Monitoring and Supporting License-Exempt Child Care

Regional Webinar

Office of Child Care
Welcome!

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National Center on Child Care Quality Improvement
Poll Question: What are your biggest questions about regulating, monitoring, and supporting exempt care?
Outline

- National Landscape
- Regulating
- Supporting
- Determining Cost
- Building Support for Changes
License-exempt providers serving CCDF children (with the exception of relatives if exempted by the State) must meet CCDF health and safety requirements. (OCC, 2015)

Effective Date: November 19, 2016

(OCC, 2015)
States and Territories must have health and safety requirements in place for child care providers that serve children receiving CCDF assistance that cover the following topics:

<table>
<thead>
<tr>
<th>Topic</th>
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<tbody>
<tr>
<td>Prevention and control of infectious diseases (including immunization)</td>
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<td>SIDS and use of safe sleep practices</td>
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<tr>
<td>Administration of medication</td>
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<tr>
<td>Prevention of and response to food allergies</td>
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<tr>
<td>Building and physical premises safety</td>
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<tr>
<td>Prevention of shaken baby syndrome and abusive head trauma</td>
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<tr>
<td>Emergency preparedness and response planning</td>
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<td>Storage of hazardous materials and bio contaminants</td>
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<tr>
<td>Precautions in transporting children (if applicable)</td>
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<td>First-aid and CPR</td>
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<td>Nutrition and physical activity (optional)</td>
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</table>
For Licensed CCDF Providers – States must conduct one pre-licensure inspection for health, safety, and fire standards; and annual, unannounced inspections.

For License-Exempt CCDF Providers (except those serving relatives) – State must conduct annual inspections for compliance with health, safety, and fire standards. The law does not require that these monitoring visits be unannounced, but ACF recommends that States consider unannounced visits for license-exempt providers since experience shows they are effective in promoting compliance.

Effective Date: November 19, 2016
A State has the option of using **differential monitoring strategies**, provided that the monitoring visit is still representative of the full complement of licensing and CCDF health and safety standards.

Note that monitoring strategies that rely on sampling of providers or allow for a frequency of less than once per year for providers that meet certain criteria are not allowable. The law clearly states that each child care provider serving a child receiving CCDF assistance shall receive an inspection of not less than annually.
In addition to the new requirements to conduct monitoring visits, States and Territories are now required to have policies in place to ensure that Licensing inspectors are qualified and have received training in related health and safety requirements

Ratio of inspectors to providers must be sufficient to ensure visits occur in a timely manner

(OCC, 2015)
Exempt Care Population

Family Home Child Care

Center/School-Based Care

- Faith-based, schools, recreation

In-Home Care (child’s home)

- Consider IRS Guidance regarding employment taxes
# National Data

## Common Exemptions

<table>
<thead>
<tr>
<th>Exemption</th>
<th>Percent of States</th>
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<tbody>
<tr>
<td>Small number of children in care</td>
<td>51%</td>
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<tr>
<td>Recreation programs</td>
<td>32%</td>
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<tr>
<td>Program offers religious instruction</td>
<td>32%</td>
</tr>
<tr>
<td>Preschool program operated by a public school</td>
<td>34%</td>
</tr>
<tr>
<td>Program is a club (e.g., Boys and Girls Club)</td>
<td>21%</td>
</tr>
</tbody>
</table>
Number of unrelated children that can be cared for in family child care without a license

- **No children**: 11 States/Territories
- **1 child**: 5 States/Territories
- **2 children**: 9 States/Territories
- **3 children**: 11 States/Territories
- **4 children**: 7 States/Territories
- **5 children**: 5 States/Territories

(NCCCQI, 2015a)
Discussion Questions

Does your State/Territory exempt family child care from licensing?

Does your State/Territory exempt programs that are faith-based, school-based, recreational, or others?

Does your State/Territory exempt in-home care?
Regulating

Requirements  Inspections  Enforcement

Office of Child Care
National Center on Child Care Quality Improvement
Decision Points

Requirements

- Minimum requirements
- Modified licensing requirements
- Licensing requirements
Consider the implications of specific requirements.

- Will providers incur a cost in meeting the requirement?
- Will language, literacy, or lack of resources be a barrier in meeting the requirement?
- How can you support providers in meeting the requirement?
Decision Points

Inspections

Subsidy agency

Contractor

Licensing
Considerations for the Monitoring Agency

• Understands unique needs of providers
• Can create an infrastructure to support regulatory administration
• Has or can develop staff resources
• Has staff located across the State/Territory to reduce travel costs

Additional staff

• Cost, number, and qualifications of monitors is largely determined by which agency does the inspections
Agency Responsible for Inspections

Option
Subsidy Agency

Implications
- Simplifies communication with subsidy system
- Must build skills and knowledge about regulations, monitoring, and support for exempt providers

Outcomes
- A system built on existing CCDF infrastructure eases communication but requires building knowledge and skills within subsidy unit
Subsidy Agency

Arizona

- Non-relative providers serving up to four children must be certified
- At least two visits annually (one unannounced)
- Monitored by specialized staff in subsidy agency
- Licensing in separate agency
- DES-Certified homes may participate in QRIS
Contracted Agency

Option

Implications
- Overhead costs may be lower
- May capitalize on existing knowledge, skills, and relationships within communities
- Contract must include clear expectations
- Communication among several agencies must be considered

Outcome
A system capitalizing on existing resources, but which requires clear communication and contract language
Indiana

- Legally license-exempt providers (LLEPs) caring for fewer than six unrelated CCDF children are certified
- LLEPs receive at least annual inspections
- Indiana contracts with The Consultants Consortium (TCC) to certify LLEPs
Agency Responsible for Inspections

Option

Licensing staff

Implications

Requires clear communication with Subsidy agency

Capitalizes on existing monitoring and support system

Requirements can be less rigorous than licensing

Outcome

A system that takes advantage of existing resources, but which requires close communication with CCDF and other partners
Arkansas

- Home providers must be licensed to care for more than five children
- Licensing unit monitors license-exempt CCDF homes three times annually
## Agency Responsible for Inspections

<table>
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<th>Option</th>
<th>Implications</th>
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<tr>
<td>All CCDF Providers are Licensed</td>
<td>More rigorous regulations may result in longer visits and more violations</td>
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<td>Providers may opt out of the system but continue to care for children</td>
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<td>All providers are held to the same standard</td>
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<td>Capitalizes on existing monitoring and support system</td>
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| Outcome                     | Fewer family child care providers meeting higher level standards              |

**Implications**
- More rigorous regulations may result in longer visits and more violations
- Providers may opt out of the system but continue to care for children
- All providers are held to the same standard
- Capitalizes on existing monitoring and support system

*National Center on Child Care Quality Improvement*
All Home-Based CCDF Providers are Licensed

Ohio

- Family child care homes must be licensed if receiving CCDF funding or caring for more than 5 children
- Family child care homes serving 5 or fewer children are exempt from licensing if they do not receive CCDF
Progressive Enforcement

Terminal Sanctions
- Emergency closure
- Denial or revocation
- Petition for court intervention

Intermediate Sanctions
- Fines
- Reduce capacity or reduce admissions for cause
- Stipulated consent agreements

Preventative and Corrective Strategies
- Compliance monitoring
- Technical assistance, training, consulting
- Violation with corrective action plan

Adapted from NARA and the Muskie School of Public Service, University of Southern Maine (2007)
Appeals

Appeals Process

- Timeframe
- Location
- Staff involvement
- Access to legal staff
Communication

Child Welfare
- Response to allegations of abuse or substantiated abuse

Subsidy and CACFP
- Corrective actions

Families
- Complaints
- Subsidy termination
States’ Lessons Learned

- Loss of providers
- Providers not home
- Adjusting caseload in urban and rural regions
- Support to come into compliance
- Collaboration and alignment of programs and agencies
Preserving Access to Care

How can States and Territories work to maintain access to care as regulations and monitoring increase?

- Ask providers why they’re opting out
- Use geo-mapping to pinpoint areas where improved access is needed
- Use CCR&R to assist with identifying need and recruitment strategies
- Increase time spent providing TA
- Discourage the use of unregulated care
- Use contracts and grants
- Use progressive enforcement
Discussion
Supporting
Considerations

What are the characteristics of exempt providers?

What types of support will they need?

What types of knowledge and skills are useful in monitoring and supporting exempt providers?
State Examples

- Training and Resource Distribution
- Play and Learn
- Home Visiting
- Linking FFN and Publicly-Funded Programs
- Contracts and Grants
- Increased rates
Support Systems

Data collection

Monitoring tools

Initial and ongoing training for monitors

Orientation and training for providers
Discussion

Can you expand your current support system for licensed providers to include exempt providers?

If not, what other options are you considering?
Cost Drivers

- Caseload
- Compensation
- Number of Providers
- Support System

- Cost of Monitoring System
Caseload

Length of visits
- Rigor of requirements

Frequency of visits
- Response to complaints and follow-ups

Travel time

Additional responsibilities of inspectors
- Deskwork, hearings, accompanying staff on inspections
Number of Providers

Threshold for licensure
Access to licensed care
Who is monitored
Requirements and level of oversight
Turnover rate
Staff Compensation

- Monitors’ salaries, benefits, and overhead
- Supervisors’ salaries, benefits, and overhead
- Support staff
- Internal staff or contractors
Discussion

Have you analyzed what it might cost to monitor exempt providers?

Have you considered building efficiencies into your current system?
Building Support
Enlisting Advocates

- Unions
- FCC and Afterschool Networks
- Child Care Associations
- Business leaders
- Legislators
- Parents
- Subsidy staff
Strategies

- Bring legislators and business leaders into homes and facilities
- Partner with unions and family child care associations
- Bring outspoken providers into advisory groups
- Communicate early and often
- Use mailings, emails, social media, meetings, and webinars
What are some **talking points** to justify regulating and monitoring exempt care that would resonate in your state?
Discussion

What successful strategies have you used to build support for licensing changes?

Can you replicate these strategies for exempt providers?
References


Resources

Building Support for Licensing (2014), by NCCCQI
https://childcareta.acf.hhs.gov/resource/building-support-licensing

Revising State Licensing Requirements: Readiness for Change, (2013), by NCCCQI
https://childcareta.acf.hhs.gov/resource/revising-state-licensing-requirements-readiness-change

National Program Standards Crosswalk Tool (n.d.), by NCCCQI
https://occqrisqueguide.icfwebservices.com/index.cfm?do=crosswalk

Data Explorer
https://childcareta.acf.hhs.gov/data
Contemporary Issues in Licensing (2014), a series of eight issue reports by NCCCQI

https://childcareta.acf.hhs.gov/topics/health-and-safety-and-licensing

NARA’s Licensing Workload Assessment (Available upon request from NARA)

Resources (cont.)

_Stepping Stones to Caring for Our Children, 3rd Edition (2013),_ by the American Academy of Pediatrics, American Public Health Association, and the National Resource Center for Health and Safety in Child Care and Early Education


The National Resource Center for Health and Safety in Child Care and Early Education has the full text of all States’ child care licensing regulations on its Web site at
