



## Employment Related Day Care

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Information Session #2  
March 2, 2023

# Agenda

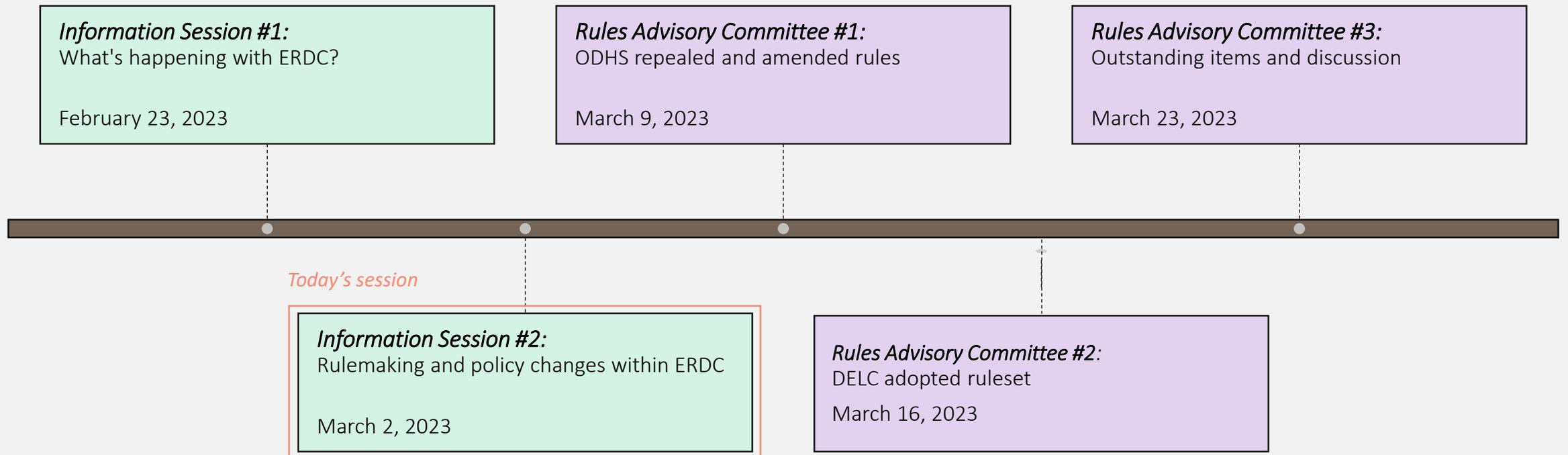
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- Introductions and purpose of meeting (5 minutes)
- What is DELC and why is ERDC moving under it? (5 minutes)
- Upcoming ERDC changes (10 minutes)
- How policies will be changed for ERDC (10 minutes)
- Policy change process map and questions (30 minutes)



# ERDC meeting series

The Oregon Early Learning Division (ELD), in partnership with the Oregon Department of Human Services (ODHS), will host a five-meeting series for the public to learn about the transition of the Employment Related Day Care (ERDC) program to the Department of Early Learning and Care (DELIC). There will be **two information sessions** to discuss the movement of the program and how policies may be changed after ERDC's migration to DELIC. Additionally, there will be an opportunity for the public to participate in **three Rulemaking Advisory Committee (RAC) meetings** to adopt ERDC-related rules.





# What is the Department of Early Learning and Care?

The Oregon Legislature passed House Bill 3073 in 2021, which included the establishment of a new early learning agency named the Department of Early Learning and Care (DELIC). The bill directs movement of the Employment Related Day Care program (ERDC) to DELIC by July 1, 2023. **ERDC eligibility determinations will remain with ODHS staff and benefits will stay in the ONE system to allow families to apply for multiple programs at once.**

**DELIC will consolidate all child care and early learning programs under one state agency.**



Oregon Department of Human Services



New Back Office and Shared Service Teams

(IT, Accounting, Procurement, HR, PMO, Data Analytics, etc.)



Department of Early Learning and Care (DELIC)

*Launches July 1, 2023*

- **ERDC Program (not eligibility determination)**
  - Child Care Policy Analysts
  - Subsidy Suspensions
  - Direct Pay Unit (DPU)
- **Inclusive Partners** (migrated 7/1/22)

*Inclusive Partners is a CCDF funded team with responsibilities including assessing eligibility for the ERDC High Needs Rate*

# Why are we creating the Department of Early Learning and Care?

Simply put, House Bill 3073 requires this change. But the real answer is that creation of DELC allows us to expand and strengthen early learning systems to better serve Oregon's children and families.



## HOW DOES THIS AFFECT...?



### PROVIDERS

DELC will be better for all types of providers, including license-exempt providers. The new agency will mean more training sessions for license-exempt providers as well as access to other supports. Plus, these changes will expand the types of providers and programs under the agency's umbrella while also prioritizing mixed-delivery of early care and education.



### CHILDREN AND FAMILIES

By organizing early learning and child care services under one agency, families will have an easier time searching for and finding high-quality and affordable early care and education.

### EMPLOYMENT RELATED DAY CARE (ERDC)

Oregon will have a central agency for early care and education policy and program administration.

- Basic eligibility will expand, and 12-month program eligibility would be guaranteed
- Family copayments will be no more than 7% of family income (in effect 10-1-22)
- More financial incentives for providers to offer special service
- DELC will use the "true cost of care" rate to set provider reimbursement
- Providers will be reimbursed based on enrollment, not attendance (in effect 10-1-22)

### WHY IS DELC THE BETTER OPTION?

Bringing these five groups into one agency lets us:



QUESTIONS or COMMENTS?  
DELC.Info@ode.oregon.gov

WANT TO KNOW MORE ABOUT DELC?  
OregonEarlyLearning.com/HB3073





# What is the Employment Related Day Care program?

**Employment Related Day Care (ERDC)** is Oregon's primary child care assistance program. It helps eligible families pay for their child care costs by making payments directly to their child care provider. Families pay a small copayment to their provider and the state pays a set rate to the provider for the number of hours the child is scheduled to be in care.

The program is funded by the federal Child Care Development Fund and subject to 45 CFR Part 98.

- CFR establishes baseline eligibility criteria, such as age, income limits, and work requirements
- CFR sets standards for how states distribute payments and establish provider rate and family copayment structures

Program is funded with both federal dollars and state general fund

- Biennial Budget for 21-23: a little over \$300M, including ARPA funds
- The program exists within a "budget box" – meaning there is limit to the amount of families that can be served at any one time

# ERDC governance, rules, and policy changes

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ERDC is currently governed through the Oregon Department of Human Services' (ODHS) policy-making process. When the program moves to the newly created Department of Early Learning and Care (DELIC) on July 1, 2023, policy will be determined through the Early Learning Council and DELIC rule-making process.



This presentation outlines recent and upcoming ERDC eligibility changes, shows how rules will transfer from ODHS to DELIC, and provides a glimpse of how you will be able to share feedback on future ERDC policy changes.



# Recent and upcoming ERDC eligibility changes

HB 3073 expands ERDC eligibility, with changes going into effect Jan. 1 and July 1, 2023. **On Jan. 1, ERDC began serving students who are not working and expanded child care hours for many families.** Summary of expansions below:

## As of January 1

**Part- or Full-time Authorization:** Many families participating in ERDC are now eligible to receive more child care hours per month. Child care hours are now automatically rounded up to part- or full-time. Hours will still be added for travel time and for caretakers who need more than full time child care.

**Student Eligibility:** Students no longer need to be employed to get child care through ERDC. Non-working students—in high school, a GED program, or college—can now qualify to receive child care support if they meet other eligibility requirements for ERDC.

**Study Time:** Students now get five to 10 additional child care hours a week for study time, depending on the number of credits they are taking.

**Sleep Time:** Families with two caretakers may now get sleep time when a caretaker works a night shift. Households can get five hours of child care per night shift, promoting family wellbeing and stability.

**Authorized Medical Leave:** Caretakers are now eligible for authorized medical leave (AML) when they are on leave for the birth of a child or caring for a sick child. Additionally, applicants may now be on medical leave when they first apply for ERDC. Finally, caretakers may now continue using ERDC if they are away from work to care for someone outside their household.

## Coming soon: July 1 and beyond

Reduction in the number of reasons a case may close mid-certification, resulting in a truer 12-month eligibility period and more stability for families and providers

Categorical eligibility for TANF recipients, resulting in dual TANF-ERDC enrollment

Eligibility for all children, regardless of immigration or citizenship status



# Preserving a “truer” 12-month eligibility period by removing reasons cases close

Federal regulations require twelve-month eligibility for all families accessing CCDF subsidy. Currently, ERDC is approved for twelve months, but there are many reasons why a case might close during that certification period.

Expected July 1, 2023, ERDC will only close a case within the twelve-month certification period if:

- family moved out of state,
- family requested benefits to be closed,
- benefits were determined in error, or
- the family's income exceeds ongoing and exit income limits.\*

Notably, cases will no longer close due to:

- not being able to find a provider within 3 months,
- the event of job loss; expansions are being made to Authorized Work Search to allow extension through remainder of certification period in the event of job loss.

*\*CCDF federal requirement*



# TANF families will be categorically eligible for ERDC

**Expected July 1, 2023, ERDC will be available to Oregonians receiving Temporary Assistance for Needy Families (TANF) through "Categorical Eligibility" – eligibility regardless of work or school activities.**

This means that families will be able to receive both cash support through TANF and child care assistance through ERDC at the same time with no interruption to either benefit.

TANF families will be eligible\* for a part-time monthly allocation of hours. A full-time hours authorization (or greater) may be requested by TANF families who need more child care hours to complete family well-being and/or JOBS activities.

Eligibility for TANF families will be specifically outlined in the CCDF state plan, which allows the state to use CCDF federal dollars.

*\*Families must request child care benefits to be evaluated for ERDC Categorical Eligibility. Certain federal requirements still apply, such as immunizations.*



# Eligibility for children regardless of immigration/citizenship status

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More information coming soon!



# How policy changes will be made for ERDC

As a reminder, ERDC will continue to operate within the ONE system. This is important as a support for Oregonians to access multiple services at once.

Because the program will remain in ONE, ERDC policy changes will occur with the support of other agencies.

This is because any policy or rule changes directly correlate to functionality within the ONE system, usually requiring some level of technical changes and/or impacts to other self-sufficiency programs.



# ERDC policy change process map

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# Follow-up questions

With the new recent changes to the provider listing process (CBR requirement & FFL training) has ODHS seen a decrease in number of license exempt child care provider applicants this year? What is the current timeline for FFL providers to get approved? **The number of applications received from FFL providers went up by 47 listing forms when comparing February 2021 and February 2023 data, with a similar increase reflected in other months. There are several components to the approval process, between the processing of listing forms, conducting of background checks, and inspections for Regulated Subsidy providers. As of March 14th, 2023, 61% of Central Background Registry approvals are happening in 4 weeks or less, with 37.98% approved in 2 weeks or less. Depending on the readiness of the provider and completeness of forms submitted, it is possible that the rest of the approval process can occur during the time it takes to get approved.**

Will the ODHS Orientation Training for Listed Providers remain with CCR&R?/Will the training materials for ODHS subsidy change with this move? **We are not anticipating any planned changes to trainings nor the existing contracted work with CCR&Rs apart from a change in branding from ELD/ODHS to DELC. The DPU will be debuting a new provider guide soon, including new FAQs about the Central Background Registry requirements.**

Will the current provider data that CCR&R's receive have a stopgap during this transition? **No, the current provider data will continue to be sent to CCR&R's with no gap in service.**

Is there a timeline when families and providers will be made aware of these changes? **There is a communication plan currently under development in collaboration between ELD and ODHS Communications teams to ensure changes are communicated to families, providers, and partners. More information will be provided as it is made available.**



# Questions & contact information

Interested in learning more?

Sign up to attend the Rules Advisory Committee (RAC) scheduled to occur on March 9, 16, and 23.

More information here:

<https://oregonearlylearning.com/RAC#ERDC>

ELD is now on Instagram!  
**@oregonearlylearning**

Sign up for the provider newsletter at:

<https://oregonearlylearning.com/child-care-updates>

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