

Child Care & Development Fund

Presentation to the Economic Affairs Interim Committee

January 17, 2024



DEPARTMENT OF
**PUBLIC HEALTH &
HUMAN SERVICES**

Best Beginnings Child Care Scholarship

Best Beginnings Scholarship Program

- Available to families who:
 - Are working or going to school,
 - Make 185% FPL or less, and
 - Need child care.
- Families choose their provider.
- Authorized for a full year.
- Each family participates in the cost of care through a copayment.
- Co-payments on sliding fee scale are affordable.
- Graduated eligibility for families over 185% at redetermination.



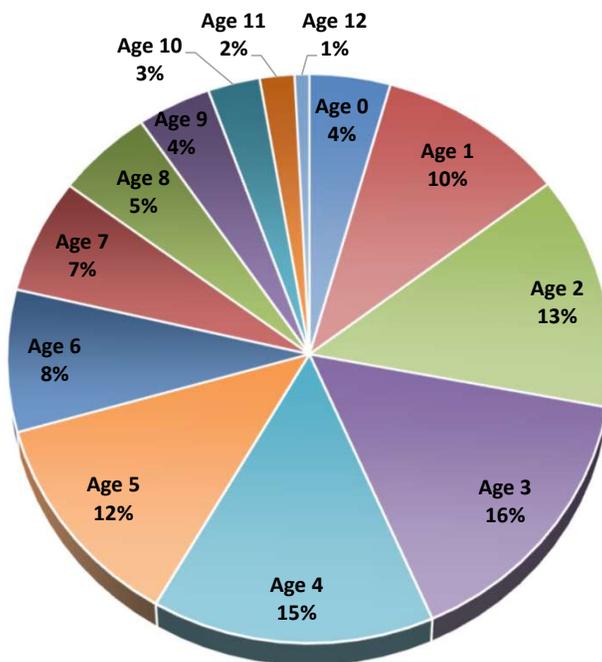
Sliding Fee Scale

| Standard Eligibility | | | | | | | | | |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|
| FAMILY SIZE > | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Entry Level Income | \$778 | \$980 | \$1,179 | \$1,379 | \$1,581 | \$1,781 | \$1,981 | \$2,180 | \$2,382 |
| .5% Co-Pay | \$10 | \$10 | \$10 | \$10 | \$10 | \$10 | \$10 | \$11 | \$12 |
| 90% FPG GMI | \$1,479 | \$1,865 | \$2,250 | \$2,636 | \$3,021 | \$3,407 | \$3,792 | \$4,178 | \$4,563 |
| .5% Co-Pay | \$10 | \$10 | \$11 | \$13 | \$15 | \$17 | \$19 | \$21 | \$23 |
| 95% FPG GMI | \$1,561 | \$1,968 | \$2,375 | \$2,782 | \$3,189 | \$3,596 | \$4,003 | \$4,410 | \$4,817 |
| .5% Co-Pay | \$10 | \$10 | \$12 | \$14 | \$16 | \$18 | \$20 | \$22 | \$24 |
| 100% FPG GMI | \$1,643 | \$2,072 | \$2,500 | \$2,928 | \$3,357 | \$3,785 | \$4,213 | \$4,642 | \$5,070 |
| .5% Co-Pay | \$10 | \$10 | \$13 | \$15 | \$17 | \$19 | \$21 | \$23 | \$25 |
| 105% FPG GMI | \$1,726 | \$2,175 | \$2,625 | \$3,075 | \$3,525 | \$3,974 | \$4,424 | \$4,874 | \$5,324 |
| 175% FPG GMI | \$2,876 | \$3,625 | \$4,375 | \$5,125 | \$5,874 | \$6,624 | \$7,373 | \$8,123 | \$8,873 |
| 8.0% Co-pay | \$230 | \$290 | \$350 | \$410 | \$470 | \$530 | \$590 | \$650 | \$710 |
| 180% FPG GMI | \$2,958 | \$3,729 | \$4,500 | \$5,271 | \$6,042 | \$6,813 | \$7,584 | \$8,355 | \$9,126 |
| 8.5% Co-pay | \$251 | \$317 | \$383 | \$448 | \$514 | \$579 | \$645 | \$710 | \$776 |
| 185% FPG GMI | \$3,040 | \$3,833 | \$4,625 | \$5,417 | \$6,210 | \$7,002 | \$7,795 | \$8,587 | MAX ENTRY |
| 9.0% Co-pay | \$274 | \$345 | \$416 | \$488 | \$559 | \$630 | \$702 | \$773 | |
| Graduated Eligibility | | | | | | | | | |
| FAMILY SIZE > | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 190% FPG GMI 9.0% Co-pay | \$3,122 \$281 | \$3,936 \$354 | \$4,750 \$428 | \$5,564 \$501 | \$6,378 \$574 | \$7,192 \$647 | \$8,005 \$720 | \$8,819 \$794 | Over 85% SMI |
| 195% FPG GMI 9.0% Co-pay | \$3,205 \$288 | \$4,040 \$364 | \$4,875 \$439 | \$5,710 \$514 | \$6,546 \$589 | \$7,381 \$664 | \$8,216 \$739 | | |
| 200% FPG GMI | \$3,287 | \$4,143 | \$5,000 | \$5,857 | \$6,713 | \$7,570 | \$8,427 | EXIT | |



BBS Participation SFY2023

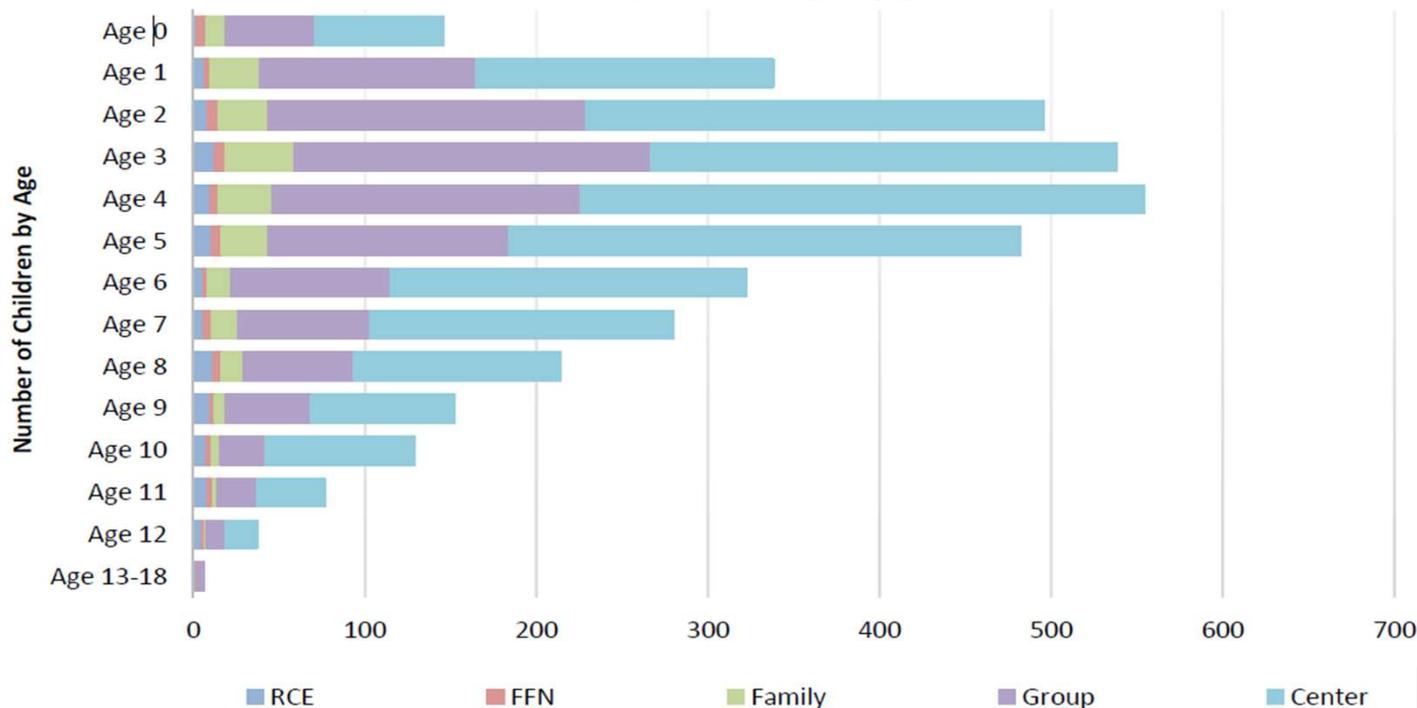
Ages of Children in Child Care



- 4,669 Families
- 6,677 Children
- 70% of children in BBS are between 0-6 years old.

BBS Child Care Provider Participation

**Age Distribution of Children in Care
by Facility Type**



- \$33,922,173 to providers in SFY23
- 465,582 average hours of care per month
- 623 average BBS payments per month

Market Rate Survey

Market Rate Survey

- The Market Rate Survey is an analysis of price information obtained from child care providers.
- Data collection and analysis are valid and reliable. Conducted by Montana State University.
- Used to set Best Beginnings Scholarship reimbursement rates.
- Federal CCDF rule requires triennial survey.

MRS – How Are Rates Calculated?

Rates are calculated based on:

- Geographic Location
- Facility Type
 - Center
 - Group
 - Family
- Ages of Children
 - Infant (less than 1 year)
 - Toddler (2 to 3 years)
 - Preschool (3 to 5)
 - School (6 years +)
- Hours of Care
 - Daily rate

MRS – Reimbursement Rates

- Equal Access – 75th percentile.
- Timely and reliable payments to providers.
- Subsidy cannot pay more for services charged to the general public for the same services.
- Incentives for non-traditional hours, quality level, and caring for children with special needs.

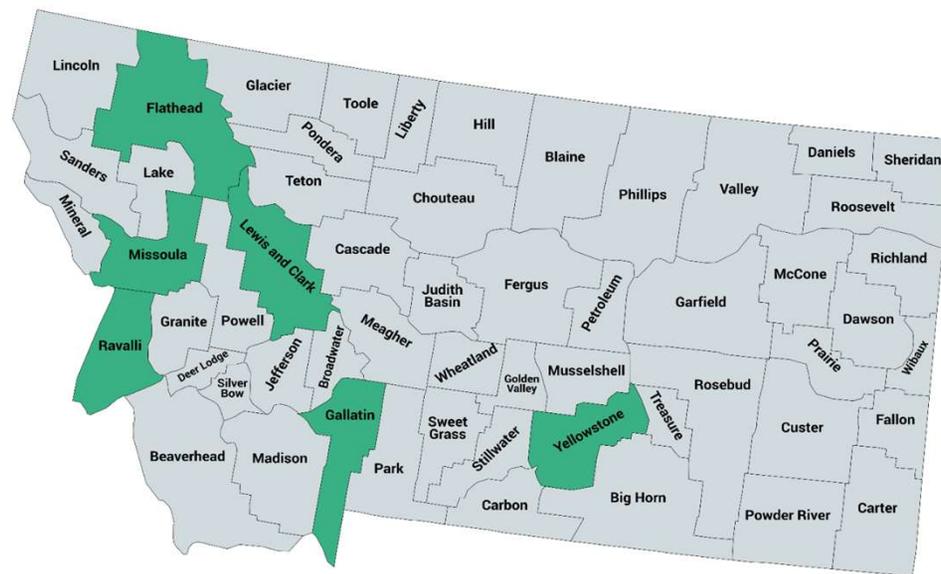
Proposed Rates from the 2023 MRS

| | | |
|----------------------------------|----------------|------|
| Current BBS Rates | Center | |
| | Infant/Toddler | \$45 |
| | Preschool | \$40 |
| | School Age | \$40 |
| | Group | |
| | Infant/Toddler | \$35 |
| | Preschool | \$35 |
| | School Age | \$33 |
| | Family | |
| Infant/Toddler | \$35 | |
| Preschool | \$35 | |
| School Age | \$30 | |

| | | |
|--|----------------|------|
| 2024 Proposed BBS Rates | Center | |
| | Infant/Toddler | \$58 |
| | Preschool | \$55 |
| | School Age | \$50 |
| | Group | |
| | Infant/Toddler | \$48 |
| | Preschool | \$45 |
| | School Age | \$45 |
| | Family | |
| Infant/Toddler | \$45 | |
| Preschool | \$40 | |
| School Age | \$40 | |

High Growth Counties

- Flathead
- Gallatin
- Lewis and Clark
- Missoula
- Ravalli
- Yellowstone



Child Care Licensing Project

Project Scope

- Assessed child care licensing strengths and gaps.
- Analyzed, and recommended opportunities to clarify, streamline, align, or otherwise improve statutes and regulations.
- Conducted value stream and business process mapping and develop re-engineering recommendations.
- Looked at data systems and how they could better support business process improvements.
- Developed policies and procedures.



Data & Resources

- Child Care Capacity and Best Beginnings Authorizations: <https://dphhs.mt.gov/InteractiveDashboards/ChildCareCapacityandSubsidyAuthorizations>
- Montana Child Care & Development Fund Information: <https://dphhs.mt.gov/ecfsd/childcare/childcareanddevelopmentfund>
- Child Care Managerial Reports: <https://dphhs.mt.gov/StatisticalInformation/childcare>
- Montana CCDF State Plan: https://dphhs.mt.gov/assets/ecfsd/childcare/Montana_stplan_pdf_2022.pdf
- Child Care Market Rate Survey: <https://dphhs.mt.gov/assets/ecfsd/childcare/documentsandresources/ChildCareExecutiveSummary2021.pdf>
- ARPA Child Care Information: childcare.mt.gov
- Child Care Licensing Project: <https://dphhs.mt.gov/ecfsd/ChildCare/childcarelicensingproject>

Questions?

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