

**Coming soon.....the first Governor appointed
*State Advisory Council on Early Childhood Education and Care
for children from birth to school entry.***

**Oregon Early Childhood Matters Advisory Council:
A Public/Private Partnership**

Dawn Bonder, Senior Policy Advisor, Office of the Governor and Dell Ford, Oregon Head Start Collaboration Director, have been working together to establish a *State Advisory Council on Early Childhood Education and Care for children from birth to school entry* as mandated by the Head Start Act of 2007.

The Council will be established through a Governor's Executive Order with appointments announced soon, and a first meeting of the Council scheduled early in 2010. The Governor's Office will serve as the lead entity for the Council. Dawn Bonder has been slated to serve as Chair and Dell Ford as Vice Chair. Heidi McGowan is serving as staff to the Council.

Due to the efforts of Governor Kulongoski and his staff, Oregon is well positioned to move forward with meeting the requirements of the Head Start Act. In fact, Oregon is ahead of the game due to the work done during the Governor's 2008 Early Childhood Summit that established the Early Childhood Matters Initiative. Oregon's early childhood community has been working on all the activities required in the Head Start Act through the activities and priorities outlined in the *Early Childhood Matters Framework*. There are three standing committees: *Early Learning Matters, Family Matters and Health Matters* (see organizational chart). Each Committee has developed a policy brief for their area. The work of these committees gives Oregon a considerable "head start" in addressing the requirements of the Council and taking advantage of other opportunities to support a coordinated and collaborative early childhood system and expansion of vital early childhood services.

Improving Head Start for School Readiness Act of 2007 (Public Law 110-134)

Early Childhood Council

The Head Start Act requires the Governors of all States to designate or establish a council to serve as the *State Advisory Council on Early Childhood Education and Care for children from birth to school entry*. Governors are to appoint representatives to the State Advisory Council.

Required Membership

Required membership includes a representative from the following 9 entities:

- State agency responsible for child care
- State educational agency
- Local educational agencies
- Institutes of higher education
- Local providers of early childhood education and development services

- Head Start agencies including migrant/seasonal and tribal Head Start programs
- State Director of Head Start Collaboration
- State agency responsible for early childhood special education
- State agency responsible for health or mental health care

Other Membership

The Governor can appoint representatives of other entities determined to be relevant to the work of the Council. Governor Kulongoski is appointing another 16 members, making a 25 member Council. Other Governor designated entities include a representative from the following:

- State agency responsible for children's planning
- Early childhood research and data
- Early childhood consumers(2) -- parents with children ages 0-5
- Business community with demonstrated interest in children ages 0-5
- Private foundations whose focus is children ages 0-5
- Child advocacy agencies whose focus is children ages 0-5
- Migrant and seasonal farm worker families whose focus is children ages 0-5
- Dental community whose focus is children ages 0-5
- Medical community whose focus is children ages 0-5
- Native American community whose focus is children ages 0-5
- Mental health community whose focus is children ages 0-5
- State agency responsible for human services
- State Legislature (2) – representing the Senate and House, one Democrat/one Republican
- Governor's Office

Council Responsibilities

The Head Start Act mandates the following responsibilities for the Council:

- (I) *conduct a periodic statewide needs assessment concerning the quality and availability of early childhood education and development programs and services for children from birth to school entry including an assessment of the availability of high-quality pre-kindergarten services for low-income children in the state;*
- (II) *identify opportunities for, and barriers to, collaboration and coordination among Federally-funded and State-funded child development, child care, and early childhood education programs and services, including collaboration and coordination among State agencies responsible for administering such programs;*
- (III) *develop recommendations for increasing the overall participation of children in existing Federal, State, and local child care and early childhood education programs, including outreach to underrepresented and special populations;*
- (IV) *develop recommendations regarding the establishment of a unified data collection system for public early childhood education and development programs and services throughout the State;*
- (V) *develop recommendations regarding statewide professional development and career advancement plans for early childhood educators in the State;*

- (VI) *assess the capacity and effectiveness of 2 and 4 year public and private institutions of higher education in the State toward supporting the development of early childhood educators, including the extent to which such institutions have in place articulation agreements, professional development and career advancement plans, and practice or internships for students to spend time in a Head Start or pre-kindergarten program; and*
- (VII) *make recommendations for improvements in State early learning standards and undertake efforts to develop high-quality comprehensive early learning standards.*

Oregon's Allocation to Support the Council

Through the American Recovery and Reinvestment Act (ARRA), a one-time start-up allocation for a three year grant period is provided for all States to carry out activities of the State Advisory Councils. Oregon's allocation is \$1,000,761. States are required to meet a non-federal share of 70% of the total cost of the project. The non-Federal share must be met by cash or in-kind contributions. Oregon expects to be able to meet the non-federal share requirement through resources from both the public and private sectors.

We are very fortunate to have the support the Oregon Community Foundation, NW Health Foundation, Meyer Memorial Trust and the Ford Family Foundation. These four foundations have committed significant resources to assist the state and the Early Childhood Matters Advisory Council in moving the Early Childhood Matters Framework forward. Their financial support not only will assist in the work to be done, but will count as part of the 70% in match funds required to draw down the \$1 M in ARRA funding. This support demonstrates the strong commitment among our private partners for the work we seek to accomplish in the area of Early Childhood Education and Care.

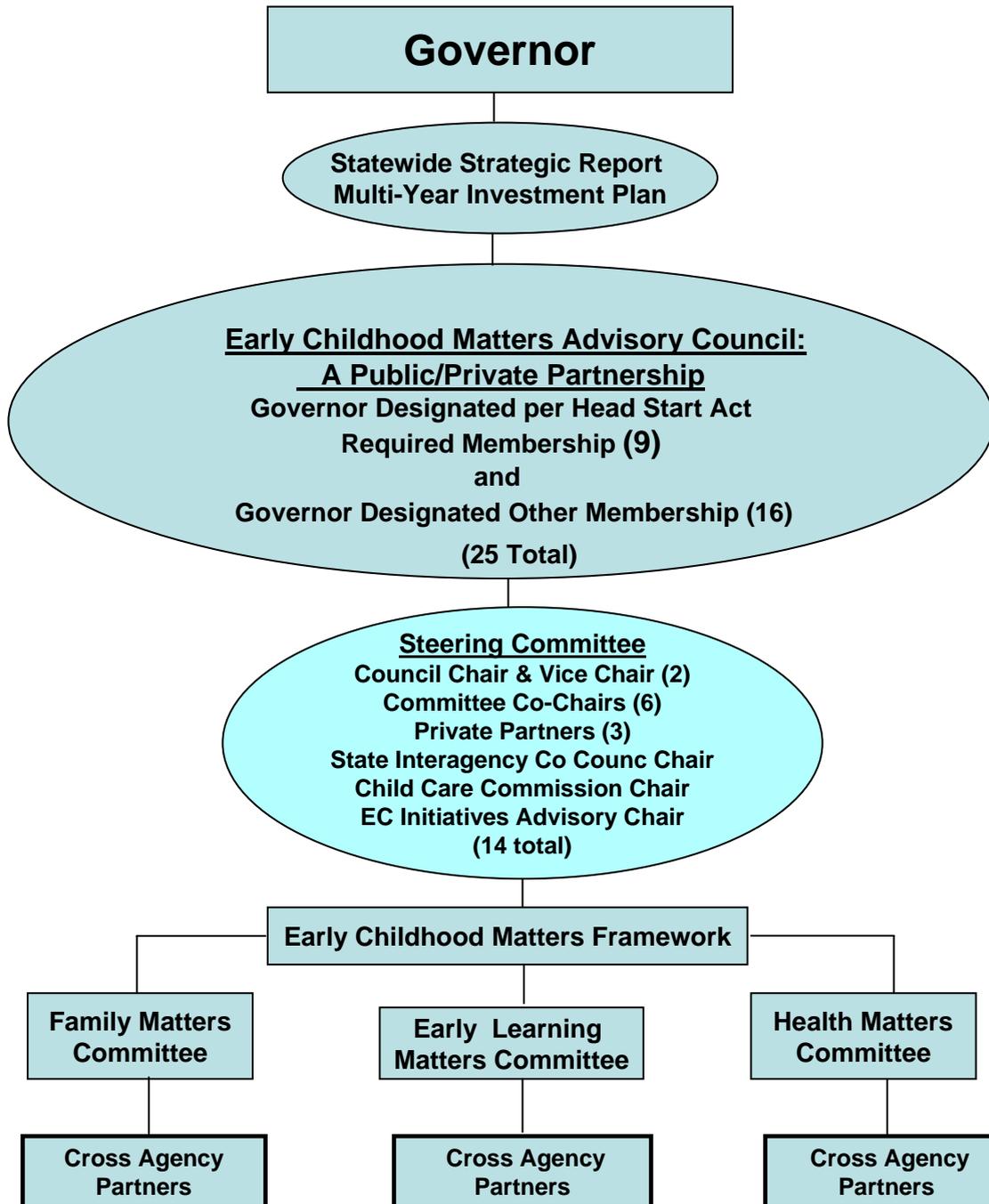
To be eligible for the allocations, States must meet the following criteria:

- The Governor must designate or establish a State Advisory Council for children from birth to school entry.
- The Governor must designate an individual to coordinate the activities on the State Advisory Council.
- The Governor must ensure that the membership of the State Advisory Council includes the representatives specified in the Head Start Act of 2007.

States must also prepare and submit an application for a three year period that meets requirements specified in the Head Start Act and includes the following:

- A state-wide strategic report addressing the required activities of the Advisory Council.
- A description for each fiscal year, of how the State will make effective use of funds available.
- A description of the State early learning standards and the State's goals for increasing the number of children entering kindergarten ready to learn.
- Information identifying the agency or joint interagency office, and the individual designated by the Governor to coordinate the activities of the State Advisory Council.
- A description of how the State plans to sustain activities beyond the grant period.

**DRAFT 2/23/10 State Advisory Council on Early Childhood Education
& Care for Children from Birth to School Entry**



State Child Care and Development Fund Plan for 2010-11
Program Accountability Tracking Tool
December 2009 Assessment

On December 3, 2009 CCECC members broke into groups of five tables to review and rated the seven high-level outcomes of the child care system logic model. Gaps in services/programs identified in the logic model have been used to develop the Program and Accountability Tracking Tool. This is the third year that CCECC partners have rated Oregon's performance in addressing these gaps. The complete rating assessment is available at: http://www.employment.oregon.gov/EMPLOY/CCD/state_plan.shtml

Outcome 1: Child care is safe and healthy

Shows Improvement:

1.2 Number of child development and health and safety training hours and content areas required for certified and registered providers are below national standards. Moved from 1 to 6 for Registered Family; 3 to 5 for Certified Family.

Responsible partners:

- Child Care Division

1.5 Oregon center care regulations do not meet national standards. Moved from 4 to 5.

Responsible partners:

- Child Care Division

Shows Decline:

1.1 Department of Human Services policies limit low-income families' access to child care in the market. Continues to be Red Flagged at 4 after a high of 7 in 2007; in danger of moving to 3 after 2009 special session.

Responsible partners:

- Child Care Division
- Department of Human Services
- Commission for Child Care

Outcome 2: Children experience high quality child care

Shows Improvement:

2.1 Parents lack access to comparative information to help them distinguish levels of child care quality in regulated facilities. Moved from 6 to 7.5

Responsible partners:

- Commission for Child Care
- EQUIP partners
- Child Care Resource & Referral
- Child Care Research Partnership
- Child Care Division

2.2 Parents have limited awareness of consumer education. Moved from 3 to 4.

Responsible partners:

- Child Care Resource and Referral

- 2.3 Providers have limited awareness of child care program standards (In addition to the minimal standards set by licensing). Moved from 6 to 7 for centers. Moved from 3 to 4 for Registered and Certified Family.

Responsible partners:

- Commission for Child Care
- EQUIP partners
- Child Care Resource & Referral
- Child Care Research Partnership
- Western Oregon University, Oregon Program of Quality
- Oregon Afterschool for Kids
- Center for Career Development/PSU
- Child Care Division

- 2.4 Limited access to improvement funds for providers whose quality is measured through the Quality Indicators, Child Care Contribution Tax Credit, or Oregon Program of Quality funded initiatives. Moved from 3 to 4.

Responsible partners:

- Commission for Child Care
- EQUIP partners
- Center for Career Development/PSU
- Child Care Research Partnership

Outcome 3: Child care is affordable for all families

Shows Improvement:

- 3.6 Inadequate state and federal investments on subsidies for targeted populations (Teen parents, MSFW, A&D, children with disabilities, student parents). Moved from 7 to 8 for Teen parents. Moved from 6 to 7 for inclusive child care. Red Flag for A&D programs pending February 2010 special session.

Responsible partners:

- Child Care Division

Outcome 4: Child care is accessible for all families

Shows Improvement:

- 4.4 Providers lack training and supports to care for children with broad range of special needs. Moved from 4 to 5.

Responsible partners:

- EQUIP partners
- Child Care Resource & Referral
- Center for Career Development
- Western Oregon University/TRAC/PICCE
- Council on Development Disabilities

- 4.5 Providers unable to meet needs of all children due to lack of access to consultations (health, mental health). Was Red Flagged at 3; moved to 4.

Responsible partners:

- EQUIP partners
- Western Oregon University/TRAC/PICCE
- Council on Development Disabilities

Shows Decline:

- 4.1 Throughout the state, parents have difficulty accessing child care for infants and toddlers, school-age, children with special needs, or those needing care in nontraditional hours. Red Flagged at 2 – Remains Red Flagged at 2.

Responsible partners:

- EQUIP partners
- Child Care Resource and Referral
- Council on Developmental Disabilities
- Oregon Afterschool for Kids

- 4.3 Providers lack resources and supports to care for children with social/emotional issues. Moved from 4 to 3 due to cuts in funding for programs addressing mental health. Red Flagged at 4 and moved to Red Flagged at 3.

Responsible partners:

- Child Care Resource & Referral
- Center for Career Development
- Western Oregon University/TRAC/PICCE
- Council on Developmental Disabilities

Outcome 5: Oregon's child care system is efficient and collaborative

Shows Improvement:

- 5.1 Local and state planning for child care and education not systemically linked. For state planning only, moved from 6 to 6.5.

Responsible partners:

- CCECC members

- 5.3 Lack of coordination and collaboration between tribal and nontribal child care. Moved from 3 to 4.

Responsible partners:

- CCECC members
- Child Care Division

- 5.4 Collaborations to ensure accessible and high quality provider training opportunities. Moved from 7 to 8.

Responsible partners:

- EQUIP partners
- Child Care Resource & Referral
- Center for Career Development

Shows Decline:

5.1 Local and state planning for child care and education not systemically linked. For local planning only, moved from 6 to 5.

Responsible partners:

- CCECC members
- Early Childhood Matters partners
- Commission on Children and Families

5.2 Lack of clear roles and responsibilities for planning and delivery of coordination and support for the child care system at the local level. Moved from 4 and Red Flagged at 3.

Responsible partners:

- CCECC
- Early Childhood Matters partners
- Commission on Children and Families

Outcome 6: Oregon's child care system is innovative and effect

Shows Improvement

6.1 High turnover (in providers) due to low compensation. Moved from 2 to 3.

Responsible partners:

- Department of Human Services/ERDC
- Child Care Resource & Referral

6.3 Proven pilots continue only in original areas or are dropped altogether even when effectiveness of the intervention has been documented. Moved from 1 to 2.

Responsible partners:

- CCECC
- Child Care Division
- Oregon Association for the Education of Young Children

6.4 Funding adequate for providers to deliver quality child care and education. Moved from 1 to 2.

Responsible partners:

- Department of Human Services/ERDC
- Child Care Division

6.5 Developmental needs of children are lower priority in setting child care policy. Moved from 2 to 3.

Responsible partners:

- None assigned

Shows Decline

6.2 State and federal funding is not adequate to produce system infrastructure able to ensure quality child care and education. Moved from 2 and Red Flagged at 1 for state funding.

Responsible partners:

- Child Care Division
- CCECC advocacy partners

Outcome 7: Broad support exists for Oregon's child care system

Shows Improvement

7.1 Inadequate data on costs of improving child care and education. Moved from 3 to 3.5.

Responsible partners:

- CCECC members
- Child Care Research Partnership
- Child Care Division

7.2 Statewide advocacy limited; child care and education on agenda of champions for children and families. Moved from 5 to 6.

Responsible partners:

- EQUIP partners
- Child Care Resource & Referral
- Commission for Child Care

7.3 Public does not understand child care and education system. Moved from 2 to 3.

Responsible partners:

- CCECC members
- EQUIP partners
- Commission on Children and Families

7.4 Oregon four-year education system demonstrates little interest in child care and education. Moved from 1 to 2.

Responsible partners:

- CCECC
- Center for Career Development
- OAEYC

7.6 Policy makers paying attention to outcomes produced by child care and education system. Moved from 2 to 3.

Responsible partners:

- Commission for Child Care
- Commission on Children and Families

OREGON DEPARTMENT OF HUMAN SERVICES

Children, Adults and
Families Division (CAF)

CAF Self Sufficiency – Child Care Program Automation Solutions

March 2010



 | Independent. Healthy. Safe.

Child Care Automation

Modernization offers an effective and affordable way to accomplish the following:

- Increased payment accuracy;
- Faster compensation to providers;
- Cost savings from increased program efficiencies, reduced data entry and paperwork;
- Improved program management and accountability;
- Increased and better services and outcomes for providers and parents.

Automation

- A Point of Sale (POS) machine would have the capability to validate parent eligibility, co-pay and attendance for providers.
- Eligibility for child care services would be attached to parents EBT card.
- Providers would have access to a web-based system to submit billing, view attendance and payment history information.
- Providers could verify billing through a call center or Speech Integrated Voice Response (SIVR) communication system as an alternative to a POS machine.
- Providers would receive more timely and accurate payments.
- Payments would be made via Direct Deposit or ReliaCard®.

Automation

- Child care providers and parents would benefit from a paperless billing process, and authorization of care determined by the swipe of a card. A POS machine would capture attendance and authorization data. This would eliminate the need to manually enter daily attendance hours and calculate monthly billing hours. Attendance data would be available near real-time, for quality control.
- Automation efforts would help bring consistency across the state by helping subsidized child care providers track attendance electronically, and reduce incorrect payments.
- Automated attendance and billing processes would also decrease administrative costs for licensed facilities.
- More frequent payments would also be a substantial benefit of automation.

Automation

Oklahoma (OKDHS) in partnership with ACS implemented a child care automation system in 2003. Here are some of their findings:

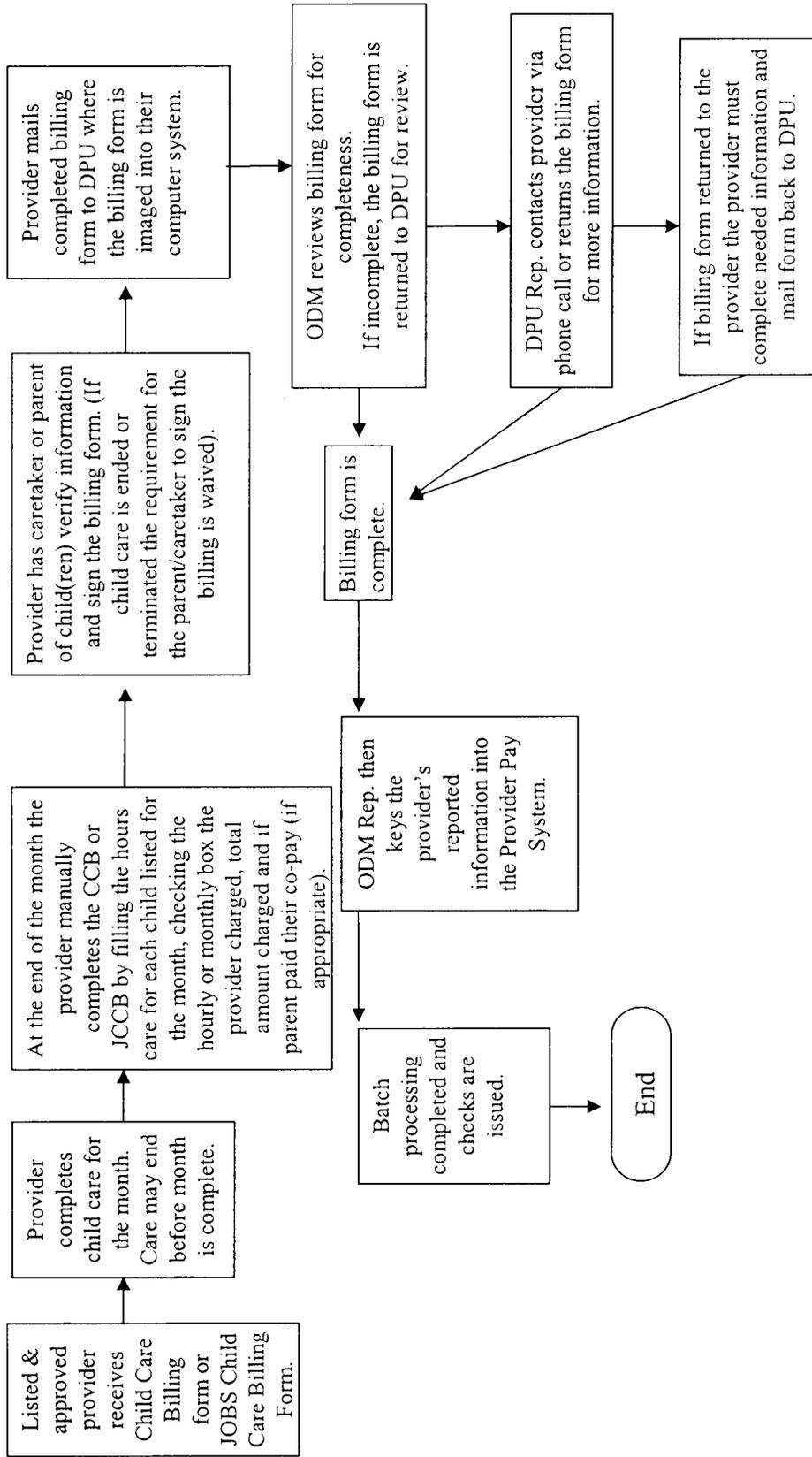
- Provider satisfaction is at 89.63% in their most recent survey.
- Providers report that they spend more time with the children rather than spending time recording or correcting attendance.
- Regular access to parent to discuss child progress and behavior.

Oklahoma is currently working to incorporate Food and Nutrition Services - USDA Program into their automated system.

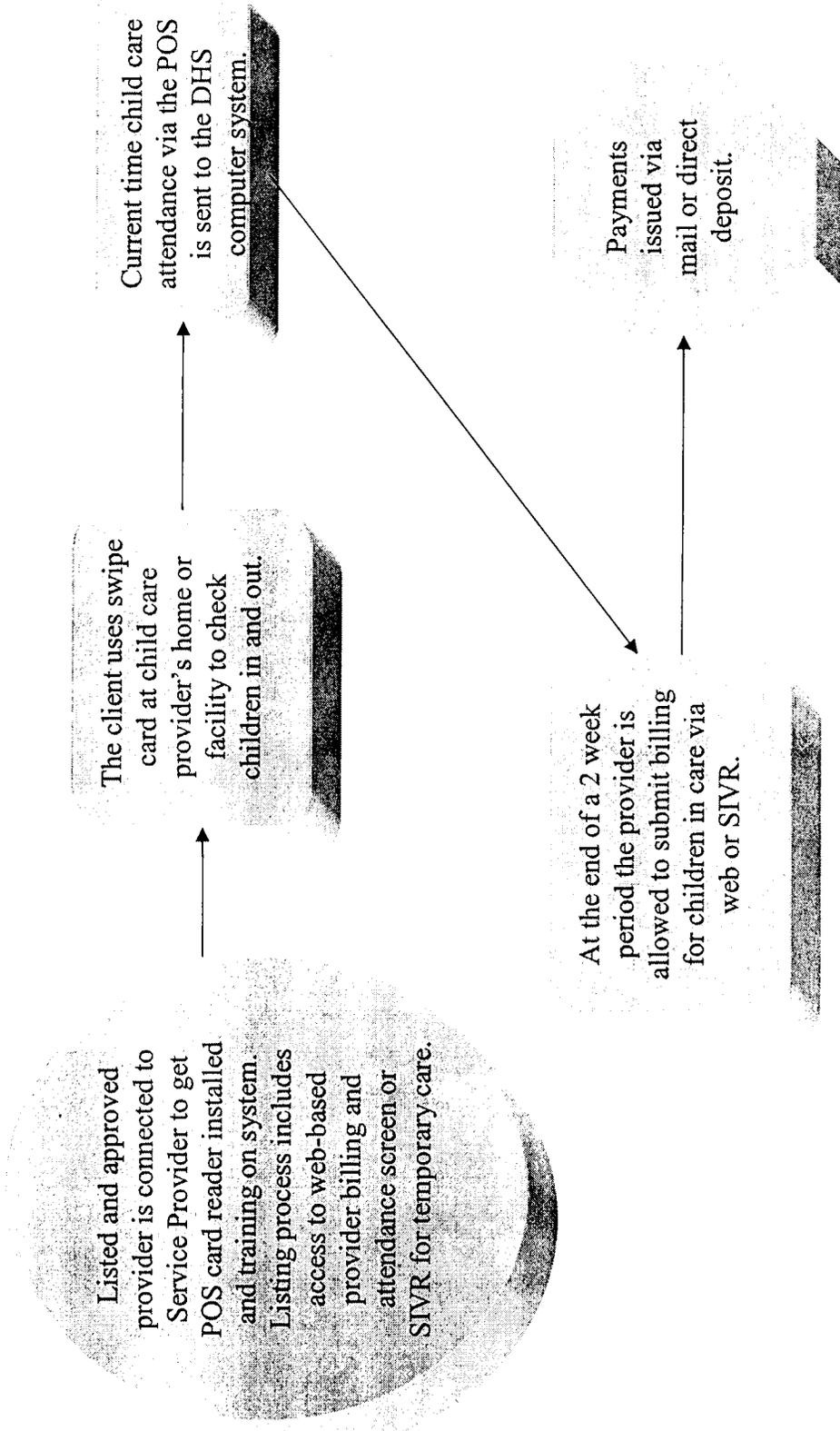
Cost Savings

- The cost of distribution of 14,000 notices and billing forms monthly would be reduced by an automated solution. The Office of Document Management (ODM) and the Direct Pay Unit (DPU) would see a significant reduction of workload in imaging, data entry and processing of billing forms. Staff could be re-assigned to other work.
- The state of Oklahoma realized a reported 10% reduction to their overall child care costs using an automated solution, saving \$10.0 million in the first year with decreased postage costs; reduced printing of paper claims and payments; and decreased incidents of overpayments and fraud.
- Indiana's e-Child Care project, modeled after Oklahoma's, had a savings of \$2.2 million in direct overhead, and \$3.0 million in efficiency gains.

Current Process -



Proposed Future Process -



Summary

Child Care automation would support timely and accurate payments to providers, significantly reduce workload for DHS staff as well as providers, increase payment accuracy, and improve monitoring of the program budget.

DRAFT 2011- 2013 Policy Option Packages for DHS Child Care Program

ERDC Eligibility to 12-Year Old Children Expansion - ERDC eligibility is limited to children 11 years old and younger unless there are special circumstances that indicate a child older than 11 requires care while the parent is at work. This is different from the TANF/JOB requirement which limits eligibility to children 12 years old and younger unless there are special circumstances. In addition, 12-year olds may end up in unsafe conditions because parents are not aware they can request child care assistance for older children if circumstances require it.

Update ERDC Maximum Rates Based on the current Market Price Study - The ERDC Program is intended to enable low-income, working parents access to quality child care. If the maximum rates DHS pays falls behind what parents experience when they attempt to purchase child care in the current child care market they may lose that access and may resort to purchasing sub-standard care. Ensure that DHS maximum payment rates continue to correspond to what Providers charge. Base maximum rates for the 2011-2013 biennium on the current Market Price Study.

Automate Child Care Billing and Attendance Tracking System - The current child care billing system is paper-based and manually intensive. Reimbursement of child care providers is inefficient and time-consuming. Programs are challenged by increased case loads, manual processes, and complex policies. Child care providers and parents would benefit from a paperless billing process. Implement an automated child care billing and attendance tracking system with web-based and Speech Integrated Voice Response (SIVR) solution. An automated solution would allow for capture of attendance and authorization data, eliminating the need for child care provider to manually enter daily attendance hours and calculate monthly billing hours. An automated solution would also allow for reallocation of the staff that currently hand-key each provider billing form for payment.

Restore Self-employed Eligibility for ERDC - Households where at least one parent is self-employed are not eligible for ERDC. Due to reductions mandated by the Oregon legislature, the department implemented this ERDC program change beginning in the 2007-09 biennium and carried over to the 2009-11 biennium. The change eliminated eligibility for approximately 185 self-employed families (effective April 1, 2009). This POP would restore ERDC Eligibility to include self-employed parents, who are in effect employees, to receive child care assistance (such as hairdressers, housekeepers, newspaper carriers, etc).

Restore Reduced Co-pay Eligibility for ERDC - The amount of the copay in the initial month of eligibility for ERDC is sometimes a barrier for families in accepting employment that could lead the family toward self-sufficiency, especially for parents transitioning from TANF. Restore eligibility for a reduced co-pay of \$25 for the first month of ERDC.

Adjust ERDC Income Eligibility Standard – For DHS parents earning 185 percent of FPL, DHS pays approximately half, or more, of the child care bill. At 186 percent of FPL, DHS pays none of it. This has the effect of penalizing families for increasing their earnings and decreases the family's ability to afford quality child care.

Briefing Title: Background Check Proposed Policy Change

Issue: Possibility of inappropriate care providers receiving authorization and payment before completion of background checks.

Background: All child care providers must have a background check completed to screen for criminal history or Child Protective Service (CPS) involvement before they are eligible to receive payment from DHS for child care. The Background Check Unit (BCU) processes background checks on all license-exempt providers who will be paid by DHS. DHS accepts the background checks performed by the Child Care Division for licensed providers.

Providers who disclose serious criminal history or CPS on their listing form are not approved for billing and payment until their background checks are completed and they are approved. If the background check results in a denial, DHS will not pay the provider.

However, license-exempt child care providers who are new to DHS, or have not previously been denied, and who do *not* disclose serious criminal history or Child Protective Service (CPS) involvement for anyone on their listing form, are placed in a preliminary 'approved' status while waiting for their background checks to be completed. These providers continue to receive billing forms until they are no longer in 'approved' status, or until the client is not eligible. Payment is made through the end of the month of eligibility for the provider and/or client.

BCU had noted a significant percentage of providers who were in preliminary approved status did not disclose significant problems on the history of one or more individuals on their listing form, including findings of sex abuse, drug related and violent crimes.

Statistics were then kept for January and February 2010. Out of 1,203 subject individuals who were checked, 454 -- about 38% -- marked that they had no criminal or CPS history when they did. Five cases were imminent danger -- meaning the situation had to end immediately (instead of the norm, at the end of the month) for the safety of the child. Forty-four cases resulted in overpayment referrals.

Current Status: As of 3/29/10, BCU is processing listing forms received late in November 2009 for license-exempt providers who have not disclosed any serious criminal history/CPS. Most of these providers are in preliminary 'approved' status and are receiving

billing forms and payments.

BCU is processing priority background checks on license-exempt providers with disclosed serious criminal history or CPS within approximately one week. These providers are not receiving billing forms or payment unless and until they are approved.

Proposal:

- Require background checks to be completed by BCU on all child care providers before billing forms and/or payments are issued by DHS.
- Require parents receiving DHS subsidy to use an approved DHS child care provider.

Considerations:

1. Risks to the child – Children are at risk in care with providers whose behaviors may jeopardize children’s safety for months, given BCU’s current backlog to process background checks for those with preliminary approval.
2. Risks to the Department – Until the background check is performed, DHS is making payments to some providers who have not disclosed their criminal history/CPS background and do not meet the criteria to be in an ‘approved’ status
3. Instability of care – When a provider is denied parents must find another care provider. Research shows instability in child care situations does not support healthy child development.
4. Savings to the Department – The proposed change would save staff time for writing and collecting overpayments.
5. Requiring a background check before paying for care supports the DHS Mission of assisting people to become independent, healthy and safe.
6. The proposed change aligns with the focus on development of Oregon’s quality indicators and parent training.

Conclusion / Recommendation:

This proposed policy change also aligns with processes for licensed providers who must pass a CCD background check before obtaining a license to provide child care.

Requiring the background check to be completed before billing forms or payments are issued to a provider may encourage parents to be more selective when choosing their provider.

Mandatory Orientations

- Only brand new providers, listed after June 30, 2010, will be required to take the Orientation within 90 days of being approved.
- This includes all license-exempt providers... (FAM, QFM, NQC, and QEC).
- After June 30, 2010, a provider who ceases to provide services for a year or more will need to attend an Orientation within 90 days of being approved.
- At least one Orientation is required to be offered in each department service area every quarter and must be provided at minimal or no cost to the child care provider.
- The Orientation must contain, but is not limited to, information about the following:
 - a. DHS Listings, vouchers and payments;
 - b. Child care provider rights and responsibilities;
 - c. Enhanced rate training options;
 - d. Food program resources available through the USDA;
 - e. Other resources available to child care providers.
- DHS is meeting with partners and stakeholders, including providers to refine the Orientation.