TANF and Child Care Coordination: New Opportunities with CCDF Reauthorization

Office of Family Assistance Technical Assistance Region VI & VIII Meeting Dallas, TX June 29, 2016



Rachel SchumacherSusan GolonkaDirector, Office of Child CareActing Director, Office of Family Assistance

Overview

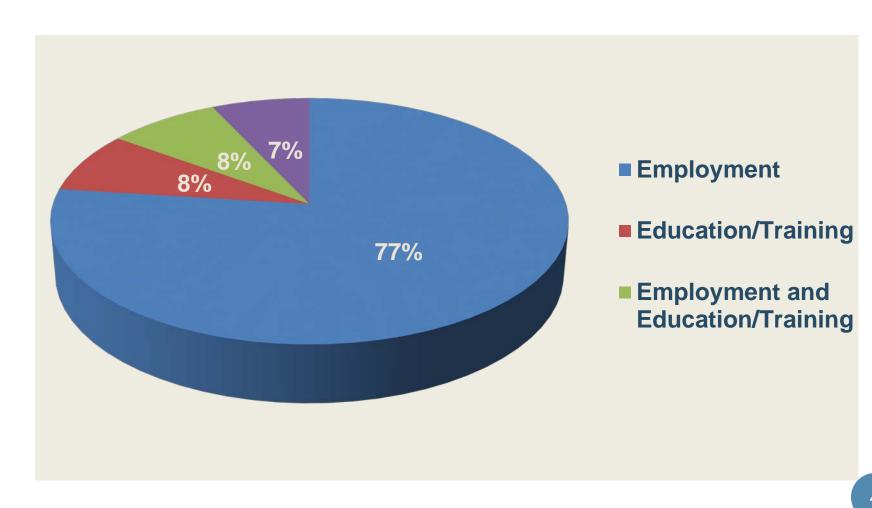
- Temporary Assistance for Needy Families (TANF) and child care connections
- Changes coming with Child Care and Development Fund (CCDF) Reauthorization
- Opportunities for Coordination
- Discussion

Access to Child Care Supports Employment and Education for Low-Income Families

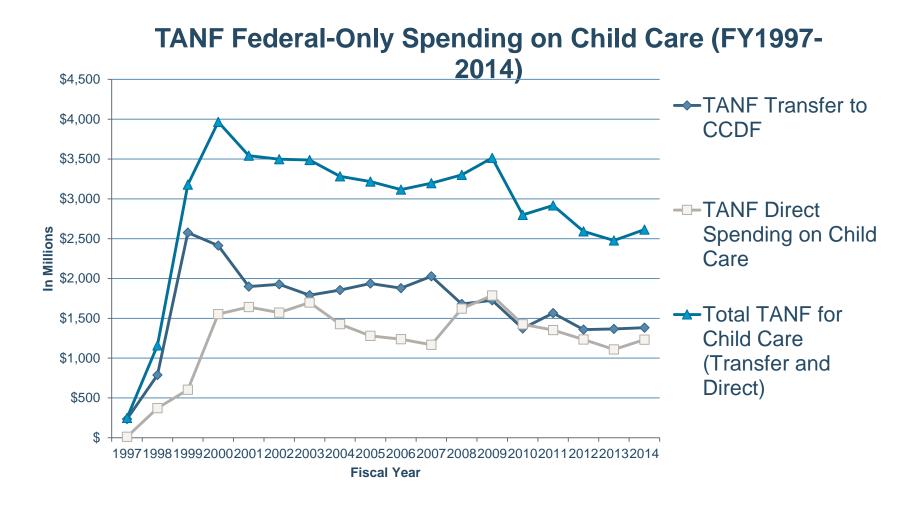
- Parents receiving child care assistance are more likely to be employed, have more stable employment, and have higher earnings.
- **Parents' ability to succeed** in school and the workplace is affected by their children's well-being.
- Stable child care offers parents piece of mind making them more likely to be productive at work, and thus more likely to stay employed and advance on the job.
- Research has found the lack of stable child care arrangements impacts mothers' ability to remain employed. Some research has shown linkages between the ending of a child care arrangement and the ending of employment for low-income mothers.

CCDF Reasons for Care

(Preliminary Data FY 2014)

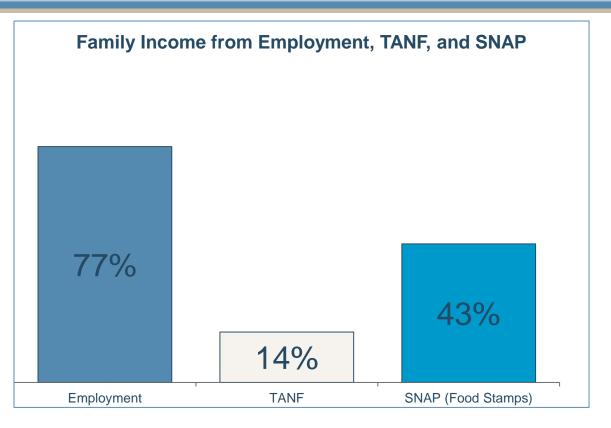


States Use TANF for Child Care



CCDF Families Income Sources

(Preliminary FY 2014 CCDF Data)



The percent of families with employment as a source of income ranged from 96% (Utah) to 37% (Arizona). TANF as a source of income ranged from 63% (Tennessee) to 0% (Texas and Wyoming). For income from SNAP, the percent ranged from 89% (Oregon) to 1% (West Virginia).

What is CCDF Reauthorization?

- The Child Care and Development Block Grant (CCDBG) Act of 2014 (P.L. 113-186) was signed into law November 19, 2014.
- Reauthorizes the CCDF program for the first time since 1996 and represents a historic shift in the program to support parent employment/education <u>and</u> child development.
- States and Territories have submitted triennial CCDF plans to demonstrate compliance with a "reasonable interpretation" of the Act.
 - Plan period June 1, 2016 September 30, 2018.
- Final Rule is pending and expected Fall 2016.

New Purposes for CCDF

Reauthorization provides a <u>two-generational approach</u> focused on the family as a whole, as well as helping parents support their children's development and learning. <u>New</u> <u>language added by Congress</u> includes:

- Promoting involvement by parents and family members in the development of their children in child care settings;
- Delivering high-quality, coordinated early childhood care and education services to maximize parents' options;
- Improving the overall quality of child care services and programs;
- Improving child care and development of participating children;
- Increasing the number and percentage of low-income children in high-quality child care settings.

Key Features of Reauthorization

- Eligibility Policies
- Health and Safety
 - Training
 - Criminal Background Checks
 - Monitoring and Inspections
- Consumer Education
- Equal Access: Payment Rates & Provider
 Payment Practices

- Supply of Care for Underserved Populations
- Increased Quality Spending
- Training & Professional Development for Providers
- Tribal Provisions

Making the Program Family-Friendly

Eligibility in the Law:

- Establishes eligibility period of no less than 12 months.
 - All CCDF families remain eligible and shall receive services during the 12-month period, regardless of changes in income (as long as income remains below 85% SMI)
 - Families remain eligible during times of temporary changes in work, training, education status.

For TANF participants:

- 12-month child care eligibility for TANF families provides stability for children as their parents move from one work activity to another.
- Provides stability for child care providers as well.

Making the Program Family-Friendly

Job Search Provisions in the law:

- Requires minimum 3-month period of continued assistance.
 - States have option to terminate assistance prior to re-determination if a parent loses employment or stops attending a job training or educational program, but if they choose this option, the State must allow for a minimum 3-month period of continued assistance.

For TANF participants:

- CCDF allows for a child to continue receiving child care subsidies (or receive at least 3 months of continued child care assistance) if a parent stops participating in a TANF activity (even if the family is sanctioned or loses TANF benefits).
- Stable child care during this 3-month period could allow TANF participants time to reengage their TANF activity and establish a new participation agreement.

Making the Program Family-Friendly

Eligibility Redetermination in the Law:

 Eligibility re-determination should not require parents to unduly disrupt their employment.

For TANF Participants:

- Eligibility redetermination at 12 months less burdensome.
- Reduce burden on families for establishing child care redetermination through minimizing documentation needs, and offering a range of reporting options to limit need for face-to-face interviews.

Keeping Children Safe and Healthy

New Health and Safety Requirements ensure basic protections for children in child care.

- States must have requirements and pre-service training in 10 basic health and safety topics for all CCDF providers.
- Requires States to conduct criminal background checks on all child care providers
- Must have annual monitoring and inspection requirements for all CCDF providers, including license-exempt providers
 - States are to make public on a website the results of all monitoring visits for parents to view when selecting child care
- States may exempt relatives from these provisions

Keeping Children Safe and Healthy

New Health and Safety Requirements ensure basic protections for children in child care.

For TANF participants

Helps to ensures that informal care is minimally safe and helps to minimize a dual system.

Equal Access for Low Income Children

Provider Payment Rates and Practices

- States must take the cost of quality into account in setting provider payment rates.
- States must establish policies that reflect generally accepted payment practices for child care providers, including (to the extent practicable) paying for absence days, and timely reimbursement for child care services.

Supply Building

 States must develop strategies for increasing supply and quality of services for children in underserved areas, infants and toddlers, children with disabilities, and children in non-traditional hour care—which may include use of grants/contracts and alternative reimbursement.

Consumer Education

States and Territories are required to develop plans to provide information to parents, providers, and the general public on:

- The availability of child care assistance
- The quality of child care providers (if available)
- Other programs for which families may qualify, specifically including TANF, Head Start and Early Head Start, LIHEAP, SNAP, WIC, CACFP, Medicaid, and SCHIP
- Individuals with Disabilities Education Act (IDEA)
- Research and best practices in child development, and
- State/Territory policies regarding social and emotional development, including preschool expulsion policies for children 0-5.

For TANF participants:

 States could target intensive outreach to TANF families to identify options that meet their unique needs

Potential Challenges to TANF

New requirements (12 months eligibility, monitoring, and health and safety requirements) create additional state costs and burdens to providers.

- Will states choose to reduce their transfer to CCDF and increase direct TANF-funded child care subsidies?
- Will the supply of providers offering part-time and nontraditional hours, upon whom many TANF participants rely be reduced?

New Opportunities for CCDF and TANF

- Support family stability and self-sufficiency goals as well as the developmental needs of the child.
- Participate in planning and implementation for CCDF.
- Coordinate policies and procedures across programs. States can voluntarily apply new CCDF polices and requirements – such as the 12 month eligibility and minimum health and safety rules -- to direct TANF-funded child care.
- Conduct joint training on CCDF Reauthorization and changes in state policy and procedure for front line staff.
- Ensure TANF families have access to child care consumer education and engagement.
- Build supply and access to quality care for vulnerable populations – could focus on TANF participants.

Thank you for all you do for children and families

