

# State Highlight: How Pennsylvania State Leaders Used Data to Distribute CARES Act Funds Equitably During the COVID-19 Pandemic

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*This State Highlight describes Pennsylvania’s Early Childhood Integrated Data System (ECIDS) and how state leaders used its data to equitably distribute CARES Act funds among their early child care providers. In round one of the CARES Act funding, Pennsylvania state leaders used their ECIDS, along with other data sources, to develop a funding formula. After receiving provider feedback, they adjusted the formula for round two of the funds distribution by creating new categories of providers in the data. For round three, Pennsylvania state leaders integrated data from a study that accounted for additional costs that providers incurred to remain open during the COVID-19 pandemic.*

## What is an ECIDS?

Multiple stakeholders, including policymakers, agency and programs leaders, service providers, families, and researchers, demand answers about early childhood policy and resource decisions that require high-quality data (Coffey et al., 2017). However, creating a data system that adequately addresses all information needs can be a difficult task. Leaders in early childhood programs must consider multiple questions when developing a data system. How do we ensure data are high quality? How do we efficiently collect relevant data to answer questions? How many children do our multiple state programs serve? How can we use data to monitor if families are receiving all of the services for which they qualify?

A promising approach that can address questions that cannot be answered with any one program’s data system is the development of an Early Childhood Integrated Data System (ECIDS). State leaders use ECIDS to collect, integrate, maintain, store, and report data across multiple early childhood programs and agencies within a state. A state’s goal and mission should inform the design of an ECIDS. The advantages of investing in an ECIDS include the capacity to link data across multiple programs and governmental agencies, centralize data to assist administrators in program management, increase data quality, and facilitate communication across multiple program and agency administrators (Duarte et al., 2014).

In this brief, we summarize the advantages Pennsylvania state leaders gained by developing their ECIDS. We also describe how state administrators recently used their ECIDS to formulate how to equitably distribute CARES Act funds to child care providers during the COVID-19 pandemic.

## Pennsylvania's ECIDS

State leaders first launched Pennsylvania's Enterprise to Link Information for Children Across Networks (PELICAN) in 2003 and have improved and expanded it several times since then. PELICAN integrates data across programs in the Office of Child Development and Early Learning (OCDEL), which oversees programs funded by the Department of Human Services (DHS) and the Pennsylvania Department of Education (PDE). An important advantage of this structure is that it houses the data of multiple agencies into one database, simplifying the maintenance, linking, and analysis of those data.

### PDG B-5 Tip

When state leaders design their ECIDS, they should invite multiple groups of stakeholders to provide input on end users' challenges and how to address them. State leaders should also design ECIDS with flexibility to address new questions that arise and fix mistakes that occur.

The development and use of PELICAN has also improved data quality, which has translated into more efficient spending. For example, prior to PELICAN's implementation, OCDEL and DHS administrators routinely underspent the Child Care and Development Fund (CCDF) grant funds. Because each grantee locally housed their own data, department administrators had to compile monthly reports manually across grantees. With PELICAN, however, grantees can use the integrated data system to manage the child care subsidy program reducing the underspending of funds, increasing the quality of the data, and enhancing the consistency of program applications.

The use of PELICAN has also enhanced Pennsylvania state leaders' ability to respond to data requests and to report data to the public. With access to a data system that integrates information across multiple programs and agencies, administrators can respond to data requests from stakeholders without having to manually pull and align data from separate systems. Furthermore, state leaders have created publicly available data portals and interactive dashboards where users can answer their own questions about program eligibility, enrollment, and funding at [data.pa.gov](https://data.pa.gov) and [www.dhs.pa.gov/about/Pages/Early-Learning-Dashboards.aspx](https://www.dhs.pa.gov/about/Pages/Early-Learning-Dashboards.aspx).

## How Pennsylvania State Leaders Used PELICAN to Distribute CARES Act Funds During the COVID-19 Pandemic

Pennsylvania state leaders distributed CARES Act funds in three rounds and used PELICAN data to develop a unique methodology to distribute these funds as equitably as possible across providers.

The formula for round one consisted of three parts (1) a base amount; (2) a bonus to make up for lost copayments from families served by Child Care Works (CCW), Pennsylvania's subsidized child care program (explained below); and (3) a bonus to support providers in rural areas. This formula accounted for provider type, provider size, and provider location. Early in the pandemic, Pennsylvania state leaders realized that providers in less affluent areas, who served larger populations of families receiving CCW subsidies, would be more negatively impacted than providers in more affluent areas. Although the

providers would continue to receive subsidies from the state based on enrollment instead of attendance, they would lose copayments from families whose children stopped attending due to the pandemic. State administrators examined PELICAN data to determine how many children receiving CCW subsidies were enrolled at each provider and adjusted distributions to make up for the potential decrease in copayments. Pennsylvania state leaders also realized that in rural counties with fewer providers, families would suffer severe negative impacts if these providers were forced to close, so they developed a unique solution using data beyond PELICAN. They drew upon publicly available Census data to create a ratio of the number of children in need of care to the total license capacity within a county; a higher ratio indicated that a higher proportion of the county's families were at-risk of negative impacts if child care providers had to close. This creative solution of combining Census data with the state's own PELICAN data created a calculation that the state leaders used to provide additional bonuses to rural providers.

### **PDG B-5 Tip**

State leaders do not have to rely solely on their own administrative data system. Leaders from Pennsylvania's Office of Child Development and Early Learning drew upon data from the U.S. Census and Bureau of Labor Statistics Bureaus to supplement their internal data and maximize resources and integrated more sophisticated approach each round.

After round one funding, state leaders adjusted their distributions based on provider feedback. They simplified the formula by removing bonuses and increased the number of categories of providers from 5 to 10. The original five categories grouped child care centers (a specific provider type) together who served substantially different numbers of children. For example, the Child Care Center Category 1 grouped child care centers together whose licensed capacity ranged from 8 to 38 children, providing each in the group with the same base amount of funds. Providers gave feedback that they did not think it was equitable to give a child care center with a licensed capacity of 12, for example, the same level of grant funding as compared to a provider with 38. By increasing the number of provider categories, administrators grouped providers whose licensed capacity ranged from 8 to 26 children in one category and 27 to 38 children in another category. This change from 5 to 10 categories for child care centers facilitated distribution of base funding in round two that better aligned with the number of children actually served by provider type and license capacity.

To inform round three of funding, Pennsylvania state leaders needed information about how the COVID-19 pandemic impacted child care costs that was not available in the PELICAN data system. OCDEL and DHS administrators commissioned a study to determine providers' additional costs to remain open during the pandemic such as procuring personal protective equipment. They used data from this study's report to decide how to distribute round three CARES Act funds that explicitly accounted for the actual additional costs associated with the COVID-19 pandemic.

Pennsylvania is planning a fourth round of funding that will again build upon the data used in prior grants.

## Conclusion

Through their thoughtful use of data, Pennsylvania state leaders equitably distributed CARES Act funds to child care providers during the COVID-19 pandemic. Over three funding rounds, they used data to inform and update their funding formulas that resulted in improvements in funding allocations over time. Additionally, Pennsylvania state leaders were not only able to use their ECIDS data; but they identified new sources including publicly available census data, provider feedback, and a commissioned study that allowed them to respond quickly to evolving statewide needs.

## References

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