Office of Child Care

National Center on Child Care Subsidy Innovation and Accountability

Family Friendly Policies to Improve Program Integrity

Introduction

The Child Care and Development Fund (CCDF) program provides funding to states, tribes, and territories to support child care assistance for low income families. Eligibility policies that are family friendly, child focused and fair to providers support CCDF goals. They can promote program access, economic stability for low-income families, and improved early learning and care outcomes for children. Streamlined eligibility practices also create administrative efficiencies, decrease the risk of improper payments, and create opportunities for using program resources to support program goals.

Opportunities and Benefits of Family Friendly Policies

- **Lead Agencies have broad discretion to design their programs to meet the needs of families and children.** The new CCDBG statute provides more flexibility to streamline service delivery and make programs more efficient. Lead Agencies can simplify income eligibility policies and extend certification periods beyond the minimum 12 month requirement. They can also create policies that support consistent, long-term payments and minimize the impact disruptions in employment and small income gains have on program and payment eligibility.
- **Subsidy policies can help achieve healthy child development.** For example, instead of restricting payments to the parent's work schedule, grantees can authorize hours to support a child's enrollment in high quality, full day care. The new statute also encourages Lead Agencies to coordinate with programs such as Head Start and state-funded prekindergarten to expand continuity of care. This might be done by combining funding and sharing costs.
- **Streamlined eligibility processes are less difficult to administer**. Eliminating complex rules and eligibility practices reduces administrative workload burden. Lead Agencies would have opportunities to allocate staff and other resources to activities designed to increase program integrity and support program goals. CCDF error rate measures demonstrate that States with less complex eligibility processes generally have lower administrative error rates than those with complex program rules and practices.
- **Simplifying eligibility processes can improve compliance.** Parents and providers are more likely to comply with program rules and procedures that are easy to understand and require less effort to complete.

Key Policies

- **Policies that support continuity of care and child development.** The new statute emphasizes the importance of implementing policies that increase the length of subsidy receipt, and thereby support the developmental needs of children. It provides flexibility to allow children to remain eligible for longer periods between redeterminations when family circumstances change.
- **Longer eligibility periods and easier redetermination.** The new statute requires Lead Agencies to establish redetermination periods of 12 or more months. Longer eligibility periods provide increased financial stability to families and continuity of care for children. The new

statute provides additional protections for working parents. Redetermination procedures must not unduly disrupt employment. For example, Lead Agencies can allow families to submit paperwork online instead of in-person.

- **Job search policies that promote continuity.** Low-income families need stable support systems. These help parents stay employed and allow children to retain their early care and education placements. The new statute allows Lead Agencies to continue subsidy payments to families despite job loss but, if the Lead Agency does choose to end assistance, the statute guarantees at least three months of continued assistance following the loss of employment so that parents can search for new jobs.
- **Income policies that are more fluid.** Other changes encourage Lead Agencies to gradually phase-out assistance for families whose income has increased at the time of redetermination, but remains below the federal threshold. To accomplish this, Lead Agencies should establish entry and exit income criteria in a manner that will minimize the cliff effect that comes with families suddenly losing their subsidy.
- **Policies that are more inclusive of vulnerable populations.** The new statute prioritizes funding for services to homeless children. It requires establishment of policies for outreach to children and families experiencing homelessness and to permit their enrollment while documentation is still being obtained. For example, Lead Agencies might make children experiencing homelessness a priority group and establish presumptive eligibility. They might also establish contracts with state agencies, child care providers, or human service agencies to provide services to homeless children.

Progress

The following questions can help Lead Agencies evaluate their progress toward family friendly policy and practice changes:

- Do you provide subsidy assistance to families during temporary interruptions in employment or approved education and training activities?
- Have you evaluated the impact and cost/benefit that your current interim change policies have on families and administrative workload?
- Have you extended the period between redeterminations and considered aligning eligibility determination policies with SNAP, Medicaid, Head Start or other public assistance and early care and education programs?
- Does your program use tiered eligibility? If so, is the exit threshold high enough to minimize the cliff effect?
- Does your program provide specific eligibility and procedural supports to homeless populations?
- Have you evaluated policies and your staff practices that can promote placing children in quality care and support their enrollment for a year or more?