



Testimony Regarding the Department of Human Services FY2018 Budget
House Finance Committee
April 5, 2017
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Rhode Island KIDS COUNT supports the Governor's FY18 proposed DHS budget and we make the following recommendations:

Head Start

The Governor proposes an increase of \$390,000 to the current \$800,000 state supplement for Head Start which funds 130 Head Start seats in the state. This increase will bring state funding per child up to \$9,154 per child per year (up from \$6,154 per child per year) which is equal to the federal funding per child level. This funding increase will help Head Start providers deliver high-quality educational programs to preschool children living in poverty. In 2014, the average wage for a Head Start preschool teacher in Rhode Island was \$31,384 which is substantially less than State Pre-K teachers (\$43,458) and public elementary school teachers (\$65,918) earn in Rhode Island reflecting the lower funding levels per child overall.

Rhode Island KIDS COUNT **recommends providing the \$390,000 increase for Head Start.**

Child Care Assistance Program – Access to Quality Programs

The Governor proposes a \$1 million increase to the Child Care Assistance Program to create enhanced reimbursement rates for child care providers who offer higher quality care for infants and toddlers. Rhode Island's Child Care Assistance Program (CCAP) is a critical support for low-wage working families and an important component of our state's early learning system but we are not investing enough funds to provide access to quality child care. In fact, the state is spending 18% less overall and 82% less in state funding on CCAP that we spent in 2005.

As of 2016, 38 states and the District of Columbia have established a tiered rates system for child care with enhanced rates for higher-quality child care providers. In Rhode Island the current CCAP rates for infants are at the 12th percentile of the 2015 Market Rate Survey which is well below the 75th percentile level recommended to ensure equal access to quality child care.

In fact, the June 2016 conditional approval letter received by the Rhode Island Department of Human Services for federal Child Care and Development Grant funding states:

*“ As you are aware, the CCDBG Act of 2014 requires states and territories to take the cost of quality into account when setting rates, and to set rates based on the results of the most recent market rate survey or alternative methodology. **We continue to be concerned that your rates may not allow for equal access.** OCC plans to make review of payment rates a priority for our upcoming implementation monitoring visits.”*

Low CCAP rates limit families’ access to quality programs and limit the resources programs have to deliver higher quality care. In particular, low CCAP rates mean child care providers do not have enough resources to attract and retain qualified early childhood educators. The 2014 Rhode Island Early Learning Workforce Study found that the average infant/toddler teacher was making just \$10.50 per hour and the average preschool teacher was making just \$13.00 per hour in licensed centers. Even when the teacher has a bachelor’s degree, infant/toddler teachers earn just \$13.00 per hour and preschool teachers earn just \$15.25 per hour.

Rhode Island KIDS COUNT **recommends strong consideration for using the \$1 million in the Governor’s budget as part of a much larger investment to establish a tiered rates system for all age groups of children in CCAP**, as detailed in Representative Diaz’s bill H-6048. In her January 19 cover memo to the FY18 budget, Governor Raimondo recommended increased funding for quality incentives for CCAP.

Child Care Assistance Program – Stable Access for Families

The Governor’s budget includes a commitment to implement changes required under the federal Child Care and Development Block Grant Reauthorization Act of 2014. These changes include establishing a graduated phase-out policy to address the cliff effect, providing 12-month eligibility with uninterrupted access to child care benefits, providing 3 months of continued eligibility when families are between jobs, and increased funding for quality improvement activities.

Rhode Island KIDS COUNT supports all of these activities and recommends **making the current Child Care Transition Program permanent as our graduated-phase out policy.**

UHIP and DHS Staffing

We are all aware of the problems that Rhode Island's most vulnerable families have experienced accessing benefits since the UHIP system was implemented in September 2016. We also know that the administration is working to fix the various parts of the system so that clients can be served promptly. However, we want to emphasize that even when the UHIP system is fully operational, computers will not be able to entirely replace the need for qualified and well-trained DHS supervisors and workers. While the online system will eventually help to improve efficiency, when it is working, it will not completely eliminate the need for in-person and phone consumer assistance, because these benefit programs are complex. Many of the Rhode Islanders served by DHS programs have low literacy skills (both in terms of reading/writing as well as electronic literacy), they may be homeless, and/or may have other challenges that mean that they will need help from people who can talk them through and answer questions about applying for and/or renewing their benefits. Without **adequate DHS staff**, we will continue to see long wait times at DHS field offices, long wait times on phone lines, and slow turnaround times for applications and other inquiries.

Rhode Island KIDS COUNT urges the General Assembly to ensure that DHS has adequate budget support now and in the future for both supervisory and front line staff to ensure that Rhode Islanders are able to get help in meeting their basic needs for food, health coverage, and child care.

Thank you for your leadership on behalf of children and families and for this opportunity to testify.