



**Office of Children
and Family Services**

Reauthorization of the Child Care and Development Block Grant

**New York Public Welfare Association
148th Annual Winter Conference
January 25, 2017**

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Presentation Overview

- Where is New York State with implementation of CCDBG provisions?
 - Waivers
 - Foundations in Health and Safety e-learning
 - OCFS and ECAC Community Forums
 - 12-month eligibility
 - Graduated phase-out
 - Improving access to child care for homeless families and children
- Child Care Subsidy Program Overview
- Child Care Subsidy Regulations Review
- Child Care Subsidy Improper Payments



Where is New York State with implementation of CCDBG provisions?

- Submitted requests for waivers
- Approved for one-year waivers
- Health & Safety provision – no waivers; implementation required by September 30, 2017
- New waiver for improving access to child care for homeless families and children
- Re-issued revised Homeless & Differential Rates regulations
- Child Care and Development Fund (CCDF) final regulations issued September 30, 2016

OCFS and ECAC Community Forums

Four forums will be held throughout the state:



- First forum will be held on February 28, in the Capital District
- Westchester County, Syracuse and Buffalo forums will be held in March and April



OCFS and ECAC Community Forums:

Purpose

- Collect input on:
 - New York State's compliance with CCDBG requirements



- The review and revision of the child care subsidy regulations



Foundations in Health and Safety e-learning

- CCDBG requires that certain child care employees, volunteers and enrolled legally exempt providers/programs complete an approved 11 topic health and safety training course
- OCFS contracted with the Professional Development Program (PDP) at SUNY to develop an e-learning course
- Providers must complete the course by September 30, 2017
- Course will be offered to all programs at no cost
- Available in English by the end of January 2017



Approved Waiver Requests

Waiver request(s) approved for one year, with the option to renew for an additional year if progress toward compliance is shown:

- 12-month eligibility
- Graduated Phase-Out
- Payment Practices and Timeliness of Payments
- Supply Building Strategies to Meet the Needs of Certain Populations
- Health and Safety Requirements for 10 topics



Approved Waiver Requests – cont.

- Inspections for Licensed Providers
- Inspections for Exempt Providers
- Ratios of Licensing Inspectors
- Child Abuse and Neglect Reporting
- Professional Development Requirements



Graduated Phase Out

The law requires Lead Agencies to have graduated phase-out policies and procedures for families who, at redetermination, exceed the Lead Agency's initial income threshold, if their income is still below 85% of SMI, provided they are also working or attending a job training or education program.

Note: If the Lead Agency's initial eligibility threshold is set at 85% of SMI, they would be exempt from this requirement.

45 CFR 98.21(b)



Graduated Phase Out (cont'd)

The Final Rule requires two-tiered eligibility with 2nd tier at:

- 85% of SMI; or
- An amount lower than 85% of SMI for a family of the same size, but above the initial eligibility threshold, that:
 - accounts for the typical household budget of a low-income family; and
 - provides justification that the second eligibility threshold 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
 - reasonably allows a family to continue accessing child care services without unnecessary disruption

Graduated Phase Out (cont'd)

- Once deemed eligible, a family shall receive a full eligibility period under the same conditions as a typical eligibility period, with the exception of co-payments.
 - Lead Agencies may increase co-payments during graduated phase-out (and require additional interim reporting).
 - A family shall be considered eligible for the full minimum 12-month eligibility period even if their income exceeds the 2nd eligibility threshold as long as it does not exceed 85% of SMI.

45 CFR 98.21(b)

Revised Homeless & Differential Rates Regulations

Version 1:

- Notice of Proposed Rulemaking was filed on May 25, 2016.
- Notice of Proposed Rulemaking was published in the State Register on June 15, 2016.
- 45-day comment period ran from June 15 until August 1, 2016.



Revised Homeless & Differential Rates Regulations – cont.



Version 2:

- Notice of Proposed Rulemaking was published in the State Register on January 4, 2017.
- 30-day comment period runs from January 4 until February 3, 2017



Revised Homeless & Differential Rates Regulations: Version 1 vs. Version 2

- Accessing and participating in counseling services programs is included in the list of approved activities for which child care is provided as homeless families seek housing.

(District must serve these families provided funds are available.)

- Flexibility is reinstated for districts that choose to provide child care for families dispossessed from their homes in an emergency situation of short duration and/or for homeless families, provided family income is within 200% of the State Income Standards and as long as the district has funds available.



Differential Subsidy Rates

	Current	March 1, 2017
Care during non-traditional hours	District option to pay up to 15%	Districts must pay at least 5% and up to 15% above the actual cost of care.
Accredited Programs	District option to pay up to 15%	If districts opt to set a differential rate, then must pay at least 5% and up to 15% above the actual cost of care.
Homeless Families	NA	Districts must pay at least 5% and up to 15% above the actual cost of care.

Non-Traditional Hours

- Defined as the hours between 7:00 PM and 6:00 AM weekdays, plus all day Saturday and Sunday
- Payment calculation based on the percentage of hours that are non-traditional
- If at least half of the care during the time period is during non-traditional hours, provider is eligible for the full differential rate
- If less than half of the care during the time period is during non-traditional hours, provider is eligible for half of the differential rate

Calculating Payments: Example 1

District choose to pay a Differential Rate of 10% for care during non-traditional hours.

Weekly payment rate is \$200/week.

Provider cares for a child for 40 hours, 20 of which occur during non-traditional hours.

Calculation:

Provider should receive a payment of \$220 because care was provided during non-traditional hours for at least half of the applicable time period.

Calculating Payments: Example 2

District chooses to pay a Differential Rate of 10% for care during non-traditional hours.

Weekly payment rate is \$200/week.

Provider cares for a child for 40 hours, 10 of which occur during non-traditional hours.

Calculation:

Provider should receive a payment of \$210 because care was provided during non-traditional hours for less than half of the applicable time period.

$$\$200 + (\$200 * (1/2 * 10\%)) = \$210$$

Payment Rules for Providers Qualifying for More than one Differential Rate

- It is possible for a case to be eligible for more than one differential rate?
- Depending on the differential a district chooses to pay, the cost could be prohibitive.
- The total differential rate for a particular case cannot exceed 25% of the actual cost of care or market rate.

Calculating Payments



Example:

District chooses to pay a Differential Rate of 15% for care during non-traditional hours

District choose to pay a Differential Rate of 15% for care for families experiencing homelessness

Weekly payment rate is \$200/week

Provider cares for a child for 40 hours, 20 of which occur during non-traditional hours

Calculating Payments (cont'd)

Calculation:

The sum of the two qualifying rates is 30%; however, the cap of 25% is applied against the provider rate.

Payment is \$250 for the week.



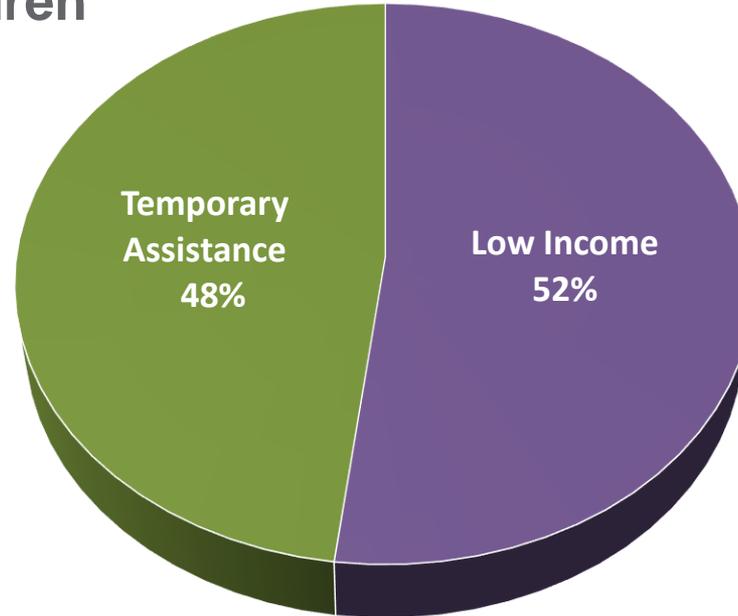
Child Care Subsidy Program

- Districts were allocated **\$806** million in Federal and State funds in SFY 2016-2017
- **192,000** children in **120,000** families served during FFY 2015-2016
- **41,000** providers cared for subsidized children during FFY 2015-2016
- Approximately **126,000** children in **75,000** families received child care subsidies each month

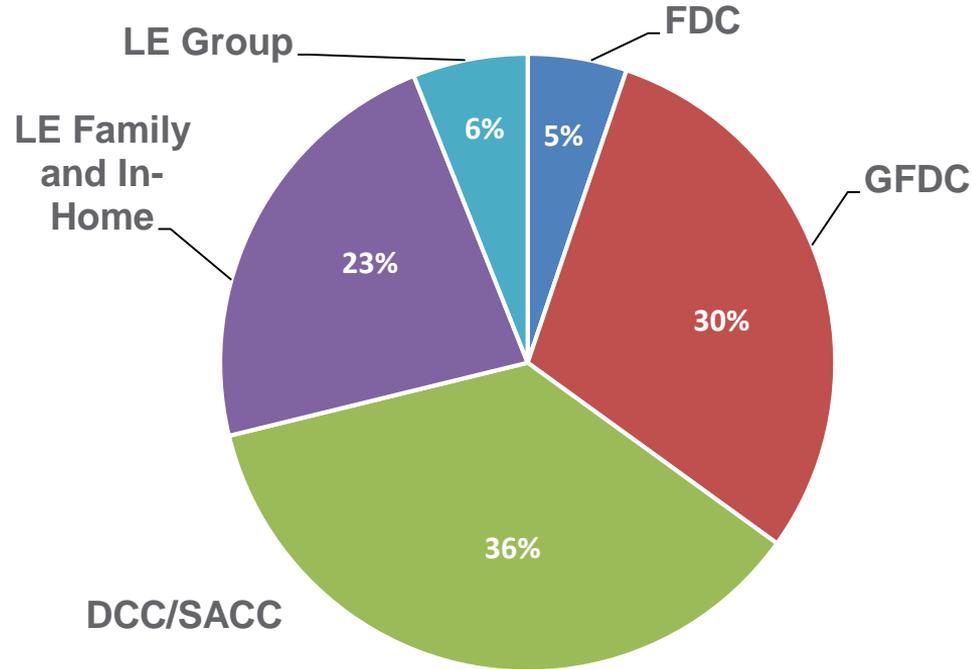


Subsidized Children Care in NYS: FFY2016

Children



Subsidized Children by Provider Type FFY2016



Type of Care	# Children
FDC	10,002
GFDC	57,066
DCC/SACC	69,579
LE Family & In-Home	43,680
LE Group	11,601
Total	191,928



Child Care Subsidy Regulation Review

- Conduct Survey June 2012
- District Workgroup July 2012
- Other Feedback/Assessment May 2013
- Federal Proposed Regulations May 2013
- CCDBG Act of 2014 November 2014
- OCFS Requests Federal Waivers June 2016
- Federal Final CCDF Rule September 2016
- Homeless and Provider Training Initiatives March 2017



2012-13 survey respondents within each organizational type that think the regulation should be revised

	SOCIAL SERVICES DISTRICT	CCRR/ ADVOCACY/ UNION	PROVIDER
REDETERMINATION OF ELIGIBILITY UP TO 12 MONTHS	35.5%	30.0%	45.7%
PAYMENT FOR ABSENCES	22.6%	55.0%	64.4%
MARKET RATE STRUCTURE	35.5%	40.0%	55.7%

Other Potential Regulatory Areas to Reassess



- Set Minimum Hours for Employment & Education
- Legally-exempt Provider Health & Safety Standards
- Program Integrity
- Family Share
- Other

Improper Payments Audit

- Last review covered the period October 1, 2013 - September 30, 2014
- 276 cases were reviewed. Overall error rate 7.9%
- Translates to \$69M in Improper Payments
- Next review covers the period October 1, 2016 - September 30, 2017
- Reviews likely to start in April 2017

WE HAVE TO DO BETTER!!



Reassessment of Subsidy Regulations

- District/Other Stakeholder Input July 2017
- OCFS Assessment of Feedback October 2017
- Stakeholder Review of Assessment December 2017
- State Review/Approval February 2018
- Publish Proposed Regulations March 2018
- **Adoption of Regulations May 2018**



Questions

