

BPRO TRAINING

CHILD CARE SUBSIDY



VIRGINIA DEPARTMENT OF
SOCIAL SERVICES

AGENDA AND OVERVIEW

This session will provide an overview of advances and changes that have taken place for the Child Care Subsidy Program over the past year and take a glance at what to expect in the upcoming year.

- Child Care Subsidy Program (CCSP) Overview
 - Program data
 - Wait Lists
 - Opportunities for continuous improvement
- Discussion and Questions

WELCOME! – “ROLE CALL”

Room Poll- How do you define your current role?

- Benefit Program Specialist/Supervisor
- Family Service Specialist/Supervisor
- Self-Sufficiency Specialist/Supervisor
- Senior Worker
- Benefit/Family Service/Self-Sufficiency Program Managers
- LDSS Director

WELCOME! - “FIST TO FIVE”

Room Poll- On a scale of 0-5, how would you rate your knowledge of the following concepts?

- a) The Child Care Subsidy Program (CCSP), in general
- b) Recent CCSP policy changes
- c) The vendor management process
- d) Vendor payments
- e) The vendor portal
- f) Manual attendance

OVERVIEW OF KEY PUBLIC PROGRAMS IN FY24

Program	Target population	Setting	Service levels	Cost to family?	Children served in FY24*
Virginia Preschool Initiative	3- and 4-year-olds with low household incomes (<=250% FPG) or other identified risk factor	Primarily public schools; some licensed child care	School-day, school-year	None	23,034 (90% are four-year-olds)
Mixed Delivery Program	Infants, toddlers, and preschoolers with low household incomes (<=250% FPG) or other identified risk factor	Licensed child care centers and family day homes	Full-day, full-year	None	2,570 (79% are preschoolers)
Child Care Subsidy Program	Children ages 6 months-12 years with: <ul style="list-style-type: none"> Household income up to 85% of state median income Parents that are working, in school, or looking for work 	Licensed and regulated child care centers and family day homes	Up to full-day, full-year, based on parent schedule	Yes, ranges from \$0-180 per child per month based on family income	41,779 (59% are under age 5)
Head Start/Early Head Start	Infants and toddlers (EHS) and preschoolers (HS) with income up to 130% FPG	Schools, licensed child care centers, and licensed family day homes	Typically school-day, school-year, but varies by recipient agency	None	13,766 (80% are 3- and 4-year-olds)

*Enrollment data as of January 2024

Section 1:

CCSP Data Trends



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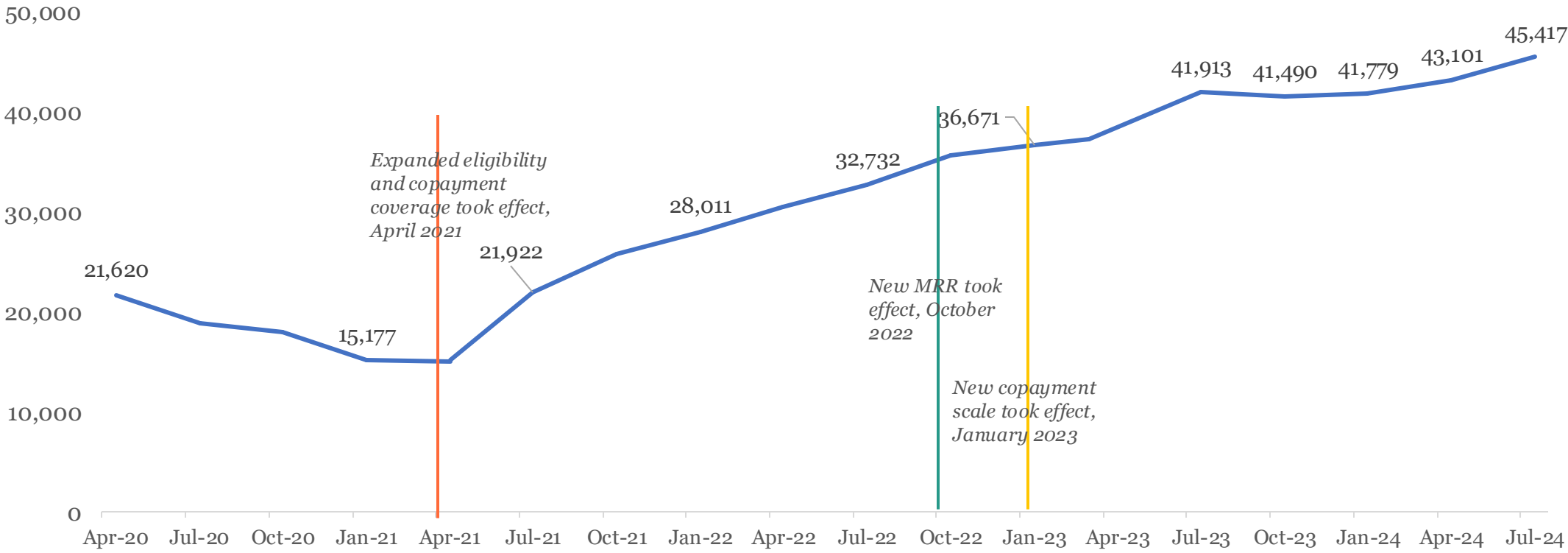
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Recent Data in the Child Care Subsidy Program: Overview and Impact

HISTORIC GROWTH IN ENROLLMENT

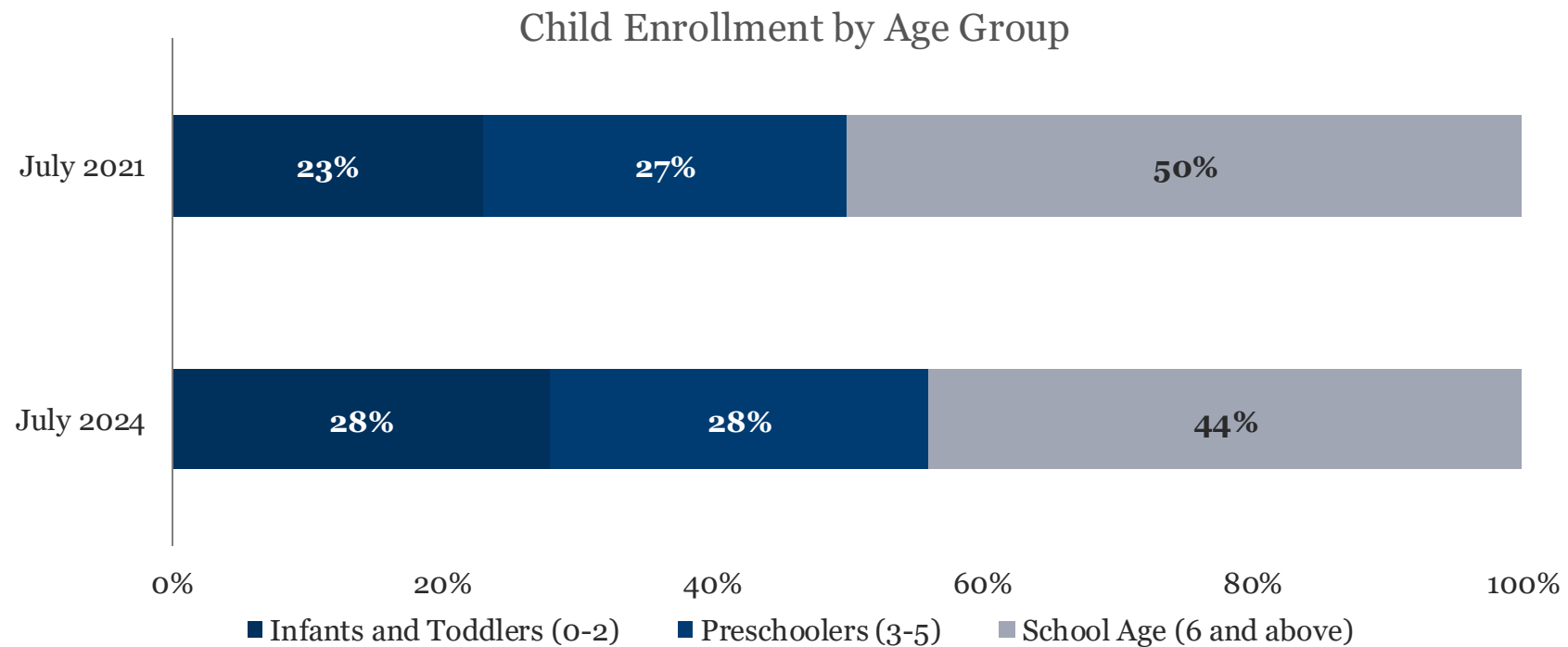
Policy changes have facilitated significant growth in the Child Care Subsidy Program. As of July 2024, over 45,000 children are enrolled.

Children Enrolled in the CCSP, 2020-2024



SHIFTS IN AGES OF CHILDREN ENROLLED IN THE CCSP SINCE JULY 2021

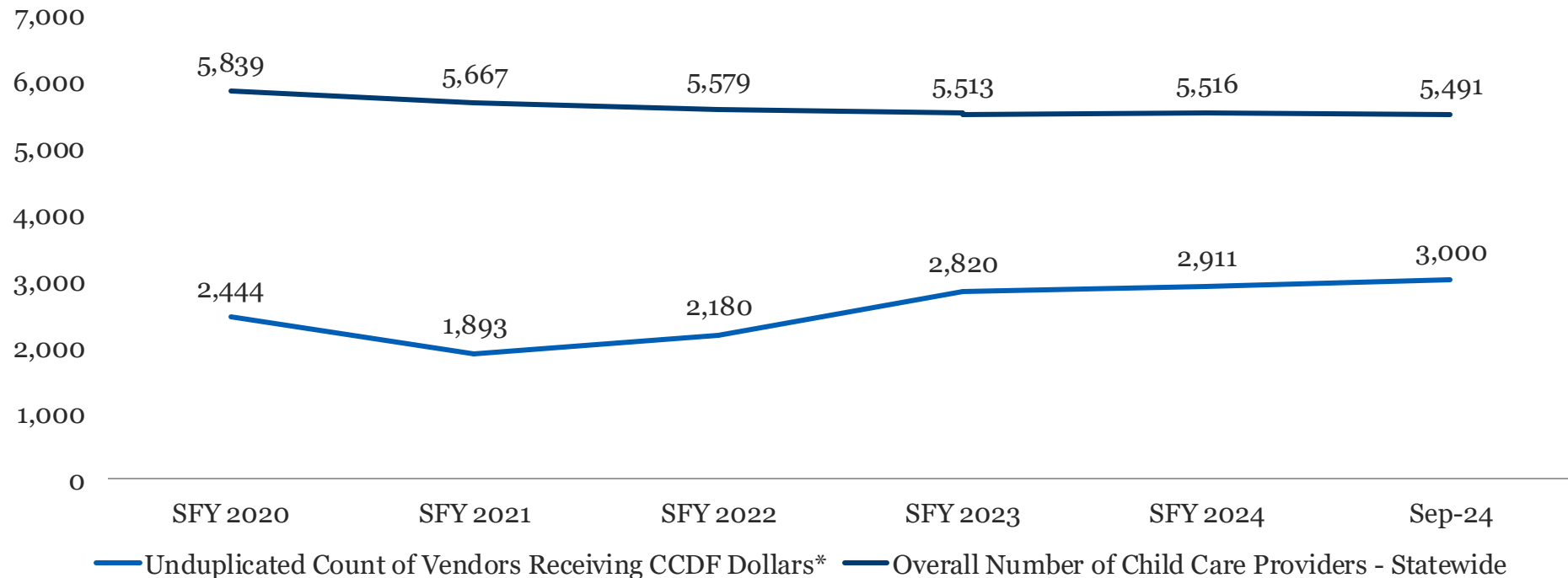
As of July 2024, nearly 60% of the children served in the CCSP are young children (under the age of 6).



VENDOR GROWTH TO MATCH CHILD ENROLLMENT INCREASES

Policy changes have also focused on facilitating significant growth in the vendor “supply” in the Child Care Subsidy Program. As of September 2024, over 3,000 vendors are participating, a growth of 54% since 2021.

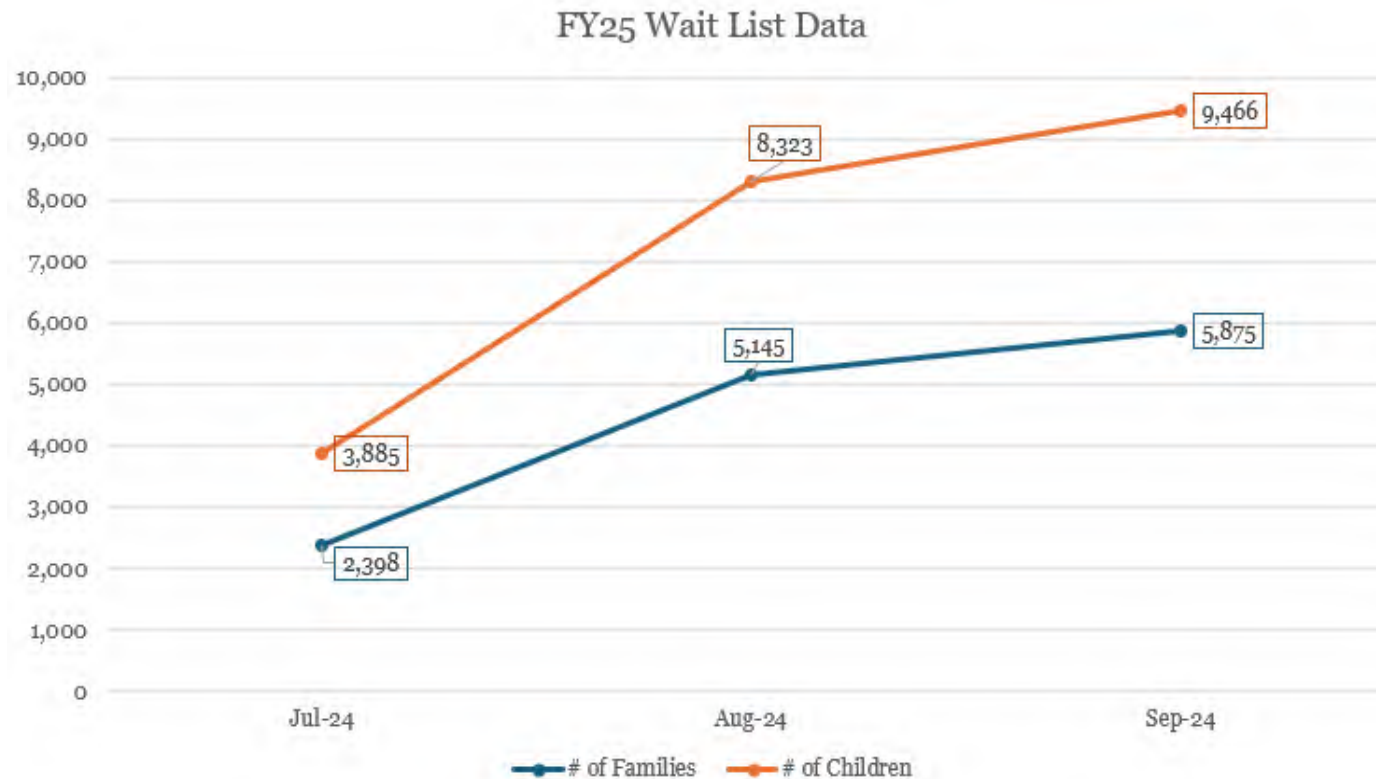
Subsidy Vendors and Total Providers Statewide, 2020-2024



*Reflects total number of active subsidy vendors, may not be currently serving CCSP authorized children

WAIT LIST IMPLEMENTATION FY25

The 2025-2026 biennial budget includes a significant state general fund investment to sustain current levels of enrollment in the CCSP. Language directs VDOE to establish annual targets at the local level and to work with local departments to initiate wait lists beginning July 1, 2024, as demand for services exceeds their approved targets.



UPCOMING CCSP POLICY CHANGES

CCSP Leadership is currently working on Transmittal 225 for the CCSP Guidance manual. Upcoming additions, amendments and retractions are aimed to be published early Spring 2025.

- Clarification and parameters set around Maternity Leave and FMLA.
- Comprehensive guidance on section 2.6 Wait List section.
- Disregarded income to include BAH and LinkB5
- Removing closure reason at redetermination due to Lack of Funds.
- Further in-depth fraud and repayment clarification.
- Additional explanation regarding self-employment and flexible/gig jobs such as DoorDash, Uber, etc.
- Clarification pertaining to case closure for non-use after 90 days.
- Special Needs Rate procedures.
- New vendor approval process, Hyland System.

Section 2: Upcoming Changes and Priorities for FY25



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KEY PRIORITIES FOR FY25

- Building Blocks for Virginia Families
- Initiating waitlists for the first time since 2022
- Implementing recommendations from Guidehouse Consultants
- Developing and implementing the new attendance tracking system
- Improving communications and resources
- Categorical Eligibility for MA and WIC participants (HB407)

Building Blocks for Virginia Families

KEY PRINCIPLES (1/2)

- **Recognizing parents are children’s first and most important educators, Virginia prioritizes parent choice.** Parents can choose from home-based providers, child care, Head Start, public, private and parochial schools and community partnerships.
 - Two-thirds of Virginia families are now choosing public-private options.
- Virginia’s **highest-need working families** are striving to build a better future for themselves and their children.
 - They should be able to choose an early learning option that also addresses work-related child care needs.
- **Quality matters.** Virginia is leading the nation with VQB5, its statewide measurement and data system that measures quality in every classroom or setting receiving public funds.

KEY PRINCIPLES (2/2)

- Virginia is focused on **child outcomes**.
 - VKRP is a nationally-recognized school readiness assessment of early literacy, math, and social skills.
- Virginia is recognized nationally for its **effective use of public dollars**.
 - A recent Vanderbilt study showed that investments in child care pay for themselves in less than a year; families work and earn more, stimulating the Virginia economy and increasing overall tax revenues.
- Virginia prioritizes both **keeping children safe** and **reducing administrative burden**.

CCSP – DETAIL ON FUNDING AND SLOTS IN FY25

The Biennial Budget (Item 125.10), along with new law Provides \$391M for the Child Care Subsidy Program for FY25.

Total Funding Breakdown:

- \$169.8M – State General Funds (SGF)
- \$129.9M – Federal Child Care and Development Funds (CCDF)
- \$64M – ARPA State and Local Recovery Funds (SLRF)
- \$26.9M – SGF from TANF VIEW and Fee (Via VDSS)

Slot Levels:

- FY25: 42,719 slots
- FY26: 45,159 slots
- Annual slot levels set by May 15, finalized by June 30 based on enrollment.

CCSP – DETAIL ON FUNDING AND SLOTS IN FY25

The Biennial Budget (Item 125.10), along with new law Provides \$391M for the Child Care Subsidy Program for FY25.

Waitlist Management:

- As of July 1, localities must establish and maintain a waitlist if family demand exceeds available slots.

Policy Continuation:

- Maintains family copayment rates and parental work and job search requirements as they were at the start of FY24.

GREATER DEMAND FROM WORKING FAMILIES

- As of September 1, there appears to be unmet parental demand for all 3 state-funded programs for all ages and in all areas of the state.
- Actual data from CCSP and MD waitlists suggests that greater demand from working families for full-day, full-year options in private ECCE settings such as child care or family child care.
- VPI programs report a large number of children on waitlists but this may not reflect actual families in need now. Actual VPI enrollment data, which is available in November, is needed to better understand unmet demand.
- Comparing per-capita impact (waitlist numbers as a % of demand) across regions suggests that there were different growth rates for parental demand prior to July 1.

Program	CCSP	MD	VPI
Total Demand (Slots + Waitlists or Requests)	50,385	4,634	28,239
Setting	Private (Child Care or Family Child Care) 66%		Public (School)* 34%

Initiating Wait lists in the CCSP

WHY A WAIT LIST?

- The biennial FY23-24 budget included language directing VDOE to use all available funds to eliminate wait lists in the CCSP. This language expired on June 30, 2024.
- Program demand has exceeded available funding as of July 1, 2024.
 - Localities begun administering wait lists for Fee and Head Start budget lines when demand exceeded available targets for their locality.
- Maintaining an accurate, up-to-date waitlist accomplishes two goals:
 - VDOE, VDSS, and local departments can understand unmet parental demand for services, improving projected funding needed for services in the future.
 - Allows local departments to effectively maximize slots as they become available for eligible, unserved families.

WAIT LISTS AND CHILD TARGETS

- Child targets—the maximum number of children a locality is approved to enroll through CCSP—serve as the basis for initiating a wait list and adding families to/transitioning families off the wait list.
- Head Start Wraparound and Fee families should be placed on the wait list when the locality has met their approved child target on or after July 1, 2024.
 - Localities may submit requests for additional child targets on an ad hoc basis via the Allocation Request feature if they meet ALL of the following criteria:
 - They have met their established child target;
 - They are running a wait list for services;
 - There is estimated to be sufficient funding in their budget to serve one or more children for the remainder of the fiscal year.
 - Please note that VDOE will be taking a very conservative approach to reviewing these requests for at least the first quarter of the year due to the unavailability of statewide slots.
- Child targets will otherwise be reviewed and reallocated as appropriate based on family demand on a at least a quarterly basis, or as needed if additional funding becomes available.

CCSP – DETAIL ON WAITLISTS

- Localities (Local Departments of Social Services) began establishing waitlists as of July 1.
- As of Sept. 1, there are 7,666 children on CCSP waitlists. This is 15% of demand (slots+waitlists).

Age	Children on Waitlists	As % of Waitlist	As % of Demand (42,719+Waitlist)
Infant/Toddler	3,272	43%	7%
Preschool	2,244	29%	5%
School Age	2,150	28%	5%

- Waitlists are maintained at the local level and 78% (93 of 120) localities have a waitlist.
 - If a locality does not have any available slots, families are placed on a locality waitlist. Families on the waitlist are prioritized based on specific criteria, and when slots become available within that locality via attrition, they are moved off the waitlist in order of priority.
 - Localities are expected to actively maintain waitlists, ensuring eligibility and confirming interest.
 - Prior to COVID, localities had to maintain waitlists for CCSP and most localities did. Many other states also have waitlists for their CCSP.


Gathering Recommendations from Guidehouse Consulting Project


RECAP: CCSP CONSULTING PROJECT OBJECTIVES


The project team aligned with program leadership on the following objectives and parameters.


The primary objective of the project was to help support a Child Care Subsidy Program (CCSP) that is data driven, responsive, and continually improving to meet the evolving needs of working families and Virginia's broader economy.

 **What?** The Child Care Subsidy Program consulting project launched in early October 2023 to support the program's priorities and objectives.

 **Why?** Recent increases in demand and program enrollment provided an opportunity to examine ways to further optimize the value of the program.

 **How?** This project aimed to identify ways to (1) promote easy program access, (2) efficiently manage cases, (3) elevate program successes, and (4) foster continuous improvement.

 **When?** The consulting project involved an assessment phase and implementation planning phase that ran through July 2024.

 **Who?** The project relied upon state, regional, and local staff openly sharing their knowledge and experience with the consultants.

PROJECT FINDINGS: LDSS CCSP SUCCESSES

Survey responses and interview feedback uncovered many promising practices and program successes.



Staff are **passionate about their work** and many staff shared their positive feelings toward the program's **mission and objectives**.



Some localities **divide the responsibilities for a case across multiple roles** (e.g., intake vs. ongoing case management). Staff report improved efficiency through role specialization.



Several LDSSs have developed innovative approaches to **improve intake** like 1) **hiring/assigning an intake specialist/administrative aide** (across entire LDSS or just within child care) to process applications and reduce administrative burden during initial intake, 2) **proactively reaching out to families** upon application to obtain verification materials, and 3) pre-screening applications.



Staff find the **CCSP Program Manual to be an effective and reliable tool**.



Staff report that they **receive sufficient training** from a variety of sources (i.e., from RPCs, peers, LTD) to successfully complete their work on CCSP.



There is **significant support for/appreciation of RPC** as an owner and audience for CCSP communications. Staff appreciate having an advocate in the program and a consistent resource for reliable communications and troubleshooting.

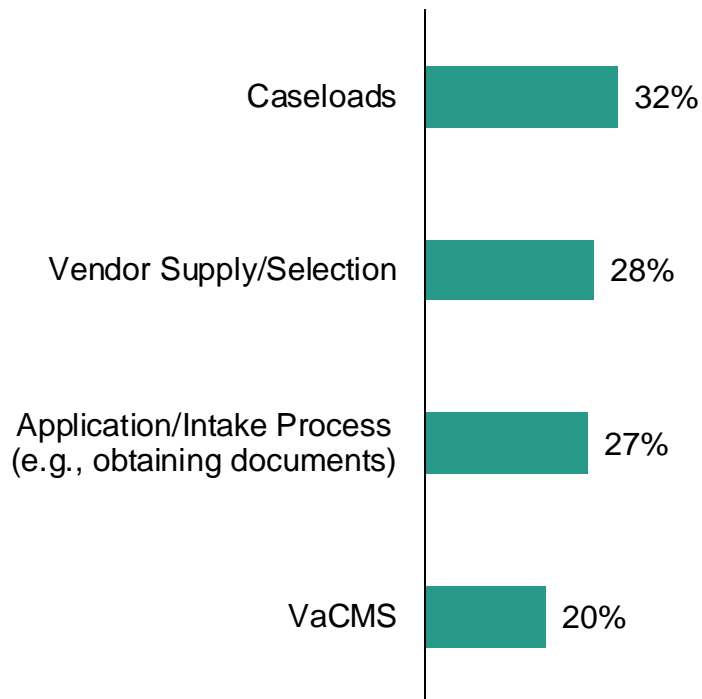


Staff value **regional opportunities** to convene, share best practices, and receive trainings.

PROJECT FINDINGS: COMMON CCSP CHALLENGES

Your survey responses and interview feedback included many key opportunities to improve the overall program. Process-specific challenges will be shared later in this presentation.

Top Challenges Identified by LDSS Staff in Open-Ended Survey Question



Q: When you think about your current job administering the Child Care Subsidy Program, what is your biggest challenge?
n=288

Note: Most open-ended responses contained multiple challenges within a single answer. Thus, responses sum to more than 100%.

Additional Common Challenges



Staff spend significant time **providing ongoing support to vendors**

- “We get phone calls and emails daily from some of our vendors who don’t seem to know what they need to do or who they need to call to get their issues resolved.”



Staff desire more **proactive communications** from VDOE/VDSS

- “We want more proactive comms from VDOE that we can provide to the vendors and community.”
- “We should know ahead of time about upcoming changes or new items, but we’re not told or may hear about it 2 months later.”



Some staff have concerns about **expanded eligibility** (e.g., job search)

- “Approving families for long-term job search is a huge frustration.”
- “I think approving applicants that are job searching for endless months has hurt our availability of child care spots in our small county.”



Staff spend significant time troubleshooting and coordinating on issues related to **attendance tracking/ECC**.

- “Seems like parents are always losing their swipe cards and need replacements constantly. Lots of calls just for these, or how to handle missed swipes.”

PROJECT RECOMMENDATIONS

Consultants worked with stakeholders to develop five recommended initiatives. Each of the five initiatives is supported by actionable projects and activities mapped out in additional planning documents.



Refresh Strategic Communications

- Update strategic communications approach and make existing guidance more accessible
- Add new program metrics and encourage program to collaborate towards metrics and mission



Update Application & CommonHelp

- Revise paper CCSP application based on requirements and best practices
- Incorporate CCSP priorities into CommonHelp redesign project



Streamline Intake Process

- Reduce unnecessary documentation at intake and investigate additional verification options
- Increase visibility into reasons for denied CCSP applications
- Make timelines more flexible for families and staff
- Focus on pre-screening best practices



Restructure Vendor Relations

- Redesign vendor relations function and transition to VDOE



Ease Ongoing Case Management

- Enable redetermination in CommonHelp and adjust redetermination communications to families
- Reduce unnecessary documentation at redetermination
- Upgrade attendance system
- Allow case closure for inactive cases
- Mitigate VaCMS pain points

Improving Vendor Communications, Support, and Supply Building

VENDOR SUPPORTS

1. Home office (VDSS and VDOE) –
 - Policy guidance (e.g. vendor handbook)
 - Vendor application / Hyland
 - Attendance troubleshooting? / When to contact VR?
2. Ready Regions
 - VQB5
 - Coordinated Enrollment and Family Engagement
3. Early Childhood Navigators
 - Supply-building (Support, Recruit, Retain... become licensed, become CCSP vendor)
4. Child Care Aware of Virginia
 - Training, CCSP recruitment / app support

VENDOR HANDBOOK

- **Purpose:** To provide a comprehensive, easy-to-understand resource and guide for vendors participating in the Child Care Subsidy Program (CCSP).
- **Why a handbook?**
 - Information about the CCSP for vendors is spread across multiple resources and websites.
 - These resources are not always designed with vendors as the audience.
 - Some processes impacting vendors have never been put in writing publicly.
 - Putting all program terms and requirements in the vendor agreement is administratively challenging when changes are necessary.

READY REGIONS

Since their launch in July 2022, Ready Regions have brought community and regional stakeholders together to develop strategies to increase access to quality early childhood care and education.

- **VQB5 Quality Measurement and Improvement**
 - All programs that participate in VQB5 receive individualized feedback and supports, access to trainings, public recognition, and are eligible for financial recognition for eligible educators.
 - Coaching is prioritized for programs that need support the most to improve teacher-child interactions, as measured by the CLASS.
 - Ready Regions lead agencies coordinate coaching supports.
- **Coordinated Enrollment and Family Engagement**
 - Ready Regions craft annual coordinated enrollment priorities based on community and region-level coordinated enrollment self-assessments and plans.



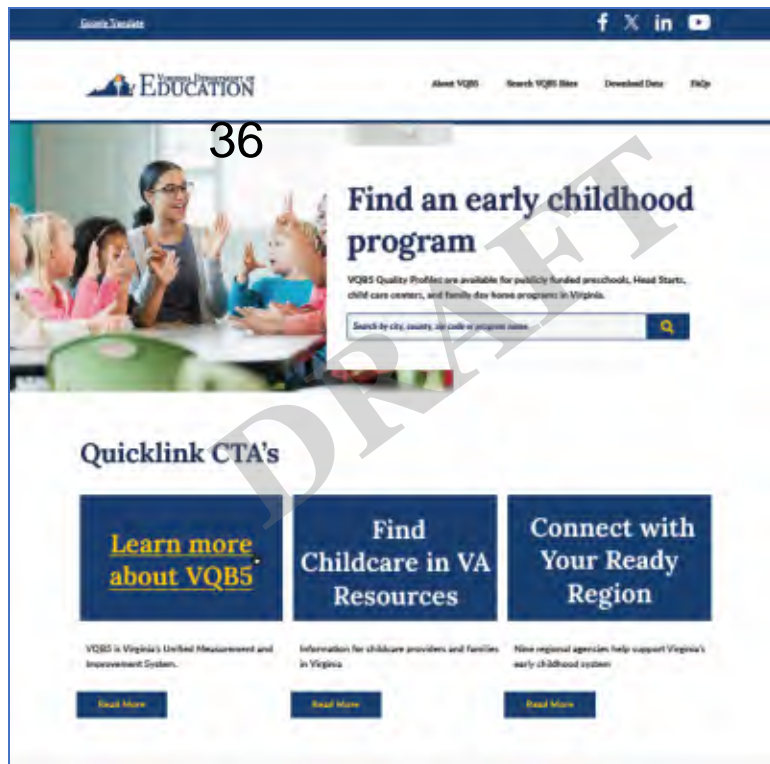
READY REGIONS

Region	Lead Organizations
1 - Southwest	Endless Opportunity
2 - West	United Way Roanoke Valley
3 - Southside	The Center for Early Success
4 - Central	Thrive Birth to Five
5 - Southeastern	EVMS Minus 9 to 5
6 - Chesapeake Bay	First Spark
7 - Capital Area	Fairfax County Neighborhood & Community Services
8 - North Central	Foundation First
9 - Blue Ridge	United Way of Greater Charlottesville



VQB5 ONLINE QUALITY PROFILE PORTAL

VQB5 Quality Profiles will provide families with clear and comparable quality and learning information about all publicly-funded sites.



VDOE EARLY CHILDHOOD NAVIGATORS

Purpose

- Navigators seek to increase the supply of publicly-funded child care by working with prospective and existing child care centers and family day homes.

Navigators focus on engaging with providers in three main ways:

- Support new providers to open and participate in public programs,
- Recruit existing providers to accept public funds, and
- Retain current publicly-funded providers.

Relationships and collaboration are essential

- While supporting providers, Navigators collaborate closely with key state, regional, and local partners to address barriers and connect providers to additional supports.
- During this pilot period, Navigator supports are currently available in Ready Regions Central, Capital, Southwest, and West.

WHERE ARE EARLY CHILDHOOD NAVIGATORS LOCATED?



Maria Soto
RR Capital Area

Danielle Booher
RR Southwest



Kandra Brown
RR Central



SUBSIDY VENDOR RECRUITMENT AND TRAINING

VDOE contracts with Child Care Aware of Virginia to provide technical assistance for:

- **Learning about the Child Care Subsidy Program**
 - Recruitment: informational online webinar for providers considering becoming CCSP vendors
 - Subsidy Orientation: support vendors' onboarding into the CCSP
 - Steps to Success Training and On-Demand Modules addressing: Vendor Portal, POSOs and Attendance, Payments, Status Changes, and Taxes and Fraud
 - Child Care Aware also provides vendor application support
- **Meeting health and safety requirements associated with licensure and/or CCSP**
 - First Aid/CPR, Emergency Preparedness, Intruder Response, Safety Spotlight, Trauma-Informed Practice, Car Safety
 - Health and Safety Requirements for Unlicensed Subsidy Vendors (*new*)
- **General program and business supports**
 - Strengthening Business Practices training

More information can be found:

- Online <https://vachildcare.com/> or by calling 1-866-KIDS-TLC
- Training calendar <https://stage.worklivesystems.com/training/25>



Developing a Modernized Attendance Tracking System

ATTENDANCE TRACKING SYSTEM

VDOE is in the process of procuring a modernized, cloud-based attendance tracking system to replace VaECC that will:

- Make the process of logging and monitoring attendance less burdensome for families and providers.
- Minimize the manual submission of attendance, thus reducing errors in provider attendance submissions, minimizing the wait time and increasing the accuracy for providers to receive payments.
- Improve access to and quality of attendance data and allow for connections with other administrative data sources.

PRIORITIES FOR SYSTEM FEATURES

Priorities for the system include the ability for:

- Providers OR parents to record attendance, with ability for either party to dispute attendance recorded
- Attendance to be recorded via a cloud-based app on tablets or cell phones
- Providers to enter operating schedules, including planned days of closure, and select which 15 days they wish to be paid for closure
- Automatic alerts when attendance has not been recorded or when there have been extensive absences
- Providers to use attendance recording functionality for ALL families, with the state only receiving data for publicly-funded children
- Providers using other compatible program management systems to automatically transmit attendance data for CCSP-participating children

OPPORTUNITIES FOR LOCAL ENGAGEMENT

Once the contract with the vendor has been finalized, VDOE and VDSS will be hosting a series of demos for key stakeholders, including parents, providers, and local departments of social services.

- Locals have unique insights into major challenges with attendance records in VaECC.
- We want to learn from those experiences and reduce the extent to which local caseworkers are troubleshooting attendance and payment-related issues in the future.
- Virtual demos and feedback sessions will be announced via a broadcast once they are scheduled.

CR873- HB 407

CATEGORICAL ELIGIBILITY FOR MA AND WIC PARTICIPANTS

- [HB407](#) Provides that any family that receives public assistance through Medicaid (MA) or the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) shall be deemed to categorically satisfy income eligibility requirements to receive assistance through the Child Care Subsidy Program (CCSP).
- CR873 in the March 2025 release will make the necessary changes in VaCMS for LDSS to appropriately implement.

DISCUSSION

Small group conversation (10 – 15 minutes)

- For families in your locality...
- For vendors in your locality...
- For your agency / local staff...

Strengths: What is going well? Where are you seeing positive impact?

Opportunities: What barriers or challenges remain?

Solutions: What can VDOE and VDSS do to support you?

Whole group share-out (5 minutes)

Closing Reflections

QUESTIONS?

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Appendix