

Enhanced Rates for High-Quality Child Care Fact Sheet

Bill H-7823 (Diaz) and S-2574 (Crowley):

- ◆ Establishes **enhanced quality rates for infants and toddlers in the Child Care Assistance Program (CCAP)** who are enrolled in child care programs with BrightStars ratings ranging from two to five stars.
- ◆ Two star programs would have weekly rates increase to the 55th percentile of the 2015 Market Rate Survey, three star programs would have weekly rates increase to the 65th percentile, and four and five star programs would have weekly reimbursement payments increase to meet **federally recommended levels** (the 75th percentile of the 2015 Market Rate Survey) that enable low-income families to access high-quality care.
- ◆ Approximately **1,400 infants and toddlers** in the Child Care Assistance Program are enrolled in two, three, four, or five star programs, 51% of all infants and toddlers in the program.
- ◆ Maximum cost of this change is estimated at \$2 million.
- ◆ **First step in longer-term plan to establish a complete tiered quality reimbursement system** that would include enhanced quality rates for preschool-age and school-age children enrolled in two, three, four, and five star programs.

Reimbursement Rates Matter for Quality Child Care

- ◆ High-quality child care promotes children's development and learning.
- ◆ High-quality child care is more expensive to deliver than lower quality child care, primarily due to higher staffing costs – higher wages for more qualified and skilled staff.
- ◆ Federal recommendation is to establish child care subsidy rates at or above the 75th percentile of the current market rate so that low-income families with state subsidies can access high-quality child care.

Enhanced Quality Rates

- ◆ Rhode Island is the **only state in New England that does not have tiered quality reimbursement** rates.
- ◆ As of 2015, there are 38 states and the District of Columbia that have implemented tiered quality reimbursement rates with enhanced rates for higher quality child care providers.
- ◆ National experts recommend that tiered quality rate systems use the **75th percentile of market rates as a benchmark at top level of tiered rate systems** to ensure rates for high-quality programs are reasonable to cover increased costs associated with high-quality care.

BrightStars, Rhode Island's Quality Rating and Improvement System

- ◆ In 2009, Rhode Island launched BrightStars, as the state's Quality Rating and Improvement System (QRIS) for child care and early learning programs. As of October 2014, all programs serving children in the Child Care Assistance Program are required to have a BrightStars quality rating.
- ◆ As of 2015, 39 states and the District of Columbia have implemented a statewide QRIS, 3 states had one or more local/regional QRIS, and 7 states were planning or piloting a QRIS.
- ◆ BrightStars assesses the quality of programs using research-based standards for quality child care and early learning programs and assigns a "star rating" ranging from 1 to 5 stars. Programs that achieve a four or five star rating are considered to be high-quality, having demonstrated that they are implementing practices that promotes children's learning and development.
- ◆ BrightStars was developed with the support of a Steering Committee led by the RI Department of Human Services, United Way of Rhode Island, and Rhode Island KIDS COUNT. It is implemented by the Rhode Island Association for the Education of Young Children through a contract from the RI Department of Human Services. National experts oversaw the pilot test of BrightStars to ensure quality ratings are fair, accurate, and reflect national best practices. NAEYC accreditation and Head Start performance measures count towards BrightStars quality ratings.

