Safety, Health, Independence

Department of Human Services

Employment Related Day Care (ERDC) Program Overview

for the
Senate Human Services and Early Childhood Committee
May 23, 2016

Presenter: Rhonda Prodzinski
Manager, Child Care and Refugee Programs

DHS | Oregon Department of Human Services
SELF SUFFICIENCY

Presentation Outline

1. Program purpose
2. Caseload overview & trends
3. Program improvements for families
4. Program improvements for providers
5. Unannounced ERDC Inspections

Employment Related Day Care

Subsidy program that helps low-income working families pay for child care so parents can retain employment.

ERDC Values

Safety

Stability

Access

Quality

School Readiness

ERDC Fast Facts

Total caseload

Caseload	7,774
Children	14,929
March 2016	

Reservation list

Families	2,134
Children	3,841
May 2016	

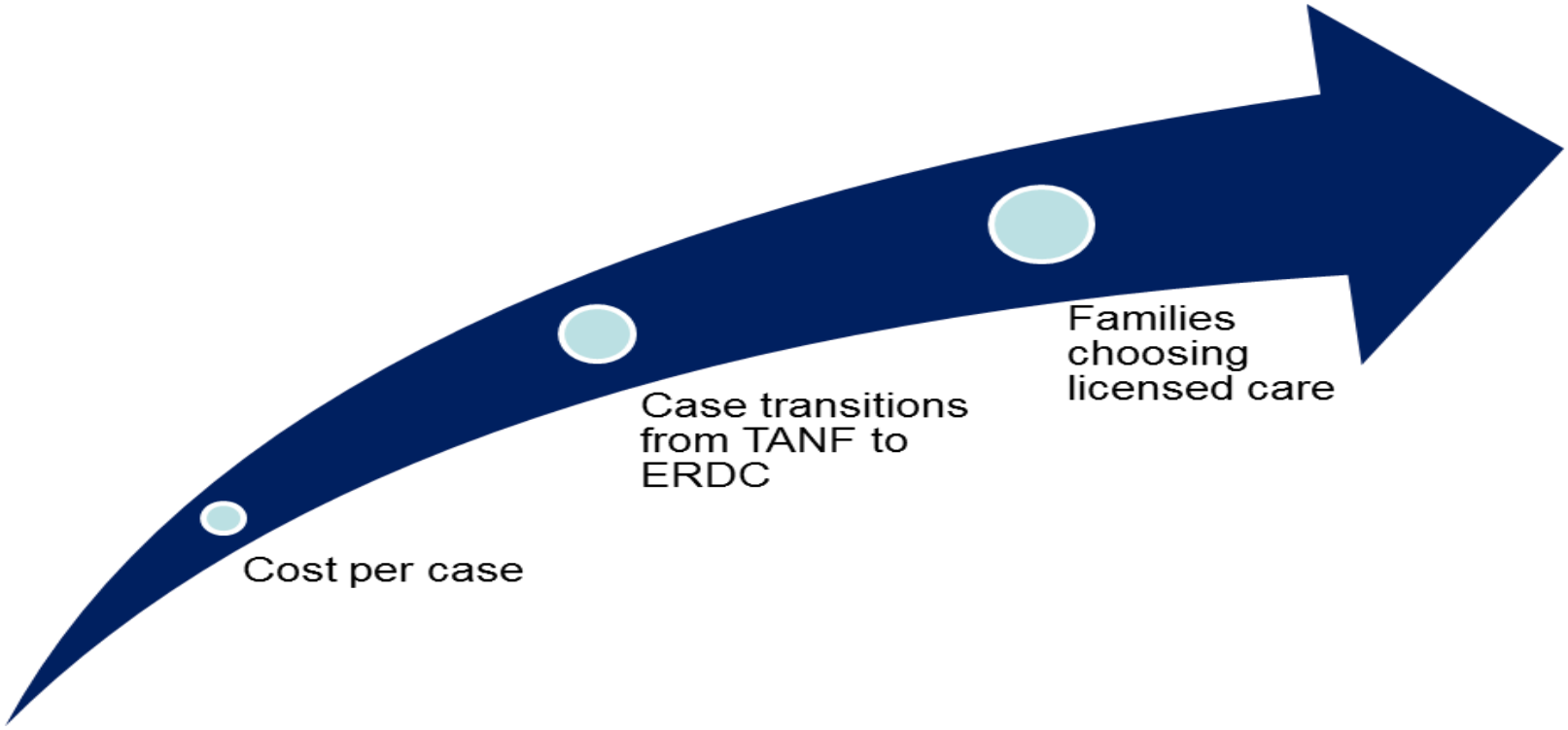
Co-payments

Average ERDC Cost per Child	$408
Average parent co-pay	$223
Minimum parent co-pay	$27

Providers

Licensed	4,481
Unlicensed	2,118

Caseload Trends



Children in licensed care	2013	2015
Ages 0-3	55%	68%
Ages 6-11	43%	55%

State and Federal Changes

Child Care & Development Block Grant

PUBLIC LAW 113–186—NOV. 19, 2014 128 STAT. 1971

Public Law 113–186
113th Congress

An Act

To reauthorize and improve the Child Care and Development Block Grant Act of 1990, and for other purposes.

Nov. 19, 2014
[S. 1086]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Care and Development Block Grant Act of 2014".

Child Care and Development Block Grant Act of 2014.
42 USC 9801 note.

SEC. 2. SHORT TITLE AND PURPOSES.

Section 658A of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9801 note) is amended to read as follows:

42 USC 9858 note.

"SEC. 658A. SHORT TITLE AND PURPOSES.

"(a) SHORT TITLE.—This subchapter may be cited as the 'Child Care and Development Block Grant Act of 1990'.

"(b) PURPOSES.—The purposes of this subchapter are—

"(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within that State;

"(2) to promote parental choice to empower working parents to make their own decisions regarding the child care services that best suit their family's needs;

"(3) to encourage States to provide consumer education information to help parents make informed choices about child care services and to promote involvement by parents and family members in the development of their children in child care settings;

"(4) to assist States in delivering high-quality, coordinated early childhood care and education services to maximize parents' options and support parents trying to achieve independence from public assistance;

"(5) to assist States in improving the overall quality of child care services and programs by implementing the health, safety, licensing, training, and oversight standards established in this subchapter and in State law (including State regulations);

"(6) to improve child care and development of participating children; and

"(7) to increase the number and percentage of low-income children in high-quality child care settings.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 658B of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended by striking "subchapter"

HB 2015

78th OREGON LEGISLATIVE ASSEMBLY–2015 Regular Session

Enrolled

House Bill 2015

Sponsored by Representative KOTEK, Senator STEINER HAYWARD; Representatives EVANS, GORSEK, HUFFMAN, PILUSO, TAYLOR, VEGA PEDERSON, WHISNANT, Senators BATES, BURDICK, DEMBROW, GELSER, HASS, MONNES ANDERSON, MONROE, PROZANSKI, RILEY, ROBLAN, ROSENBAUM, SHIELDS (Presession filed.)

CHAPTER .....

AN ACT

Relating to child care; creating new provisions; amending ORS 417.728; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The Department of Human Services, in consultation with the Early Learning Division and the Office of Child Care, shall adopt rules for the operation of subsidy programs for employment-related child care administered by the department. At a minimum, and taking into account the availability of funds, the rules must provide the following:

(a) Subsidy recipients may be entitled to receive the subsidy for at least one year, regardless of changes in employment. Rules adopted by the department may provide for termination of subsidy eligibility for reasons other than changes in employment during the one-year period. Exit eligibility and copays must be structured to mitigate the financial impact of reduced subsidy support due to increased income.

(b) Subsidy recipients who are enrolled in coursework, as defined by the department by rule, may be entitled to receive the subsidy to enable the subsidy recipient to attend and participate in the coursework provided all other eligibility requirements are met.

(c) Persons who are self-employed may qualify for subsidy programs provided all other eligibility requirements are met.

(d) Subsidy recipients who voluntarily choose child care providers that meet minimum standards established under the tiered quality rating and improvement system implemented under ORS 329A.261 may qualify for lower copayments. A fair representation of the subsidy recipients who qualify for lower copayments must be persons with children who are from underserved racial, ethnic or minority populations. In addition, child care providers that meet specified minimum standards established under the tiered quality rating and improvement system may receive an enhanced reimbursement under the subsidy programs.

(e) Subsidy recipients must report a change of child care provider to the department during the period a subsidy is being received.

(2) The department shall work to meet federal recommendations for income eligibility and market access in regard to employment-related child care administered by the department.

SECTION 2. (1) The Office of Child Care may visit and conduct on-site inspections of the premises of an exempt child care provider as defined by the Office of Child Care by rule whenever such inspections are required under federal law. The inspections may be conducted

Enrolled House Bill 2015 (HB 2015-A) Page 1

DHS | Oregon Department of Human Services

Improvements for Families

- Expanded work definition
  - *Self-employed and school hours for working students*
- One-year certification period
  - *Subsidy remains stable, even with changes in income*
- Three-month work search
  - *Parents can get up to three months of continued subsidy support if they lose their job*
- Incentives for choosing quality care
  - *Parents who choose a quality-rated provider have a lower monthly co-payment*

Improvements for Providers

- Incentive payments for quality-rated providers caring for ERDC families
  - *Started April 2016*
- Enhanced health, safety and child development training
  - *Starting in fall 2016*
- Annual monitoring visits
  - *Conducted by ELD; starting in fall 2016*
- Expanded background checks
  - *For all staff and household members, even if they don't care for children; starting in fall 2017*

Unannounced ERDC Inspections

Employment Related Day Care Inspections

Promoting the safety and integrity of Oregon's child care subsidy program

Thank you for partnering with us to provide child care for families in the Employment Related Day Care (ERDC) program.

The Oregon Department of Human Services (DHS) conducts unannounced inspections of ERDC providers. ERDC providers are randomly selected for inspections.

DHS | Oregon Department of Human Services

5 things you need to know about ERDC inspections

1. **Inspections help DHS ensure the safety and health of children** in its ERDC program. They also help you maintain good standing as an ERDC provider. The requirements reviewed during an inspection are in the DHS Child Care Provider Guide. The Guide is available online at www.oregon.gov/dhs.

   You can expect the inspector to review:
   - **Attendance and billing records**
   - **Health and safety requirements**
   - **DHS procedures**

2. **ERDC providers are required to cooperate with inspections** under Oregon Administrative Rule 461-165-0180(7)(d)

3. **Providers that do not cooperate with ERDC inspections are failed as DHS child care providers.** Failed providers cannot bill DHS for six months for child care provided through ERDC or the Temporary Assistance for Needy Families (TANF) JOBS Program.

4. **ERDC inspections do not replace other inspections.** Depending on the children you serve and your licensing status, you may also have inspections from other DHS programs or the Office of Child Care in the Oregon Department of Education.

5. **An ERDC inspection takes place during your regular business days and hours.** To verify the inspector's identity and purpose, you can call the Direct Pay Unit at 1-800-699-9074 or 503-378-5500.

This document can be provided upon request in an alternate format for individuals with disabilities or in a language other than English for people with limited English skills. To request this publication in another format or language, contact the Oregon Department of Human Services at 503-945-5600 or 711 for TTY.

DHS 9915 (04/2016)

DHS | Oregon Department of Human Services

Inspection Results

62 inspections completed from February to May 2016

Number	Finding
58	In compliance
6	Missing immunization records
5	Missing or incomplete attendance logs
5	Health or safety violations
3	Refused inspection
3	Providers unaware of DHS requirements but in compliance
2	Person at site not on background check registry
4	Providers disqualified as a result of the inspection