



Agency Recommendation Summary

The Department of Children, Youth, and Families (DCYF) requests funding to support family home child care providers with the implementation of the aligned licensing rules, especially family home child care providers who serve infants and toddlers, children with special needs, and/or provide overnight care. Quality improvement activities may impact the following four areas of child care practice: Environment, Health and Safety; Infant and Enhanced Toddler Supports; Overnight Care for Infants; and Americans with Disabilities Act, Specialty and Individualized Care.

Program Recommendation Summary

030 - Early Learning

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Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2020	2021	2019-21	2022	2023	2021-23
Operating Expenditures						
Fund 001 - 1	\$2,309	\$770	\$3,079	\$0	\$0	\$0
Total Expenditures	\$2,309	\$770	\$3,079	\$0	\$0	\$0

Decision Package Description

In order to support family home child care providers to meet Child Care Development Fund (CCDF) requirements, be in compliance with the child care licensing WAC 110-300, and expand access to high quality care with an emphasis on infants and toddlers, overnight care, and services for children with special needs, this request addresses specific incentives for Family Child Care Providers.

Washington is required to comply with CCDF health and safety requirements that prevent environmental and child care practice hazards, keeping children in care safe and healthy. Updated child care licensing WAC 110-300 requires providers to improve some components of their current environments and child care practices to minimize environmental and child supervision risk factors, especially for infants and toddlers; develop accommodations for serving children with special needs; and improve overnight care services.

DCYF is focusing on providers who serve the most vulnerable population of children. The agency requests \$3,079,000 dollars in state fiscal years 2021-2022 for a one-time incentive payment of \$1,000 per Family Child Care Provider offering care to a child receiving subsidy at least once during the months of April, May, June, or July 2020, focusing on the providers who serve subsidy-eligible infants and toddlers, children with special needs, and/or provide overnight care. Using data from Fiscal Year 2019, DCYF is projecting an eligible provider population of 3,079.

This will be an automatic one-time incentive payment issued no later than 90 days after July 2020, or after payment for qualifying care, whichever is later.

The department envisions the management of the incentives in 2 phases. There are approximately 3,079 family home providers who care for at least one subsidy child in the last quarter of SFY2019. Of those 2,161 cared for infant and toddlers. 700 providers received Non-standard Hours Bonus (NSHB) payments, and of those, approximately 28 appear to offer overnight care. Approximately 327 providers eligible for NSHB didn't serve infants and toddlers – the unduplicated count of first phase eligible providers is 2,488. The second phase will incentivize the 591 providers receiving subsidy payments who will express an interest to start serving infants (most family home providers take toddlers on subsidy, the state is experiencing an issue with child care services for children less than one year of age), children with special needs, and/or provide overnight/non regular hours care.

The one-time incentive will support Family Home Child Care Providers' ability to comply with the federal and state requirements stabilizing and improving capacity of the Family Home Child Care services while meeting the needs of the children and families in their care.

Alternatives to current practice are being continuously explored in order to improve outcomes.

Efforts are being made to address the accessibility and quality of child care services for children eligible for Working Connections Child Care (WCCC) subsidy. Per Early Start Act requirements the State Quality Rating and Improvement System (QRIS) program, Early Achievers, has a specific focus on improving the accessibility and quality of child care services for children who are receiving WCCC subsidy. Due to the collaborative actions of DCYF and community stakeholders, the WCCC subsidy rates were recently increased.

If existing resources were redeployed to effect this proposed change, licensure and home study writer caseloads would increase drastically which would limit the ability to decrease timely completion of home studies. Funding for this proposal is essential to improving permanency outcomes.

Assumptions and Calculations

Expansion or alteration of a current program or service:

These are one-time expenditures for incentive payments.

Detailed assumptions and calculations:

The estimated cost for April, May, and June of state fiscal year 2020 is \$2,309,250 and for July of state fiscal year 2021 \$769,750. These are one-time expenditures for incentive payments.

DCYF will contract with the Service Employees International Union (SEIU) to manage the one-time incentive, which will be offered in two phases. In phase one, there are 2,488 providers eligible for the incentive who currently serve children receiving Working Connections Child Care (WCCC) subsidy. In phase two, SEIU would deliver incentives for up to 591 additional providers who expressed an interest in serving infants and toddlers, children with special needs and/or providers offering overnight care.

Breakout by Phase	Count	Incentive	Total
Phase 1 providers	2,488	\$ 1,000	\$ 2,488,000
Phase 2 providers	591	\$ 1,000	\$ 591,000
Total	3,079		\$ 3,079,000
Breakout by State Fiscal Year			
	FY20	FY21	FY20-21
Phase 1 providers	\$1,866,000	\$ 622,000	\$ 2,488,000
Phase 2 providers	\$ 443,250	\$ 147,750	\$ 591,000
Total	\$2,309,250	\$ 769,750	\$ 3,079,000

Workforce Assumptions:

Not applicable.

Strategic and Performance Outcomes

Strategic framework:

Access to high-quality child care services for children receiving WCCC subsidy, especially infants and toddlers, children with special needs, and children that need overnight care lead to increased stability and well-being for Washington’s communities and families. Capacity of child care services is one of the major strategies of the governor’s Poverty Reduction Plan, and one of the main measures of the DCYF kindergarten readiness goal.

Performance outcomes:

It is expected that the Family Home Child Care Providers Incentives will:

- Increase the providers’ ability to comply with federal and state requirements
- Increase the number of providers who are interested to serve infants and toddlers, children with special needs and/or provide an overnight care
- Improve environmental and child supervision health and safety practices
- Improve access and quality of child care services, especially for families with infants and toddlers, children with special needs and/or in need of overnight care

Other Collateral Connections

Intergovernmental:

The incentives/payment process will be implemented and managed in collaboration with SEIU 925.

Stakeholder response:

SEIU 925 is invested in supporting family home child care providers to meet the new requirements.

Legal or administrative mandates:

None.

State workforce impacts:

None

State facilities impacts:

None.

Changes from current law:

The potential use of initial licenses will not require changes to current law.

Puget Sound recovery:

Not applicable.

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2020	2021	2019-21	2022	2023	2021-23
Obj. N	\$2,309	\$770	\$3,079	\$0	\$0	\$0

Agency Contact Information

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