KEY ISSUES FOR REFORM IN THE MISSISSIPPI CHILD CARE CERTIFICATE PROGRAM

Raise rate of reimbursement.

Providers have not had a raise in the rate of reimbursement since 1999, and their costs continue to rise. The last state plan indicates that the reimbursement rate for providers constitutes 58% of the state average cost for child care. It is next to impossible for a child care center catering to low income parents to make ends meet without an increase in the rate paid.

Eliminate child support requirement.

Since parents applying for CCDF funds were required to apply for child support in 2004, the waiting list decreased from thousands to hundreds. The economic need for these parents has not decreased; obviously there is an underlying reason these single mothers are reluctant to apply for child support through the Department of Human Services. No one is opposed to the need for personal responsibility; fathers should contribute to the economic well-being of their children. However, we heard many stories of instances where fathers who were supporting their children voluntarily lost their jobs when child support payments were taken out of their paychecks. There are also instances where the father is unknown or his whereabouts are unknown. Finally, while there is an exception to the requirement in cases of abuse, this exception is not adequately publicized, and many women shy away from CCDF assistance because they are fearful of the child support requirement.

There is no child support requirement before children can qualify for Head Start or public kindergarten. Both of these government-funded programs are analogous to child care assistance under CCDF. Placing an extra burdensome requirement on single mothers to apply for child support before CCDF funds are available to them is discriminatory, as it treats CCDF parents different from Head Start and public school parents.

Eliminate six-month redetermination requirement.

National studies have indicated that very few parents become ineligible in a six-month time period, and the major reason for losing certificates at that time is administrative error rather than lack of eligibility. Under the policy manual and contract signed by the parent, every parent is required to notify her DA when her job situation changes; therefore, the requirement that she submit pay stubs every April is arbitrary and unnecessary. It would save tremendous resources if this intermediate step were removed from the CCDF process, and it would eliminate many headaches for providers.

The following inconsistencies were identified in implementation of the Policy Manual from Designated Agent to Designated Agent:

- <u>Termination When Unemployed</u>
  - The Policy Manual clearly provides that a parent may keep her certificate for 30 days while seeking a new job.
  - This policy is being applied inconsistently between districts and within districts. It appears that CMPDD, ECMPDD, and NEMPDD generally give parents 30 days to find work before terminating their certificates. The responses in the other districts varied from immediate termination to 10 days to 2 weeks to 30 days or longer.
  - *The variety of responses is inappropriate. This is an objective policy that should be enforced uniformly throughout the state. Parents have 10 days to notify the DA of a loss of job and 30 days to find a new one before losing their certificates. Under no circumstances should a parent be terminated immediately upon losing her job.*

- <u>Documentation Required at Redetermination</u>
  - ECMPDD and NCMPDD stated that only pay stubs or proof of school attendance is required at redetermination. In every other district, at least some respondents stated that entire new applications are required, including birth certificates and social security cards.
  - *The policy clearly states that only proof of work/school is required at the 6-month redetermination. There should be no instances where parents are required to submit*

entire new applications, including copies of birth certificates and SS cards already on file.

- Assistance With Applications
  - Most providers responded that they provide assistance to their parents who need help with their child care certificate applications. Most designated agents encouraged assistance, but NEMPDD, SDPDD, and SMPDD forbade providers from offering assistance.
  - *Nothing in the policy manual forbids provider assistance with applications. Parents must sign their own applications, but it makes sense for providers to make sure the packets are complete and that parents have filled everything out completely and accurately. If providers are willing to offer this assistance, it should be encouraged. In any event, the DA should be more patient with parents who don't understand.*
  - *Several providers commented that their parents had trouble understanding what was required of them. Better communication between DA's and parents would help, but encouraging providers to assist with applications would also help resolve this problem.*

- Waiting List
  - The amount of time spent on the waiting list varies greatly from district to district.
  - *It would be helpful to monitor each district separately for the time spent on the waiting list and distribute funds among the districts to maximize the distribution of certificates to those that need them, minimizing the time spent on the waiting list.*

- Communication
  - Respondents from CMPDD, SDPDD, and SMPDD complained of rudeness when talking to the Designated Agent.
  - *There appears to be a general need for the Designated Agent to provide clearer information to parents.*

Other issues identified in the survey results:

- Lost Documentation
  - *Although the Designated Agents claim that no documents get lost, there are too many complaints from*

parents and providers about "lost applications" to ignore this problem. It seems like a uniform system of stamping documents as they come in and keeping a log of documents would be in order. Some DA's have apparently instituted this method; it would be interesting to track it and see if the number of complaints diminishes.

- *One cause of lost documentation is the practice of most Designated Agents in returning the entire packet to the parents when something is missing. The better approach would be to keep the application on file and ask for supplemental documents as needed.*

- <u>Improper Influence</u>
  - Except for NCMPDD, at least one respondent in each district noted that the Designate Agent steered parents toward or away from particular providers.
  - *Obviously, this should not be happening at all. One of the few criteria in the federal regulations is that parents must be allowed to choose their child care.*

- <u>Special Funds</u>
  - Providers uniformly expressed the desire for available funds for professional development and for the purchase of materials and equipment. In addition, there were requests for help in offering benefits to staff and for help with salaries, particularly for workers with early childhood degrees.
  - *Although not required by the Policy Manual, these funds would be greatly beneficial and would aid immensely in attaining higher levels in the qualify rating step system.*

- <u>Holidays</u>
  - *There seems to be a big concern about holidays. The first concern is that providers would like to choose the 11 holidays they're reimbursed for based on their parents' schedules rather than official state holidays. The second concern is that they would like to have a week or two of paid vacation time during the year. There were also requests for staff development days to be built into the year.*

- <u>Slot-based Contracts</u>

- *Virtually all respondents would apply for slot-based contracts. If the whole system were revamped to operate under slot-based contracts instead of certificates, providers would be held responsible for more paperwork, but they would have the ability to budget more accurately, knowing exactly how much they would receive in subsidy funds throughout the year.*
- *Alternatively, if the number of slot-based contracts continues to be limited to a few, they should be available through an application or bidding process so that all interested providers can apply for them.*

- Rollover Date
  - Rollover should be from date of issue instead of October 1 for everyone. This would eliminate the disproportionate workload on the Designated Agents in the fall, allowing the paperwork to be spread throughout the year. It would also allow the rollover process to be faster; as it is done now, rollover takes months, and providers find out after having provided care for children for weeks or months that they will not be reimbursed because parents are no longer eligible.

- Fulltime Students' Priority
  - Fulltime students shouldn't have to work to get priority for certificates. (Nursing clinical hours should count as work hours). Getting a better education is the best way a parent can improve her earning potential. If we assist women with their child care needs while they are in school, we will not have to assist them in the future.

- TANF transition
  - About 2/3 of the respondents said parents do not automatically get a CCDF certificate when they stop getting TANF child care.
  - *This should be a seamless transition. Could there be better communication between CCDF and TANF workers?*