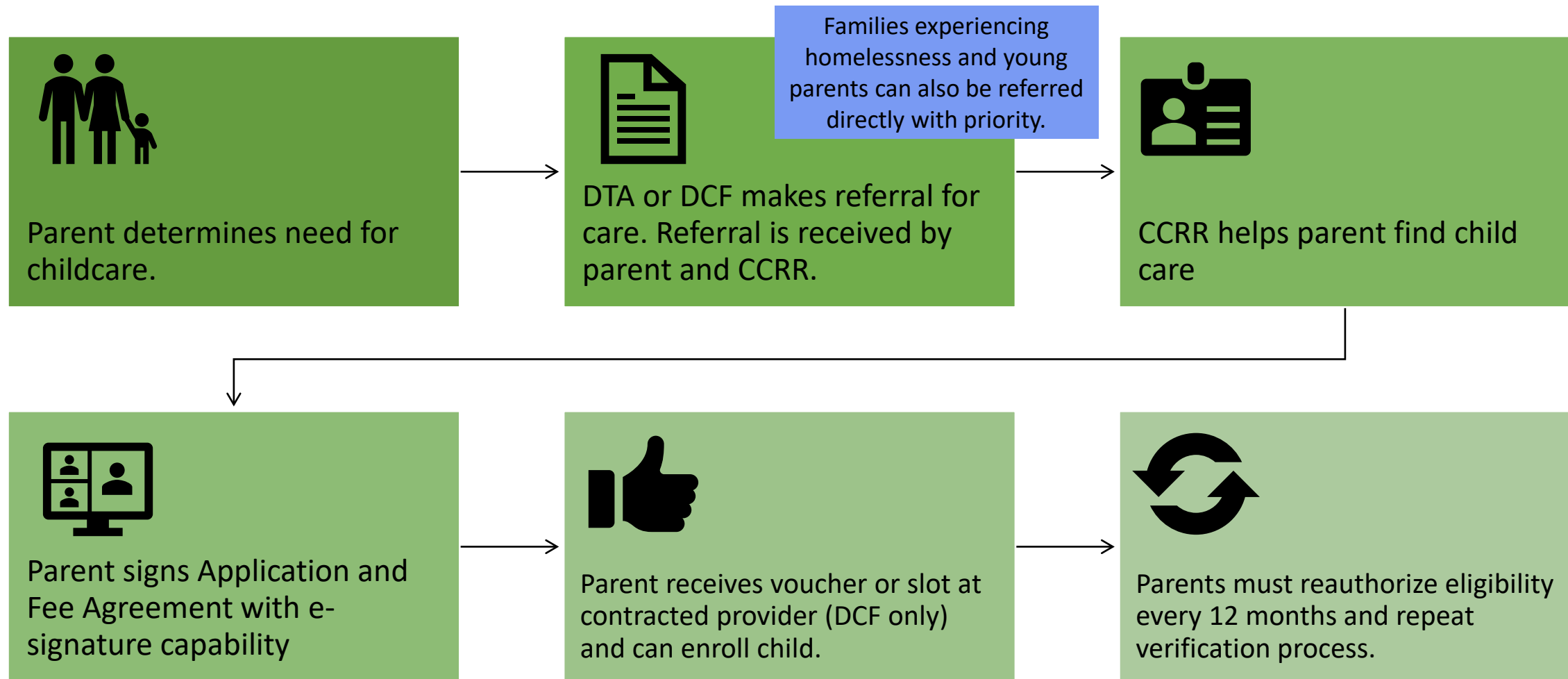
- An entity with a specific number of children to enroll
- Receive additional funds to provide added supports to children who meet certain criteria (homeless, DCF, young parent)
- Direct care contract at a center-based site or FCC system
- Each contracted provider manages their own contracted slots
- May only be used at contracted provider

Contracts and vouchers are paid the same EEC daily Reimbursement rate. Contracted providers receive an additional add on rate for supported services for DCF related and homeless child care services.

Parent Journey Map: Income Eligible Program



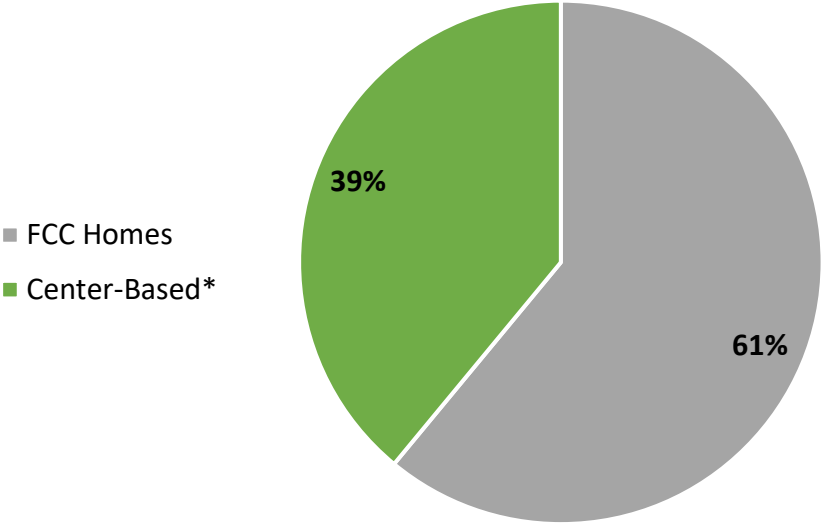
Parent Journey Map: DCF & DTA-Related



Landscape: The State of Child Care Financial Assistance in MA

Subsidized Provider Capacity

Providers Accepting Subsidy

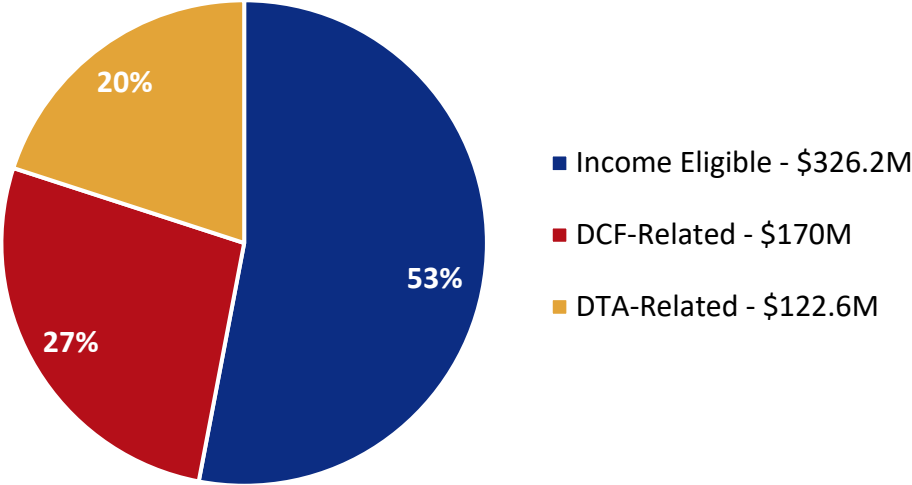


More than 52,000 children receive financial assistance and 57% of all MA providers accept subsidies.

*Includes Out-of-School Time

Budget Implications

FY22 Financial Assistance Spending By Program



EEC spends about \$13,625 annually per child and about half of the FY22 budget or \$619M was dedicated to financial assistance.

Financial Assistance: Current Initiatives



Waitlist Cleanup Project

Updating and remediating the Financial Assistance Waitlist so that it accurately captures active families who are seeking care



Early Childhood Educators Pilot

Supporting access to affordable child care Early Childhood Educators



Digital Application & Case Tracking

Modernizing the intake and application process using digital tools and IT improvements; in partnership with Seven Hills and Mass211



Regulatory Changes

Updating Financial Assistance regulations to modernize system and re-orient around the family experience, effective July 1, 2023



Procurement of Contracted Providers

Releasing new Request for Response (RFR) for contracted providers, effective Winter 2024



Procurement of CCRR's

Releasing new Request for Response (RFR) for Child Care Resource and Referral organizations (CCRR's), effective Summer 2023



Policy/Procedural Changes

Updating Financial Assistance policies & procedures to modernize system and re-orient around the family experience, effective July 1, 2023



PROPOSED REGULATION REVISIONS

Priorities & Approach: Regulatory Reform

1. Increase Overall System Efficiency



Streamline and clarify roles and responsibilities

Reduce documentation burdens

Use more inclusive and accessible language

2. Prioritize family needs and experience



Create more supports for families and alleviate burdens

Extend timelines to ensure stability of care

Reduce rigidity and increase flexibility for families

3. Modernize and update system



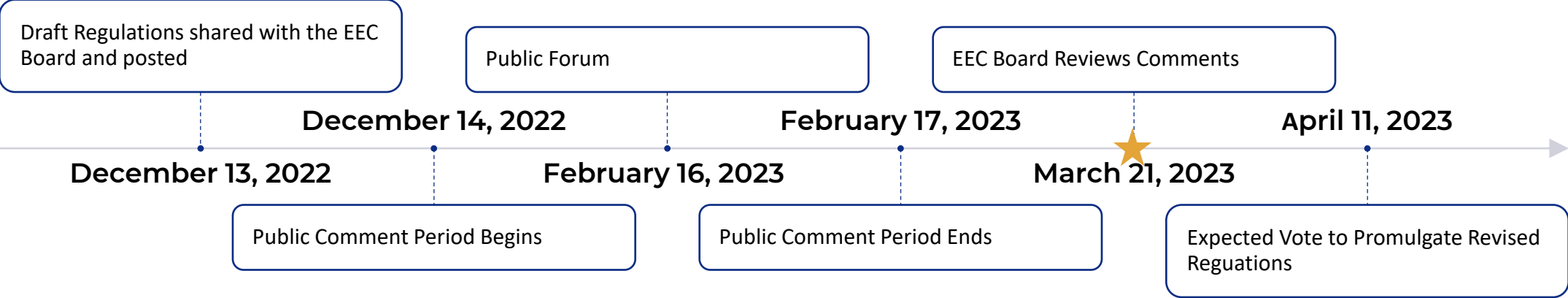
Improve alignment across various regulatory frameworks

Strengthen partnerships with childcare-involved agencies

Evaluate and retain or modify COVID flexibilities

Public Comment Overview

Timeline



Participants



218 People
195 public forum
23 written



40 Comments
24 public forum
16 written



Offered in
English, Spanish,
ASL and Subtitles

Common Recommendations from Public Comment



- Further reducing reporting requirements for families
- Broadening scope of acceptable eligibility documentation



- Enabling payment by enrollment for providers



- Expanding review and appeal rights for parents



- Including eligibility for some SNAP recipients
- Clarify educational service need eligibility



- Defining domestic violence as new service need



EARLY CHILDHOOD EDUCATOR PILOT

Early Childhood Educator Pilot: Overview

Background

[\(Learn more about the pilot\)](#)

In January 2023, EEC launched the pilot through the existing child care financial assistance program to provide priority access to vouchers and contracted slots to income eligible staff working in programs licensed or funded by EEC.

Goals

- ① To support access to affordable child care
- ② Assist with cost associated with personal child care
- ③ Assist with recruitment and retention workforce challenges

Who is Eligible?

[\(Learn more about eligibility\)](#)

- Current or newly employed staff at a licensed or funded early education or school age program and Massachusetts including out of school time program, family child care providers and assistants
- Massachusetts residents
- **Household income at or below 85% State Median Income (SMI)**
 - 85% of SMI for a family of 3 is \$97,058/year

ECE Pilot: Preliminary Data (Staff Access)

1325 Children reached with the ECE priority so far!



130 Children active on the waitlist



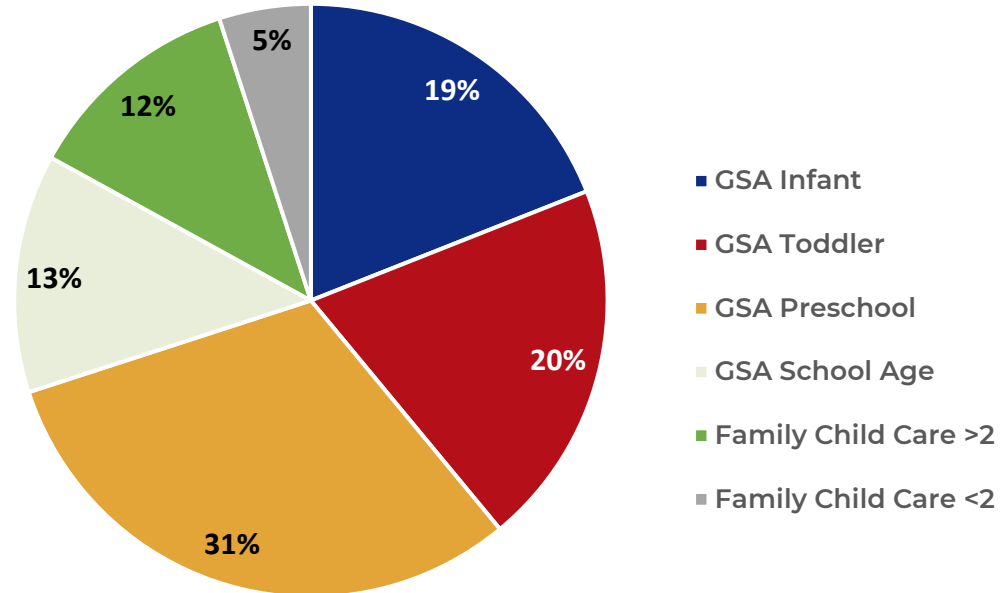
697 Children in pre-enrollment
Determining and awaiting placement



277 Children enrolled in care

77 Early Childhood Educators receiving supports through the pilot who are between 50 and 85% SMI

Enrollment by Age Group



ECE staff are accessing:

- 279 Child care vouchers
- 4 Care through a contracted slot

ECE Pilot: Preliminary Data (Program Data)



78

FCC Programs
Systems

119 Total New
Voucher
Agreements



Center-based
programs

30

FCC Programs
Independent

11





Appendix

Child Care Financial Assistance Reforms: Key Metrics



Increase...

- The number of children in families receiving child care financial assistance, including:
 - Low-income families (income-eligible)
 - Infants and toddlers
 - Families receiving SNAP and/or TAFDC through DTA
 - Supportive Child Care through DCF
 - Families facing housing insecurity/homelessness
- The number of providers participating in the child care financial assistance system



Decrease...

- The number of families on the Income Eligible Waitlist
- The timeline between a family's application for assistance to placement in a program.
- The timeline for appeals decisions