

## Special and Vulnerable Populations

Thank you for joining the National Center on Subsidy Innovation and Accountability (NCSIA) Open Space Session on serving special and vulnerable populations. As a quick reference guide, we have compiled all mentions of special and vulnerable populations in the CCDF Final Rule below (emphasis added).

### Special and Vulnerable Populations in the Preamble

#### Grants or Contracts

Grants or contracts can play a role in building the supply and availability of child care, particularly high-quality care, in underserved areas and for **special populations** in order to expand parental choice.



“For example, Lead Agencies may use grants or contracts to incentivize providers to open in an area they might not otherwise consider, or to serve children for whom care is more costly. Grants and contracts are paid directly to the provider so long as slots are adequately filled, which is a more predictable funding source than vouchers or certificates. Stable funding offers providers incentive to pay the fixed costs associated with providing high-quality child care, such as adequate salaries to attract qualified staff, or to provide higher cost care, such as for infants and toddlers or children with special needs, or to locate in low-income or rural communities.”

#### Increasing the Supply of High-quality Care

“The final rule provides detail on the statutory requirement to increase spending on initiatives that improve the quality of care. The Act increases the share of CCDF funds directed towards quality improvement activities, authorizes a new set-aside for infant-toddler care, and drives investments towards increasing the supply of high-quality care for infants and toddlers, children with special needs, children experiencing homelessness, and other **vulnerable populations** including children in need of nontraditional hour care and children in poor communities. The Act requires States and Territories to submit an annual report on quality activities, including measures created by the Lead Agency to evaluate progress on quality improvement. This final rule requires Lead Agencies to report data on their progress on those measures. The Act also increases quality through more robust program standards, including training and professional development standards for caregivers, teachers, and

The Act drives investments towards increasing the supply of high-quality care, including the supply of care to **vulnerable populations**.



directors to help those working with children promote their social, emotional, physical, and cognitive development.”

## Flexibility to Waive Co-payments

“Lead Agencies have often requested more flexibility to waive co-payments beyond just those families at or below the poverty level and children in need of protective services. This change increases flexibility to determine waiver criteria that the Lead Agency believes would best serve subsidy families. For example, a Lead Agency could use this flexibility to target particularly **vulnerable populations**, such as homeless families, migrant workers, victims of human trafficking, or families receiving TANF. Lead Agencies may choose to waive co-payments for children in Head Start and Early Head Start, including children served by ACF-funded Early Head Start-Child Care Partnerships, which is an important alignment strategy. Head Start and Early Head Start are provided at no cost to eligible families, who cannot be required to pay any fees for Head Start services. Waiving CCDF fees for families served by both Head Start/Early Head Start and CCDF can support continuity for families. While we are allowing Lead Agencies to define criteria for waving co-payments, the criteria must be described and approved in the CCDF Plan. Lead Agencies may not use this revision as an authority to eliminate the co-payment requirement for all families receiving CCDF assistance. We continue to expect that Lead Agencies will have co-payment requirements for a substantial number of families receiving CCDF subsidies.”

States have increased flexibility to determine waiver criteria that the Lead Agency believes would best serve subsidy families and could direct subsidy to **vulnerable populations**.



“By adding the reference to 98.46, Lead Agencies must now include a description in their State Plans of how they are providing priority to children of families with very low family income (considering family size), children with special needs, which may include any **vulnerable populations** as defined by the Lead Agency, and children experiencing homelessness.”

“We emphasize that while children experiencing homelessness should be prioritized, it is not our intent to serve them in separate segregated programs. Some States do use grants and contracts in a targeted manner to ensure that there are slots available in areas with high concentrations of poverty and widespread instances of homelessness. This is a valuable strategy that can strengthen a State's ability to serve its most **vulnerable populations** and is a practice encouraged by § 98.50 of the final rule. Lead Agencies can use such a strategy to target resources while also remaining consistent with the spirit of McKinney Vento Act's “Prohibition on Segregating Homeless Students,” which says that States shall not segregate such child or youth in a separate school, or in a separate program within a school, based on such child's or youth's status as homeless (42 U.S.C. 11434a, Section 722(e)(3) Subtitle VII-B).”

“Although Tribes are exempt from this requirement [to prioritize increasing access to high-quality child care and development services for children and families in areas that have significant concentrations of poverty and unemployment and that do not have a sufficient number of such programs], we note that Tribes receiving large and medium allocations are subject to the requirements at § 98.46(a)(2) and (3). These Tribal Lead Agencies must give priority for services to children with special needs, which may include any **vulnerable populations** as defined by the Lead Agency and to children experiencing homelessness.”

“The Act and the final rule promote continuity of care in the CCDF program through family-friendly policies—they requires Lead Agencies to implement minimum 12-month eligibility and redetermination periods, ensure that parents who lose their jobs do not immediately lose their subsidy, minimize requirements for families to report changes in circumstances, and provide more flexibility to serve **vulnerable populations**, such as children experiencing homelessness, without regard to income or work requirements.”

## Special and Underserved Populations in the CCDF Regulations

### Sec. 98.16 Plan provisions

“A CCDF Plan shall contain the following:

(x) A description of the Lead Agency’s strategies (which may include alternative payment rates to child care providers, the provision of direct grants or contracts, offering child care certificates, or other means) to increase the supply and improve the quality of child care services for children in **underserved areas, infants and toddlers, children with disabilities as defined by the Lead Agency, and children who receive care during nontraditional hours**, including whether the Lead Agency plans to use grants and contracts in building supply and how supply-building mechanisms will address the needs identified. The description must identify shortages in the supply of high-quality child care providers, list the data sources used to identify shortages, and describe the method of tracking progress to support equal access and parental choice. If the Lead Agency chooses to employ grants and contracts to meet the purposes of this section, the Lead Agency must provide CCDF families the option to choose a certificate for the purposes of acquiring care...”

### Sec. 98.20 A child's eligibility for child care services

“(a) To be eligible for services under § 98.50, a child shall, at the time of eligibility determination or re-determination:

- (1) (i) Be under 13 years of age; or,  
(ii) At the option of the Lead Agency, be under age 19 and physically or mentally incapable of caring for himself or herself, or under court supervision;
- (2) (i) Reside with a family whose income does not exceed 85 percent of the State's median income (SMI), which must be based on the most recent SMI data that is published by the Bureau of the Census, for a family of the same size; and  
(ii) Whose family assets do not exceed \$1,000,000 (as certified by such family member), and
- (3) (i) Reside with a parent or parents who are working or attending a job training or educational program; or  
(ii) Receive, or need to receive, protective services, which may include specific populations of **vulnerable children** as identified by the Lead Agency, and reside with a parent or parents other than the parent(s) described in paragraph (a)(3)(i) of this section.

(A) At grantee option, the requirements in paragraph (a)(2) of this section may be waived for families eligible for child care pursuant to this paragraph, if determined to be necessary on a case-by-case basis.

(B) At grantee option, the waiver provisions in paragraph (a)(3)(ii)(A) of this section apply to children in foster care when defined in the Plan, pursuant to § 98.16(g)(7).”

### Sec. 98.46 Priority for child care services

“(a) Lead Agencies shall give priority for services provided under § 98.50(a) to:

- (1) Children of families with very low family income (considering family size);
- (2) Children with special needs, which may include any **vulnerable populations** as defined by the Lead Agency; and
- (3) Children experiencing homelessness.

(b) Lead Agencies shall prioritize increasing access to high-quality child care and development services for children of families in areas that have significant concentrations of poverty and unemployment and that do not have a sufficient number of such programs.”