



From Pilots to Systems Change: How County Child Care Pilots can Inform Statewide Change

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Presentation Overview



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Why Pilots?

Millions of families searching for care



*In FY 2015-16, counties collectively returned over **\$200 M** in uncaptured contract dollars*



Why is Underearning Occurring?

- One size fits all policies don't work across the state – e.g.: eligibility & reimbursement rates
- Lack of flexibility in getting contract dollars where most needed
- TK implementation & ripple effects on programs serving younger kids



Intent of Pilots

- Provide more stability for families
- Increase access to care
- Shift to more child-focused approach
- Increased local accountability

These changes under the pilots have been BIG, but tend to align with federal CCDBG re-authorization

What are the Pilots?

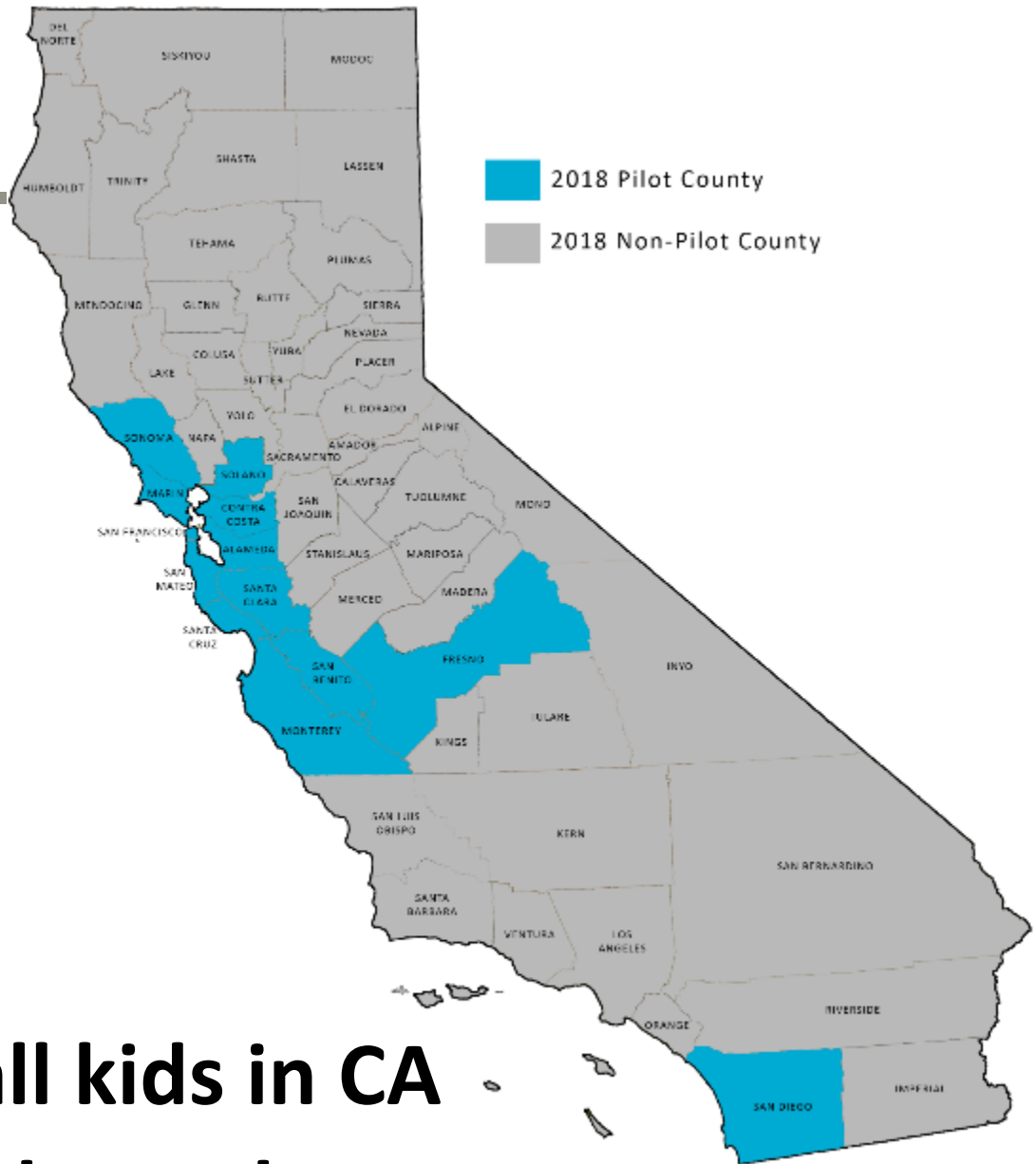
County pilots address underearning by allowing county flexibility in four key areas:

1. *Family Eligibility*
2. *Family fees*
3. *Reimbursement Rates*
4. *Other ways to maximize child care contracts*

Changes allow counties to capture more child care \$ to serve more families

Pilot Expansion

- San Mateo (2003) & San Francisco (2005) first piloted
- Alameda (2015)
- Santa Clara (2016)
- 9 additional counties (2017)



**Nearly 1/3 of all kids in CA
live in a pilot county**

Other Important Aspects

- Cannot infringe on other counties' funding
- Voluntary, opt-in process for county contractors
- Increased coordination, collaboration locally
- New coordination with Stage 1 CalWORKs
- Evolving and testing new policies
- Equity concerns for other 2/3 of the state

San Francisco Pilot

Why a Pilot in SF?

Providers:

- Title 5 contractors were shutting down
- Contractors were not full
- Workforce retention issues



Families:

- Parents were refusing raises



SF returning 2% of funding

Initial SF Pilot

“Right-sized” state policies that didn’t work in SF:

- Contracts through higher reimbursement rates
- Increased family income-eligibility



- Higher Standard Reimbursement Rates
- 85% State Median Income eligibility



Increased communication among local contractors:

- Kept allocated funding in SF and with contractors where needed



- Invented Voluntary Transfer of Funds

Pilots 2.0

Alameda tests new polices under their pilot:

- *2–year eligibility*
- *Families seeking Employment have 12 months of eligibility*
- *CSPP enrollment at 2 years 9 months*
- *“Limited English” adjustment factor for all school age children in CCTR*



Amazing success in Alameda! San Mateo and San Francisco follow suit

SF Pilot Outcomes

- ***Established the Voluntary Temporary Transfer:*** now statewide and overseen by CDE
- ***Increased Access:*** 16,485 children who would not have been eligible (2010-17)
- ***Continuation of Centralized Eligibility List (CEL):*** can serve highest need, lowest income families through the CEL
- ***Strong Local Coordination:*** creates an incentive for contractors to work cohesively to maximize contracts
- ***Contractor Training:*** contractors participating in pilot are returning fewer \$ in comparison to baseline
- ***Increased Reimbursement Rates:*** 6.5% increase for CCTR; 7.2% for CSPP – allowed contractors to stay in business
- ***Returned Fewer Funds to State***

What's Ahead

- **Local:** Collaborate and align with the four current pilot counties
- **New Wave of Pilots:** Partner with new pilot county to provide TA and support
- **Statewide System:** Advocate for continued expansion of pilot policies that are working to offer benefits statewide

Fresno County Pilot (2017)

Why a Pilot in Fresno?

Families

- Subsidies not meeting the reality of working families
- Families need more flexibility
- Families not taking raises for overtime hours



Providers

- Under-enrollment = under-earning
- Contractors no longer in operation



**Fresno returned over \$12 M (15.7%)
of funding in FY 15-16**

Fresno Pilot Implementation Planning

- Holding one-on-one meeting with contractors
- Holding contractor workgroup meetings

Crafting Fresno's pilot plan:

- *24 month eligibility*
- *2.9 year-old enrollment in CSPP*
- *85% SMI*
- *12-months seeking employment as need*
- *32.5 hours per week for seeking employments*

Planning for implementation July 1, 2018

Statewide Systems Change

Learning from the Pilots

- Pilot are becoming more popular
- Underearning is significant
- Too many income-eligible families are not receiving care
- Growing desire for county child care leaders to address the barriers in ECE

However, many of these issues are felt in all counties

Learning from the Pilots

CDE is sponsoring **AB 2626 (Mullin)** which will bring elements of the pilots statewide:

- *2.9 year olds in CSPP and eliminate 50% 4 year olds requirement*
- *Increase income eligibility (80% SMI)*
- *12 month eligibility for job seeking or facing homelessness*
- *32.5 hours weekly of service hours for families seeking employment or housing*
- *Increased voluntary transfer of funds*



Learning from the Pilots

Other important elements of AB 2626:

- *Paid professional development days*
- *Families approved for low income housing as eligibility criteria for child care*



What's Next

- **Work** with 9 new pilot counties on program implementation and oversee all 13 pilot counties
- **Advocate** for passage of AB 2626
- **Collaborate** on additional statewide reforms that will increase access to quality early care and education

A photograph of a classroom where several children are raising their hands. The focus is on a hand in the foreground, with other hands visible in the background. A teacher is partially visible at the front of the room. Educational posters and a whiteboard are on the wall.

Questions