

# SYSTEM OF QUALITY SUPPORTS FOR LICENSE EXEMPT CHILD CARE PROVIDERS REPORT

PREPARED FOR THE OREGON STATE LEGISLATURE BY THE EARLY LEARNING DIVISION  
IN FULFILLMENT OF HB 2015 REQUIREMENTS

*September 15, 2016*

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# System of Quality Supports for License Exempt Child Care Providers Report

## September 2016

### Executive Summary

The 2015 Legislative Assembly passed House Bill 2015 which represented a significant reform of the Employment Related Day Care (ERDC) program, Oregon's child care subsidy program for working families experiencing poverty. This legislation will enable ERDC to: better support families experiencing poverty to participate in the workforce; promote positive child development; increase the number of children in quality care; and better ensure the health and safety of children. HB 2015 in part directed the Early Learning Division (ELD) to develop and implement a system of quality supports for exempt family child care providers.

Pursuant to Section 5 of House Bill 2015, the Early Learning Division submits a *HB 2015 System of Quality Supports for License Exempt Child Care Providers Report*. The report describes activities to-date in developing and implementing a system of quality supports for license exempt and family, friends and neighbor (FFN) child care providers.

In addition to the *HB 2015 System of Quality Supports for License Exempt Child Care Providers Report*, Section 4 of House Bill 2015 required the ELD, in consultation with DHS, to conduct a study regarding methods to incentivize parents to select license-exempt family child care providers who have participated in quality supports developed by the ELD. The ELD contracted with Bridget E. Hatfield, PhD & Kelly Hoke, B.S. of the Oregon Child Care Research Partnership to study and report on the ways states are providing supports to FFN providers to meet minimum health and safety requirements required under the Federal Child Care and Development Block Grant (CCDBG) Act of 2014. Their study and findings accompany ELD's report.

### Developing a System of Quality Supports for License Exempt, Friends, Family, and Neighbor Child Care Providers

Oregon's goal of all children arriving at kindergarten ready to succeed can only be reached if there is a well-trained and well-supported early childhood workforce. Multiple barriers currently prevent Oregon from achieving this vision for its early childhood workforce. These barriers include limited opportunities for license-exempt family care providers. Often, these license-exempt providers are friends, family members and neighbors and provide care to many of the most vulnerable families. Friends, family and neighbor care is particularly important to families with odd or irregular work hours. Information gathered from recent reports (June 2016) show that of all providers serving families on ERDC, 2,280 families (29.33 %) and 5,342 (35.89%) children are served by FFN.

The report describes existing and emerging supports and incentives available to license-exempt providers including Enhanced Rates for the Employment Related Day Care program, supports through training, technical assistance in navigating and meeting new provider requirements.

The Enhanced Rate for the Employment Related Day Care Program (ERDC) recognizes license-exempt providers serving families receiving child care subsidies that complete health and safety trainings including CPR and First Aid, Recognizing and Reporting Child Abuse and Neglect, and a Food Handler certification. This Enhanced Rate increases the subsidy reimbursement rates they receive. The

Enhanced Rate will continue to be available for all license exempt providers who accept subsidy eligible families.

In addition to state legislative changes, the implementation of the 2014 Federal Reauthorization of CCDF includes new requirements for license exempt providers serving families receiving child care subsidies and who are un-related to the children in care. These regulated subsidy providers will be required to take trainings before being approved to receive subsidy payments from the Department of Human Services (DHS). In addition to new pre-service training requirements, regulated subsidy providers will be required to have a health and safety review of their home prior to being approved. The reviews will be conducted by licensing specialists from the Early Learning Division Office of Child Care.

The ELD and the Department of Human Services (DHS) have taken deliberate steps to reduce the barriers providers may face in completing the trainings in a timely manner, including on-line and in-person alternatives, and have addressed the projected increase in providers needing health and safety reviews and monitoring visits. ELD' and the DHS' goals are to provide support to providers in order to meet the requirements to provide care for children as quickly as possible.

The ELD, DHS and partners have been intentional in creating a training plan for all of the licensing specialists who will be working with this new population of providers. This training plan includes best practice strategies in supporting license-exempt providers and health and safety modules designed to meet the new CCDBG reauthorization requirements.

A waiver process has been developed for those providers who have a barrier to accessing the required classroom-based CPR and First Aid training in a timely manner. This waiver allows for the provider to complete the CPR and First Aid training within 90 days of being approved to accept subsidies for eligible children.

A work group focused on developing research-based professional development and support systems targeting FFN providers is currently finalizing a work plan to provide guidance and direction in the development and implementation of this new system of quality supports and professional development. Additionally, FFN child care providers and the union representing license-exempt providers serving families on subsidies will be invited to contribute to the work group once the work plan is finalized. This workgroup includes staff of the DHS, Child Care Resource and Referral agencies (CCRR), SEIU, and ELD professional development specialists, licensing specialists, and Office of Child Care staff. The workgroup will also be exploring the expansion of Focused Child Care Networks to FFN providers as well as opportunities to build off the success of the Early Learning Professional Development Consortium.

The ELD submitted a federal planning grant proposal on July 7, 2016, to the Administration on Children and Families, Office of Planning, Research and Evaluation to assess Oregon's implementation of the CCDBG Act of 2014. The purpose of the CCDBG Implementation Research and Evaluation Planning Grant is to provide CCDF Lead Agencies the opportunity to plan for a rigorous, policy-relevant, evaluation of the implementation of policies and initiatives in response to the CCDBG Act. Oregon proposes to study the level of impact of the CCDBG Act as well as state requirements on license-exempt providers and the resulting impacts to their continuing to provide care for parents in the ERDC subsidy program, participation in professional development opportunities and what impacts participation in professional development has on the quality of care provided by Regulated Subsidy providers.

The System of Quality Supports for License Exempt Child Care Providers Report was prepared by the Oregon Department of Education, Early Learning Division. Copies of the full report may be obtained by contacting the Early Learning Division at (503) 378-2792 or [karol.collymore@state.or.us](mailto:karol.collymore@state.or.us). The report may be downloaded from the Early Learning Division website at [OregonEarlyLearning.com](http://OregonEarlyLearning.com).

## Overview

The 2015 Legislative Assembly passed House Bill 2015 which represented a significant reform of the Employment Related Day Care (ERDC) program, Oregon's child care subsidy program for working families experiencing poverty. This legislation will enable ERDC to: better support families experiencing poverty to participate in the workforce; promote positive child development; increase the number of children in quality care; and better ensure the health and safety of children. HB 2015 also directed the Early Learning Division to develop and implement a system of quality supports for exempt family child care providers.

“No later than July 1, 2016, for the purpose of ensuring that affordable, quality home-based child care is available through a subsidy program administered by the Department of Human Services, the Early Learning Division, in consultation with the department, shall develop and implement a system of quality supports for exempt family child care providers as defined in ORS 329A.430. The system may use evidence-based practices or best practices that are consistent with state policies for child well-being and development and that are subject to collective bargaining. The system must include professional development opportunities for exempt family child care providers that are available for attendance in person and through the Internet.” ORS 417.728(5).

HB 5016 appropriated General Funds for one position to focus on identification and implementation of quality supports.

Pursuant to Section 5, Chapter 698, Oregon Laws 2015, the Early Learning Division submits this report on activities to-date in developing a system of quality supports for license exempt and family, friends and neighbor (FFN) child care providers.

Section 4 of House Bill 2015 also required the ELD, in consultation with DHS, to conduct a study regarding methods to incentivize parents to select license exempt family child care providers who have participated in the quality supports developed by the ELD.

SECTION 4. The Early Learning Division, in consultation with the Department of Human Services, shall conduct a study regarding methods to incentivize parents to select exempt family child care providers as defined in ORS 329A.430 who have participated in the system of quality supports developed by the division under ORS 417.728 (5).

The ELD contracted with Bridget E. Hatfield, PhD & Kelly Hoke, B.S. of the Oregon Child Care Research Partnership to study and report on the ways states are providing supports to FFN providers to meet minimum health and safety requirements required under the Federal Child Care and Development Block Grant (CCDBG) Act of 2014. Their study and findings accompany this report.

## Developing a System of Quality Supports for License Exempt, Friends, Family, and Neighbor Child Care Providers

Oregon's goal of all children arriving at kindergarten ready to succeed can only be reached if there is a well-trained and well-supported early childhood workforce. Multiple barriers currently prevent Oregon from achieving this vision for its early childhood workforce. These barriers include limited opportunities for license-exempt family care providers.

Oregon allows those providing care to fewer than three children to be exempt from licensing requirements. These are often friends, family members and neighbors. These providers provide care to

many of the most vulnerable families. Friends, family and neighbor care is particularly important to families with odd or irregular work hours. Information gathered from recent reports (June 2016) show that of all providers serving families on ERDC, 2,280 families (29.33 %) and 5,342 (35.89%) children are served by FFN.

### **Enhanced Rate**

Since 1999 Oregon has offered license exempt child care providers the opportunity to receive an enhanced rate of pay after completing several health and safety trainings. Necessary trainings to qualify for the Enhanced Rate include CPR and First Aid, Recognizing and Reporting Child Abuse and Neglect, and a Food Handler certification. In addition to these trainings, ongoing training requirements include the completion of eight hours of approved training within the two year listing period. This Enhanced Rate increases the subsidy reimbursement rates they receive for caring for children eligible for Employment Related Day Care or the JOBS program above the standard provider rates. The Enhanced Rate will continue to be available for all license exempt providers who accept subsidy eligible families.

### **2014 Federal Reauthorization of CCDF**

In addition to state legislative changes, the implementation of the 2014 Federal Reauthorization of CCDF includes new requirements for license exempt providers serving families receiving child care subsidies and who are un-related to the children in care. These regulated subsidy providers will be required to take trainings before being approved to receive subsidy payments from the Department of Human Services (DHS). These pre-service trainings include child CPR and First Aid, Recognizing and Reporting Child Abuse and Neglect and an on-line health and safety training. In addition to these new pre-service training requirements, regulated subsidy providers will be required to have a health and safety review of their home prior to being approved. The reviews will be conducted by licensing specialists from the Early Learning Division Office of Child Care.

Providers caring for relative children will be required to complete the on-line health and safety training and complete a background check prior to being approved to receive subsidy payments. Relative providers will not be required to complete the other pre-service trainings or have a health and safety review.

### **Activities To-Date**

Since passage of HB 2015, the ELD hired a professional development specialist whose focus is to facilitate the development and implementation of a professional development system and supports for home-based child care providers (Friend, Family, and Neighbor providers).

The ELD and DHS have taken deliberate steps to reduce the barriers providers may face in completing the trainings in a timely manner. The Recognizing and Reporting Child Abuse and Neglect and the health and safety trainings will be offered on-line in order to expedite completion. Recognizing and Reporting Child Abuse and Neglect will also be available in-person if internet access is a barrier to completion. Although the CPR and First Aid training is required and is classroom based, a waiver has been developed for those providers who have a barrier to accessing the classroom training in a timely manner. This waiver allows for the provider to complete the CPR and First Aid training within 90 days of being approved to accept subsidies for eligible children. ELD' and the DHS' goal are to provide support to providers in order to obtain approval to provide care for children who qualify for subsidy as quickly as possible.

## Licensing Specialist Training

The Early Learning Division has recruited for seven additional licensing specialists across the state in order to accommodate the projected increase in providers needing health and safety reviews and monitoring visits.

The Early Learning Division, Department of Human Services and their partners have been intentional in creating a training plan for all of the licensing specialists who will be working with this new population of providers. This training plan includes best practice strategies in supporting license-exempt providers and health and safety modules designed to meet the new CCDBG reauthorization requirements.

The ELD created a breakthrough work group focused on developing research-based professional development and support systems targeting FFN providers. This group includes staff of the DHS, Child Care Resource and Referral agencies (CCRR), SEIU, and ELD professional development specialists, licensing specialists, and Office of Child Care staff. The work group is currently finalizing the work plan to provide guidance and direction in the development and implementation of this new system of quality supports and professional development. Additionally, FFN child care providers and the union representing license-exempt providers serving families on subsidies will be invited to contribute to the work group once the work plan is finalized.

The work plan to-date has identified a number of opportunities to develop a system of quality supports through training and technical assistance and other resources for FFN providers.

- Engage those providers to receive feedback on the training needs and address individual needs through a “menu” of options from which providers could choose the best fit. Identify training gaps and challenges in accessing or attending training (e.g., time, distance, language) through web-based training and develop small cohorts of providers to provide peer training, technical assistance and support to child care providers across the state.
- Build upon or expand existing models, e.g., “Play and Learn” groups where family child care providers, in more informal settings, can access information about child development, while engaging in peer learning and mentoring.
- Focus on formal professional development opportunities for FFN, including a hybrid model of on-line trainings, home visiting, and leveraging the successful Early Learning Professional Development Consortium.

## Looking Forward

Oregon is participating in a national Peer Learning Group focused on exploring best practices for supporting quality improvement in Home Based Child Care providers hosted by the BUILD project. This learning group includes representation from The Research Institute at Western Oregon University, CCRRs, ELD and regional staff from the Early Learning Hubs.

The breakthrough workgroup will also be exploring the expansion of Focused Child Care Networks to FFN providers as well as opportunities to build off the success of the Early Learning Professional Development Consortium.

The Focused Child Care Networks (Networks) are small cohorts of providers who meet frequently to discuss best practices, access and share resources, receive training and encourage progress as they work toward increasing the quality of their programs. The Networks utilize Oregon’s Quality Rating and Improvement System as the framework to support quality improvements with an expectation that programs will submit an application and portfolio to receive a star rating. Oregon’s Early Learning Hubs

are the organizers of the Networks, working with partners to reach out to child care programs which reflect the community's culture and diversity and are serving children experiencing one or more risk factors. The participating child care programs have access to financial supports and incentives to implement quality standards that are funded at a higher level than other programs receiving support. Oregon is currently investing in nearly 30 focused child care networks serving about 365 providers across the state.

The Early Learning Professional Development Consortium Projects were first funded by a 2013 strategic investment. The Consortium Projects are providing unique opportunities to support the early learning workforce in their education attainment and career goals.

To assess Oregon's implementation of the CCDBG Act, the ELD submitted a federal planning grant proposal on July 7, 2016, to the Administration on Children and Families, Office of Planning, Research and Evaluation for \$75,000. The purpose of the CCDBG Implementation Research and Evaluation Planning Grant is to provide CCDF Lead Agencies the opportunity to plan for a rigorous, policy-relevant, evaluation of the implementation of policies and initiatives in response to the goals of the CCDBG Act. All states, territories and tribes will need to comply with new policies as part of the law, but how they implement the policies is up to some discretion. This grant program will provide lead agencies the opportunity to evaluate the implementation of a set of policies of their choosing.

Oregon proposes to design a research project able to address the following questions:

- To what extent do currently license-exempt providers continue to provide care for parents in the ERDC subsidy program after implementation of the new Regulated Subsidy provider<sup>1</sup> rules?
- To what extent do these providers become fully-regulated family child care providers rather than Regulated Subsidy providers?
- To what extent do Regulated Subsidy providers participate in professional development opportunities?
- What impact does participation in professional development have on the quality of care provided by Regulated Subsidy providers?

## Conclusion

Research consistently shows that there is a correlation between the level of professional development of child care providers and the quality of the child care program. Any strategy or plan to overcome barriers to informal or formal professional development and provider training and support requires addressing the problem from multiple angles. The ELD, in partnership with the Department of Human Services, is committed to provide the supports and technical assistance needed by the Early Learning workforce to ensure children and families have access to quality child care.

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<sup>1</sup> Regulated Subsidy Providers are defined as license-exempt providers caring for children from families receiving federal subsidies.