



NATIONAL CENTER ON  
Early Childhood Quality Assurance

# Using Grants and Contracts, Payment Rates, and Financial Incentives

Webinar Series on Strategies for Building and Financing the Supply of High-Quality Child Care

May 1, 2018



# Introductions

**Debi Mathias**, QRIS National Learning Network Director, BUILD Initiative



**Zelda Boyd**, Senior Technical Assistance Specialist, National Center on Early Childhood Quality Assurance



**Jenn Bender**, Learning Community Project Manager, BUILD Initiative





# NATIONAL CENTER ON Early Childhood Quality Assurance



# Series Overview

- ◆ We will explore and share supply building successes and lessons learned in states and communities.
- ◆ This is a five-part series.

Session/Date	Description
Webinar 1: 1/17/2018 2:00–3:30 (ET)	Strategies for Building and Financing the Supply of High-Quality Child Care <b>Check out the recording link for the webinar!</b>
Webinar 2: 2/13/2018 2:00–3:30 (ET)	Identifying, Mapping, and Alleviating Child Care Deserts <b>Check out the recording link for the webinar!</b>
Webinar 3: 3/6/2018 2:00–3:30 (ET)	Innovation in State and Local Finance <b>Check out the recording link for the webinar!</b>
Webinar 4: 5/01/2018 2:00–3:30 (ET)	Using Grants and Contracts, Payment Rates, and Financial Incentives to Increase Supply and to Improve Quality -- <b>Today's Webinar!</b>
Webinar 5: 6/04/2018 2:00–3:30 (ET)	Innovative Models to Build, Expand, and Sustain Quality Facilities in High-Need Communities

# Webinar Series Materials

- ◆ All materials related to this webinar and future webinars can be found at the following website:

<https://www.qrisnetwork.org/It/strategies-building-and-financing-supply-high-quality-early-learning-webinar-series/overview>

# Today's Presenters

**Leigh Ann Bryan,**  
Technical Assistance Lead

National Center on Subsidy  
Innovation and Accountability



**Christa Bell**  
Director – Division of Child Care

Kentucky Cabinet for Health &  
Family Services



**Kristin Bernhard**  
Deputy Commissioner for System  
Reform

Georgia Department of Early Care  
and Learning



**Mary Beth Jackson**  
Senior TA Specialist

National Center on Subsidy  
Innovation and Accountability



**Susan Adams**  
Assistant Commissioner  
Pre-K and Instructional Supports

Georgia Department of Early  
Care and Learning



**Jennie Couture**

Georgia Department of Early  
Learning



# STRATEGIES TO BUILD AND SUSTAIN THE SUPPLY OF HIGH QUALITY CARE

Grants and  
Contracts

Payment Rates

Financial  
Incentives

## PLACEHOLDER FOR POLL

My state currently:

- Does not offer grants and contracts to build supply of high quality child care
- Does not offer grants and contracts to build supply of high quality child care but is interested in learning more
- Currently offers grants and contracts and it's going well
- Currently offers grants and contracts and would be interested in improving the processes

# GRANTS AND CONTRACTS



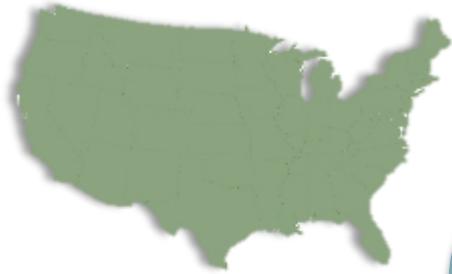
53%

Grants and contracts are used by states to increase the supply of quality child care for underserved or vulnerable families. Grants and contracts stabilize programs and improve access by requiring providers to meet higher standards and providing stable payments.

## How States and Territories are using Grants and Contracts:

- ✓ Aligning with Quality Rating and Improvement System (QRIS's)
- ✓ Building Supply in Underserved Communities
- ✓ Serving CCDF Target Populations
- ✓ Supporting School-Age Child Care

\*Data pulled from 2016-18 CCDF Plans



# PAYMENT RATES

CCDF requires states to manage payment systems in a way that is reflective of how the private market purchases early learning services. Payment levels and policies impact access to high quality care.

## How States and Territories are using Payment Rates:

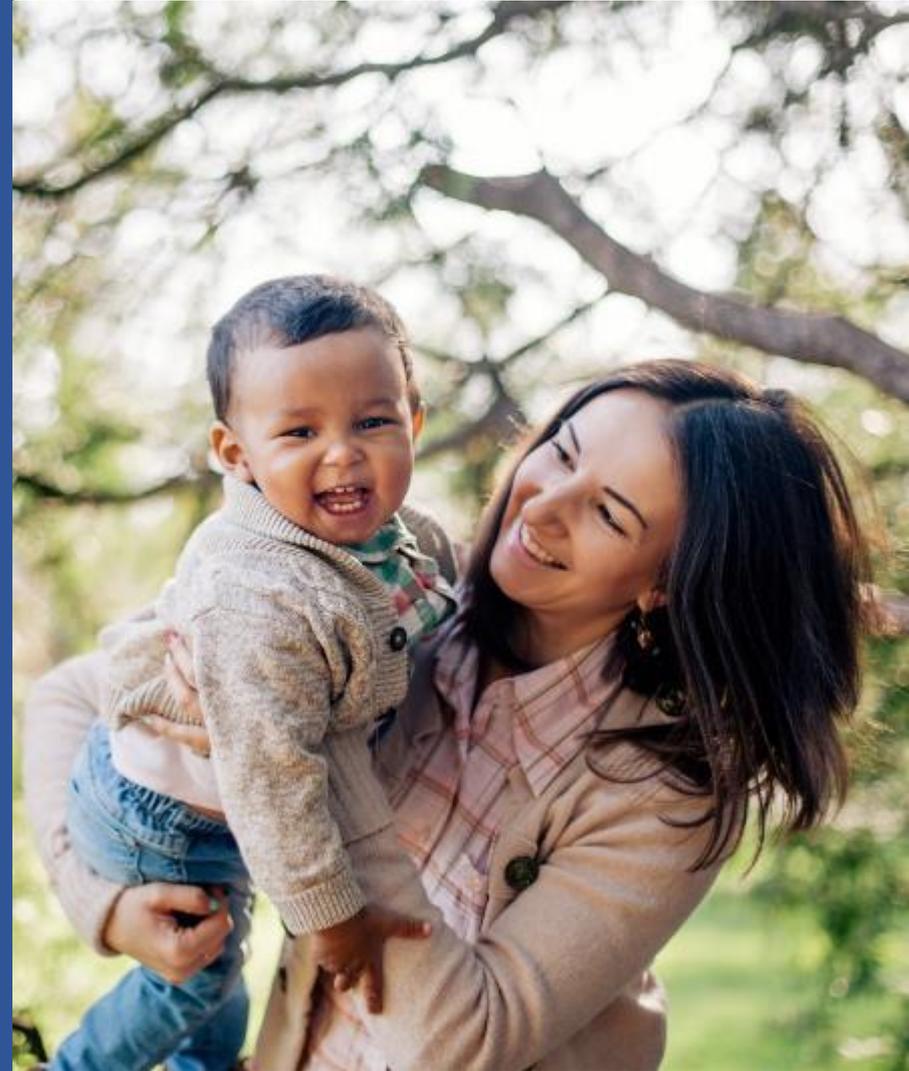
- ✓ Enhanced rate for accreditation
- ✓ Payment rates correlated with QRIS levels
- ✓ Enhanced rates to increase providers:
  - serving children with special needs, infant/toddlers, and other priority populations
  - offering non-traditional hours
- ✓ Enhanced rates to increased support to family child care networks

\*Data pulled from 2016-18 CCDF Plans

# Infant Toddler Early Language and Literacy Grants

Susan Adams

Georgia Department of Early Care and Learning  
Assistant Commissioner  
Pre-K & Instructional Supports



# Why Focus on Improving Language and Literacy in Infant/Toddler Classrooms?



# Early Language and Literacy Grants



- Classroom grants focused on professional development
- Onsite coaching by DECAL Infant Toddler Specialist
- Funds a Teacher Leader to build internal program capacity

# Data and Evaluation

- Data Collection:
  - CLASS observations
  - LENA recording reports
  - Interviews and Surveys
  - TA Plan and Visit Notes
- Evaluation:
  - Conducted in partnership with Governor's Office of Student Achievement and Child Trends
    - Reports
    - Case Studies



# Quality Rated Subsidy Grants

**Kristin Bernhard**

Georgia Department of Early Care and  
Learning  
Deputy Commissioner for System  
Reform  
[Kristin.Bernhard@dec.al.ga.gov](mailto:Kristin.Bernhard@dec.al.ga.gov)



Georgia has been piloting different forms of subsidy grants since 2015.



# Georgia's Current Subsidy Grant Model



- Annual grant for non-portable slots for children ages 0-4 from families who are subsidy-eligible.
- Child care programs must:
  - Have a 2 or 3 star Quality Rated star rating.
  - Have a licensed capacity of 50 or more.
  - Have a Georgia's Pre-K classroom.
  - Already search families who receive child care subsidy.
  - Are located in targeted counties.
  - Score well on a competitive grant application.
- Slot is fully funded from \$102-\$220/week depending on location.
- Leverages Pre-K online portal for roster reporting and payment.

# Data and Evaluation

- *Voices from the Field: Providers' Experiences with Implementing DECAL's Quality Rated Subsidy Grant Pilot Program*
  - May 2017 Evaluation by Child Trends of RTT-ELC Quality Rated Subsidy Grants
  - <http://dec.al.ga.gov/documents/attachments/VoicesFromtheField.pdf>
- Currently developing internal evaluation model for grants with DECAL's Research & Policy Team



# Considerations for Implementing a Subsidy Grant Model



- Child Care Program Administrative Capacity
- Training
- Monitoring
- Financial Sustainability
- Requiring additional quality standards

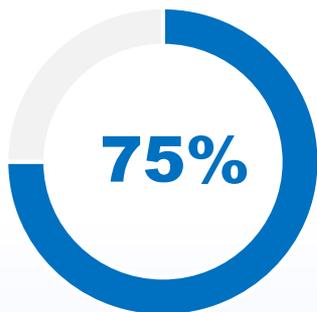
Questions?





# TIERED REIMBURSEMENT/ADD ON'S

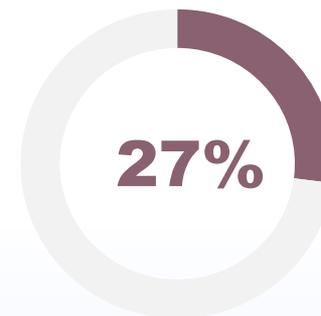
Higher Quality



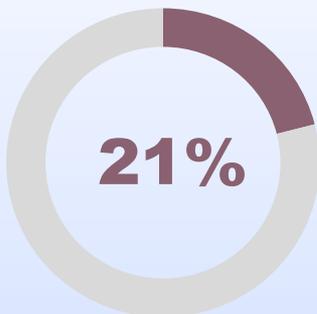
Special Needs



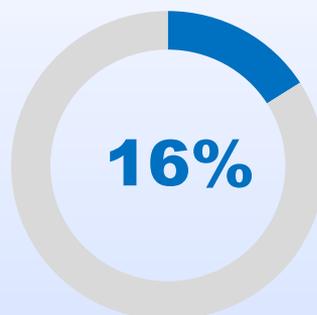
Non-traditional hours



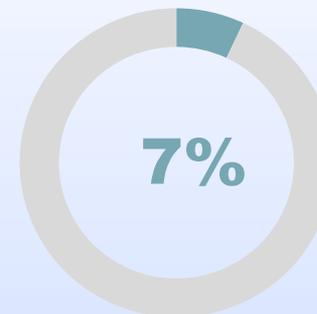
Infants/Toddlers



Other



Homeless Children



\*Data pulled from 2016-2018 CCDF Plans

# FINANCIAL INCENTIVES:



## PLACEHOLDER FOR POLL

What types of financial incentives does your state offer to build supply?



**Department for Community Based Services  
Utilizing Grants and Financial Incentives to  
Increase Supply and Improve Quality  
May 1, 2018**

# Funding Streams Utilized to Improve Quality

- CCDF
- State General Funds
- Tobacco Master Settlement Agreement Funding utilized to fund financial incentives through Kentucky's quality rating and improvement system.
- Race to the Top – Early Learning Challenge Grant Funds utilized for financial and non-monetary incentives to launch the new All STARS quality rating and improvement system.

# Quality Add-Ons

- Providers accredited by an approved accrediting body receive an additional two dollars per day above the maximum subsidy rate for each child.
- Providers who provide care during non-traditional hours receive an additional dollar per day above the maximum rate per child.
- Providers who care for a child with special needs receive an additional dollar per day above the maximum rate.

# Children Served with Quality Add Ons

- During the first quarter of calendar year 2018:
  - 3,557 children served by accredited providers
  - 4,873 children served during non-traditional hours
  - 227 children with special needs served
- Average total enrollment in the Child Care Assistance Program during the same quarter was 28,283 children

# Race to the Top – Kentucky All STARS



**467**

Screening tools distributed

**\$204,354 spent**



**1,663**

Providers supplied with  
classroom learning materials

**\$10,035,714 spent**

**Total invested in  
non-monetary incentives**

**\$13,086,400**



**471**

Providers supplied  
with curriculum and  
assessment tools

**\$1,940,350 spent**



**5,081**

Providers served through 461  
no-cost training sessions

**\$905,982 spent**

# Race to the Top Impact on Quality

- Of the 471 providers supplied with curriculum and assessment tools and no-cost professional development on how to implement, 74% are now at high quality (levels 3 – 5) in Kentucky All STARS
- 264 providers were level 3 or greater in Stars for Kids Now quality rating and improvement system
- 1,012 providers are level 3 or greater in All STARS

# All STARS Financial Incentives

- Initial Achievement Awards

Type I Child-Care Centers Initial Achievement Award	
KY All STARS Level	Amount
2	\$500
3	\$1,500
4	\$3,000
5	\$5,000

- Annual
- Subsidy Enrollment Awards

# Subsidy Enrollment Awards

## STARS for KIDS NOW

Licensed Type I Quality Incentive Award			
% of Subsidy Children Enrolled	Child Under 3 Years of Age		
	STARS Level		
	2	3	4
1-10%	\$8	\$12	\$15
11-25%	\$9	\$13	\$16
26-50%	\$10	\$14	\$17
51-75%	\$11	\$15	\$18
76%-	\$12	\$16	\$19
% of Subsidy Children Enrolled	Child Age 3 Years and Over		
	STARS Level		
	2	3	4
1-10%	\$7	\$11	\$14
11-25%	\$8	\$12	\$15
26-50%	\$9	\$13	\$16
51-75%	\$10	\$14	\$17
76%-	\$11	\$15	\$18
Licensed Type II & Certified Quality Incentive			
STARS Level	Child Under 3 Years of Age		Child Age 3 Years and Over
	Amount Per Subsidy Child Per Month		
	2	\$10	\$9
3	\$14	\$13	
4	\$17	\$16	

## Kentucky All STARS

Licensed Type I Subsidy Enrollment Award		
Kentucky All STARS Level	Child Under 3 Years of Age	Child Age 3 Years and Over
	Amount Per Subsidy Child Per Month	
3	\$25	\$23
4	\$35	\$33
5	\$45	\$43
Licensed Type II & Certified Subsidy Enrollment Award		
Kentucky All STARS Level	Child Under 3 Years of Age	Child Age 3 Years and Over
	Amount Per Subsidy Child Per Month	
3	\$20	\$18
4	\$30	\$28
5	\$40	\$38





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## Early Childhood Quality Assurance

# Questions, Answers, and Comments

## Audience Sharing Their Own Strategies

# Webinar Survey

How much was your understanding of State and Local Finance Strategies improved?

Not improved

A little improved

Moderately improved

Significantly improved

# Webinar Survey

**How likely is it you will use at least one of these strategies or practices?**

**Won't**

**Probably not**

**Will consider**

**Definitely**

**Already doing all of this**

**Not applicable to my work**

# Webinar Survey

**Please tell us what was useful – and how we could improve the webinar.**

# Thank You

Join us for Session V on June 4, 2018: Models to Build, Expand, and Sustain Quality Facilities and Services in High Need Communities 2:00–3:30 p.m. (EST)

Registration links can be found at: <https://www.qrisnetwork.org/lt/strategies-building-and-financing-supply-high-quality-early-learning-webinar-series/overview>

# Webinar Follow-Up

- ◆ If you have additional questions or are looking for resources, email:
  - Debi Mathias, [dmathias@buildinitiative.org](mailto:dmathias@buildinitiative.org); and
  - Zelda Boyd, [Zelda.boyd@icf.com](mailto:Zelda.boyd@icf.com).

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