The Kansas Department for Children and Families (DCF) would like to thank all who attended the Child Care and Development Fund (CCDF) State Plan Public Hearing and those who shared comments regarding our CCDF State Plan. DCF values all input received to assist us in providing quality child care options to low-income families. DCF’s responses to comments on the Draft CCDF State Plan for FFY 2025-27 are as follows:

• Make the system easier to access and use for families.

The lead agency, DCF, will be looking into the newly allowed presumptive eligibility provisions soon. The policies, processes, and eligibility system changes, as well as fiscal impact, will be carefully considered and this will take time to implement and will not be in place by 10/1/24, the beginning of the new CCDF State Plan. If implemented, it will be reflected in a future amendment to the state plan. We recognize this may help families to access child care more quickly and therefore, improve the system.

DCF is continuously working with families and partners to identify and reduce barriers for families, including ongoing improvements to the application process. DCF Economic and Employment Services (EES) contracted with Change and Innovation Agency (C!A) to evaluate business processes, increase staff capacity, and implement work processes aimed at delivering services faster, more accurately and highly focused on using staff time on value added tasks. C!A spent several weeks visiting 10 DCF offices in Kansas to identify opportunities for improvement. The result of these office reviews was a recommendation from C!A to move DCF EES in Kansas toward a statewide caseload. DCF developed new clerical processes, invested in new technology, created, and updated consistency tools, and began utilizing a “virtual lobby”.  Currently DCF EES has eliminated all backlog and is processing new applications and renewals timely.

The online application is continuously being reviewed for improvements. Before July 2024, DCF will be implementing changes to the online application process with the intention of making the application easier for families to complete. Wording will be clarified, additional screens will be added to streamline the experience, and some additional pre-populated fields will be added, like the county based on the address.

One commenter mentioned that the renewal needed to be completed 30 days before subsidies are due to expire. Child Care Assistance renewal applications are mailed out more than 30 days before Child Care Assistance ends. For example, the renewal application for benefits to continue past July 31, 2024, will be mailed out on June 18, 2024, and are due back July 15, 2024. These renewals are currently being processed timely.

DCF has funded studies to find out more about why families have not applied for Child Care Assistance when they may be eligible. Not being aware of the program was one of the main reasons. DCF is currently engaged in a media campaign to help spread awareness. Kansas State University also used United Methodist Health Ministry Funds to learn more about barriers. Although this report has not been shared with DCF in its entirety, it was shared that families had challenges with the application process or were unaware of the program. These are areas DCF is continuously working to improve. Funding that has been used for the marketing campaign has been time limited, but we will continue to explore ways to ensure families are aware of the program, including help from partners through formal and informal agreements.

There were some comments about allowing for additional reasons for care. Some of the allowable reasons for child care assistance are influenced by Kansas statutes. The state statute doesn’t currently allow child care for job searching activities, adult basic education, and English as a 2nd language training unless these are part of employment services, or a minor parent is obtaining a GED. The state statute also requires work requirements of 20 hours with very few exceptions. The state statute also has very specific details around when DCF can approve post-secondary education. Because of these requirements, we only allow three months of continuing eligibility for families if they lose employment during the 12-month period of eligibility, as this continuation is required by CCDF.

One commenter mentioned the child support requirements deterring participation from families but did note that this is in state statute. They mentioned making an allowance of families to have their own arrangement for Child Support. Title IV-D of the Social Security Act requires cooperation with child support if a family has open mandatory programs (TANF, Medical, Child Care Assistance and Food Assistance). Child Support Services are required by federal law to review each case pursuant to the Kansas child support guidelines and set an appropriate order. They do attempt to work with parties if they have arrangements such as shared custody or shared expenses. They are not permitted under Kansas or federal law to consider in-kind payments and parents are not permitted under state law to agree to waive the support of a child. They strive to work with families as much as possible within the boundaries of the laws they are required to follow.

• Support efforts to make care more affordable for families.

DCF currently has eliminated family share deductions, or co-payments, for many families on Child Care Assistance. The Office of Child Care has made it clear that the CCDF lead agencies can eliminate the family share deduction for certain families, but not for all families. However, some states have covered the cost with their state general funds or other funds for families, which we do not have available or approved for this purpose in Kansas. Our current family share deductions are set at 3% of the lowest income for each income bracket over 100% of the Federal Poverty Level. When setting the family share deduction, we will continue to consider what we can afford to do with the current funds in the future. DCF will explore the possibility of waiving the family share deduction, or co-payments, up to 150% of the Federal Poverty Level. The possibility of this change would depend on the fiscal analysis and could not be in place by 10/1/24 due to system changes that would be needed. If this change were to happen, DCF would need to do an amendment to the state plan later.

• Reduce barriers and burdens to make participation easier for providers

DCF is continuously working to identify barriers for provider enrollment in Child Care Assistance and to make system improvements based on those findings. The Market Rate Survey asked many questions of providers regarding their experiences/opinions with the Child Care Assistance program and is a regular method that the agency uses to make changes to the program. This previous information was instrumental in many of the changes that have been made over the past three years to the Child Care Assistance program to reduce the amount families had to pay on their own, as that was a major issue for many participating families and a concern for providers. DCF welcomes information that partners have obtained on specific barriers identified relating to the current system. DCF and KDHE continue to streamline the CCDF specific requirements and include these in licensing to allow for needed support and ease enrollment with the Child Care Assistance program.

Kansas State University used United Methodist Health Ministry Funds to learn more about barriers for providers, as well as families. It was shared that providers faced challenges with how they were paid, the administrative workload and with a difficult application process. DCF has very few providers who don’t finish their enrollment process but will do more research directly with providers to learn more about the specific difficulties that are being encountered. DCF will focus on the information that was not understood, so that changes and supports may decrease the difficulties and simplify the process. To improve the system, additional feedback and more details will be needed. We look forward to the valuable information that may be obtained from the findings from partners’ completed surveys and the Market Rate Survey questions.

One commenter mentioned the need to have designated staff serve as liaisons with providers. We do have staff assigned throughout the state to help with DCF provider enrollment. Contact information can be found at the bottom of this webpage: <https://childcareinkansas.com/resource/dcf-enrolled-providers/>. DCF Provider Enrollment staff are assigned to various counties.

* Preventing disruption of eligibility activities

Although DCF did not indicate on the state plan that we provide advance notice to providers of pending renewal, the notice sent to the provider at eligibility does provide the dates of eligibility and therefore the renewal timeline. Additional notices are expensive, decrease available funding for direct services and we believe providers are already made aware, but not at the point when they would be considered pending. Although DCF did not indicate on the state plan that we prepopulate subsidy renewal forms, there are some fields that are prepopulated on the online renewal application, but not the paper renewal. Although DCF did not indicate on the state plan that we offer extended office hours, we do have a statewide workload model and staff are available for a wide range of hours and days. For Child Care Assistance, there is not an interview requirement, and we offer a wide range of options for applying, to help with access and reduce barriers.

* Promoting Continuity of Care

A recommendation was received to integrate the application process with Medicaid and the Children’s Health Insurance Plan. DCF uses an eligibility determination system, Kansas Eligibility Enforcement System (KEES) and, as allowed, there are shared elements and data fields with the Medicaid and Children’s Health Insurance Plan and areas where we don’t require verification if it was verified by these programs.

There was a recommendation to partner with the Kansas Department of Health and Environment (KDHE) home visiting programs to help at-risk families. The agency does connect families to many home visiting programs, and this is discussed in the consumer education section of 9.3.4, but this is not tied to continuity of care. There was a recommendation that DCF partner with infant and early childhood mental health services, and some of the partnerships are discussed in sections 8.1.1 and 9.3.6.

• Increase reimbursement rates and use more efficient payment methods to increase the number of providers who participate

DCF Child Care Assistance Maximum Rates have been set at the 85th percentile of the last Market Rate Survey for all age groups and have taken into consideration the true cost of meeting the CCDF Health and Safety requirements. DCF plans to set rates at the 85th percentile or the true cost of meeting the CCDF Health and Safety requirements, whichever is higher, with the new survey results that we should obtain mid-June, if funding allows. The Narrow Cost Analysis will also be looking at the cost for providers to meet the foundational links that are part of the Quality Improvement System, Links to Quality. This will be the definition of quality that will be used to potentially increase rates in the future. Differential or add-on rates for special populations are already being worked on for Kansas. We are updating the system to allow for these types of payments to go directly to the providers. Our initial differential payments will be for providers who are caring for children in foster care, as identified in our system. Other types of payments for special populations will be explored in the future, depending on funding available.

* Pay providers directly.

DCF does not plan to change the payment practices to pay providers directly currently, except for the differential or add-on payments that are above the base Child Care Assistance payment. Payment practices are to reflect the payment practices of child care providers who serve children who do not receive CCDF assistance. DCF believes that the current system reflects the private pay methods where the families pay the providers. The child care program is required to maximize parental choice and be flexible to the changing needs of families and DCF believes that this system allows for this as families are in control of their benefits. DCF believes that this payment system also allows for families to help ensure that the payments made are appropriate and assists with the integrity of the program. Payments are made available to families the first of every month at 6 am for their child care needs for that same month, which is timely. Although providers have their own agreements with families around payment practices, DCF will require DCF enrolled providers to request payments prior to services on the schedule they desire, even if this payment practice differs from how they handle private pay. Some comments were received asking DCF to ensure that parents pay their providers for care that is received. DCF has many supports to help child care providers with professional development on business administration. Part of business administration includes payment practices for all their families, not just DCF enrolled families. It is important that child care providers receive all their payments from all their families so they can stay operational. DCF enrolled children are a smaller percentage of the children in care. If DCF were to change the payment practices to pay providers directly, we will receive technical assistance from the Office of Child Care on best practices, carefully implement it with all necessary changes and there will be a financial impact that will have to carefully be considered. Using funds to increase various staff and technological solutions may redirect funds away from the direct assistance that is available to help families.

• Consider higher income eligibility limits, even if that means paying for it with state general fund dollars.

DCF can only use CCDF funds up to 85% of the State Median Income. As mentioned, State General Funds or another funding source would have to be used for any income limit above 85% of the State Median Income. Currently, State General Funds were not made available for this purpose and no other funding source has been identified. The agency can consider this with budget enhancement requests in the future but cannot move forward without this funding.

* Determine Child Care Assistance benefits based only on full time blocks of time, instead of part-time and full-time blocks that are currently used.

DCF currently uses part-time and full-time blocks of time to determine the benefits issued to families for the Child Care Assistance program. Every three years, when we complete the Market Rate Survey, we ask questions to determine the extent that providers differentiate between full-time and part-time care. More than half of the providers do differentiate between the care, but on the last survey 35% of the Child Care Centers and 38.5% of the Family Child Care providers reported that they always charge full-time rates regardless of hours used. We will look at the results in the next Market Rate Survey in mid-June to see if that has changed. There is a fiscal impact associated with always setting up benefits using full-time blocks of time. This change would not be possible with the current CCDF funding available as the high-level estimates of increased cost are 24 million per year. This would require outside funding, which is not currently available.

* Cost of Child Care

Child care provider rates are based on data received by conducting a market analysis and a narrow cost analysis every three years and updated at least every three years. A narrow cost analysis measures what it costs child care providers to meet the CCDF health and safety requirements included in licensing. It also examines the cost for providing quality care as defined with the quality improvement system, Links to Quality (L2Q). The cost of quality will potentially be used to help support providers in their participation with the L2Q program. A new child care market analysis and narrow cost analysis will be available mid-June and will be used to help determine the Child Care Assistance rates effective 10/1/24. The plan is to also use the 85th percentile of the market analysis for all age groups, not just infants and toddlers, and increase any areas that show inadequate rates as reflected in the narrow cost analysis cost of care related to meeting the CCDF health and safety standards if funding allows, which is the same as what we are doing currently and have been since 12/23.

* Supporting the Workforce

Some commenters mentioned that the ongoing scholarship assistance in 6.1 supports providers’ recruitment and retention efforts and 78% of those that responded to follow-up surveys from past financial support indicated that the professional development opportunity they attended with scholarship funds helped them gain new insights and ideas for their career or program. It was mentioned that in the 2023/2024 Kansas ECCE Comprehensive Workforce Survey, 70% (*n* = 3897) of respondents indicated that assistance with the cost of Professional Development would *somewhat* or *to a great extent* help them access the activity. As mentioned in the CCDF State Plan, many of these scholarship opportunities remain funded and DCF appreciates the feedback on the importance of these opportunities.

Commenters have mentioned that technical assistance plays a vital role and that additional technical assistance for providers may be necessary to fulfill supports discussed in the plan around supporting business practices and career pathways. DCF has included in the state plan information around the technical assistance that is included in CCDF funded agreements that will be in place October 1, 2024. These agreements are based on available current funding. Future enhancements would need to be analyzed and would require a determination regarding available funding.

* CCDF system includes school age children and their needs.

Several commenters discussed the need to fully acknowledge that the system includes children from 0-13 years and the need to consult with statewide afterschool networks. DCF considered the Kansas Enrichment Network in this requirement. The Kansas State Alliance of YMCA would like to be included in more work groups and system-wide work that helps to inform the CCDF State Plan. DCF will share contact information with Kansas Enrichment Network and the alliance on the groups that are part of the Kansas Early Childhood Governance Structure and assist in informing the All in for Kansas Kids Strategic Plan, which guides the CCDF state plan. There were comments focused on requests to target specific goals and initiatives solely for enhancing afterschool programs, dedicating funding specifically to support afterschool programs, and to enhance outreach and access for afterschool programs. The Child Care Quality Improvement and Support System, the Quality Improvement system, Links to Quality, the Child Care Consumer Education Resource and Referral agreement, and the Workforce Development agreement were created to support programs across all early education and school age program settings. These agreements are all CCDF funded and designed to increase quality in all programs.

* Additional registration fee allowance

A commenter asked Kansas to consider allowing more than one registration fee per year per child. Kansas determines what registration fees we allow based on questions on the Market Rate Survey about what fees providers typically charge. DCF will consider adjusting these fees if that is demonstrated as common practice in those findings and we have the funds to do so.

* Links to Quality differential rates

It was encouraged for DCF to offer differential rates for Links to Quality participants. This is an area that we will be exploring in the future. Currently, we have no Links to Quality participants that have completed the four foundational links. These four links will be considered the first tier of quality. There are already some funds included in the Child Care Quality Improvement and Support System agreement to help with some supports for Links to Quality participants as they move through the process. The rates and incentives that will be made available will be dependent on funding that is available.