



**Session 202: Maximizing CCDF Impact for Infants and Toddlers  
Changes in CCDBG Policies and Funding:  
An Opportunity for Infants and Toddlers and  
Those Who Care for Them**

July 16, 2018

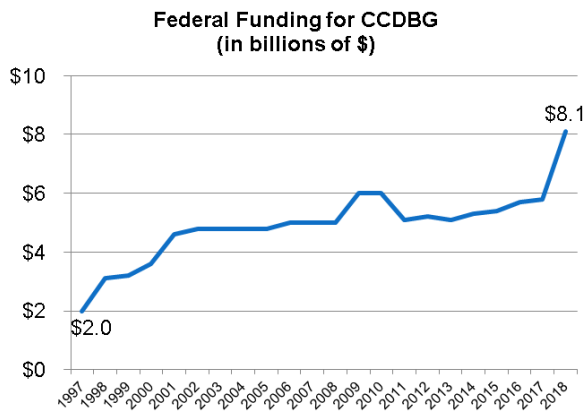
Katie Hamm, Center for American Progress (CAP)

Christine Johnson Staub, Center for Law and Social Policy (CLASP)

**The Timeline**

- CCDBG Reauthorization Law - 2014
  - Created new expectations and requirements around continuity, quality, and underserved populations
  - Created set-aside to target dollars to increase the availability of high quality infant and toddler care
- Final Rule - 2016
  - Clarified and strengthened requirements
  - Set out a timeframe for implementation
- Funding Increase passed by Congress - 2018
  - All states received significant increase in funds
  - Congressional language around new CCDBG funds includes: implementing reauthorization provisions, expanding access, meeting the need for nontraditional hour care.

## The Largest One-Year Increase for CCDBG in History

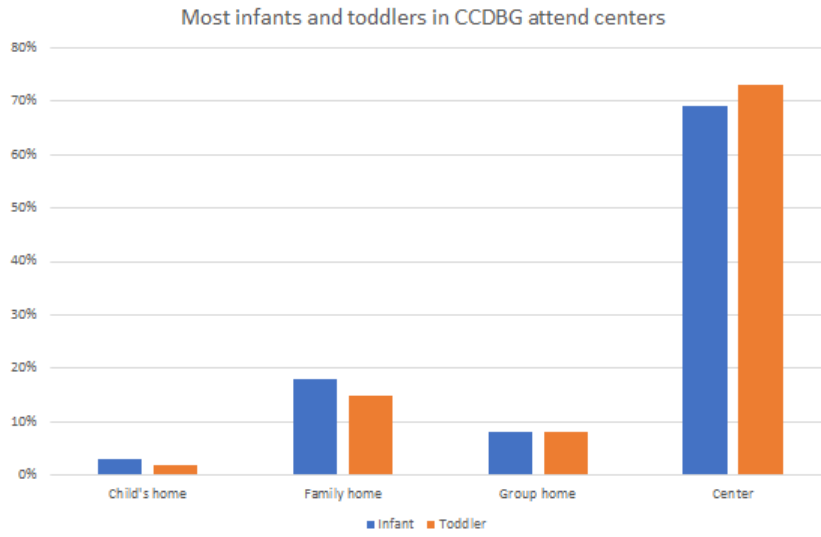


### Reorienting ourselves to the experience of infants, toddlers and their families

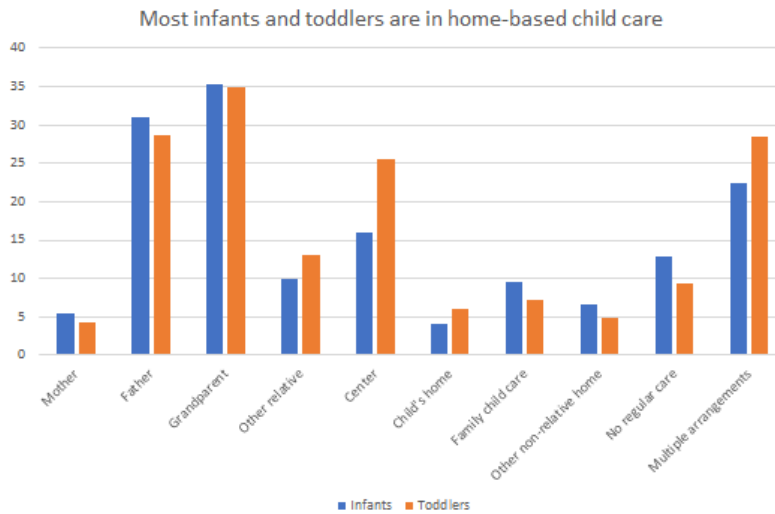
- Babies and toddlers are the poorest age cohort in the U.S.: 23% are poor; 45% are low-income.
- About half are eligible for programs like Medicaid and WIC when they are born.
- Most live in families with working adults; they just earn low incomes.
- Young children are diverse—half are children of color and half are non-Hispanic white.

### Infants and Toddlers in Child Care

- Many different arrangements, but most are in home-based child care.
- About 1 in 4 infants are in multiple arrangements.
- 16% of infants and 26% of toddlers are in centers. Cost is \$10-11k.



Source: ACF FY 2016 Data Table 13, available at <https://www.acf.hhs.gov/occ/resource/fy-2016-final-data-table-13>

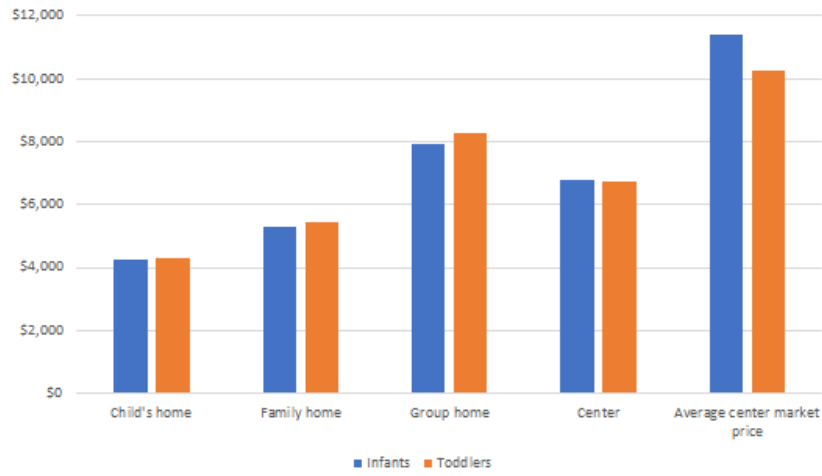


Source: U.S. Census Bureau, Who's Minding the Kids? Spring 2011

### Infants and Toddlers in the Child Care Subsidy System

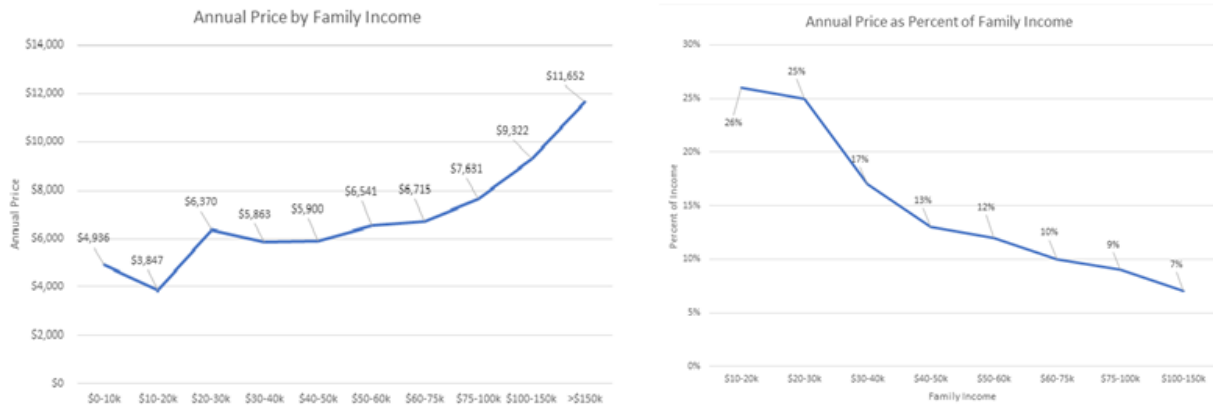
- 28% of children who receive child care subsidies are under age 3
- Most are in child care centers and in child care full-time
- Average subsidy level is \$6,500 per year

Annual subsidy payment for infants and toddlers in CCDBG lag behind market prices



Source: ACF FY 2016 Data Table 15 <https://www.acf.hhs.gov/occ/resource/fy-2016-preliminary-data-table-15>

Low-income families pay a higher share of income to child care costs even though absolute costs are lower



Source: Brookings Institution, What is the market price of daycare and preschool? <https://www.brookings.edu/research/what-is-the-market-price-of-daycare-and-preschool/>

## **The Policy Opportunities to Support Infants and Toddlers in Your Child Care Assistance Program**

### *Infant-Toddler Set-Aside*

In addition to the quality set-aside funds, 3 percent of CCDBG funds must be reserved for quality improvement activities related to care for all infants and toddlers. Activities to improve the supply and quality of infant-toddler care may include:

- Establishing or expanding high-quality community- or neighborhood-based family and child development centers and/or neighborhood-based family child care networks to support the provision of high-quality care
- Training and professional development for infant-toddler caregivers
- Coaching and technical assistance from statewide networks of qualified infant-toddler specialists
- Coordination with early intervention specialists
- Developing infant-toddler components within the state's quality rating system, licensing regulations, or early learning and development guidelines
- Consumer education on high-quality infant-toddler care
- Other activities that will improve the quality of infant-toddler care.

### *Rates and Contracts*

- Direct contracts for high-quality infant-toddler care can increase the supply of high-quality center- and home-based care for infants.
- Rate differentials for infant-toddler providers are also critical as current rates do not adequately cover the incremental costs for the provision of care that meets the needs of vulnerable young children. For example, the average cost of infant-toddler care is almost double the average subsidy payment in CCDBG.
- Quality funds may be used for direct services, in particular when they are tied to quality improvement efforts such as contracting directly with providers to build the supply of high-quality infant-toddler care.

### *Nontraditional hours*

- The child care law confirms that providers can be paid different rates if they provide child care during non-traditional hours.
- The law says that providers should be paid for days when the child has an unexpected absence.
- Consumer education on availability of child care during non-traditional hours through child care resource and referral.

### *Priority populations*

- State plans must show how states will increase the supply of quality child care for certain populations, including infants and toddlers, with strategies such as alternative reimbursement rates, contracts and grants, and vouchers. This provision also impacts children who need care during non-traditional hours, children with disabilities, and children in underserved areas.