

December 6, 2021

Department for Community Based Services (DCBS)
Office of the Commissioner
Frankfort, KY 40621

Given our shared goals of improving child and family well-being in the commonwealth, it is a privilege to share with you our perspectives and recommendations for removing procedural barriers to Child Care Assistance Program (CCAP) participation.

Currently, in Kentucky, just over 25,000 children participate in CCAP.¹ As you know, subsidizing high-quality child care provides developmental opportunities for children as well as critical early learning experiences and school preparation. Research shows that continuous child care, in particular, is most beneficial for children's behavioral and social outcomes and frequent changes in care arrangements are negatively associated with these outcomes.² Continuity of care for a child increases the quality of attachment, increases the impact of positive interactions and best supports long-term development.³

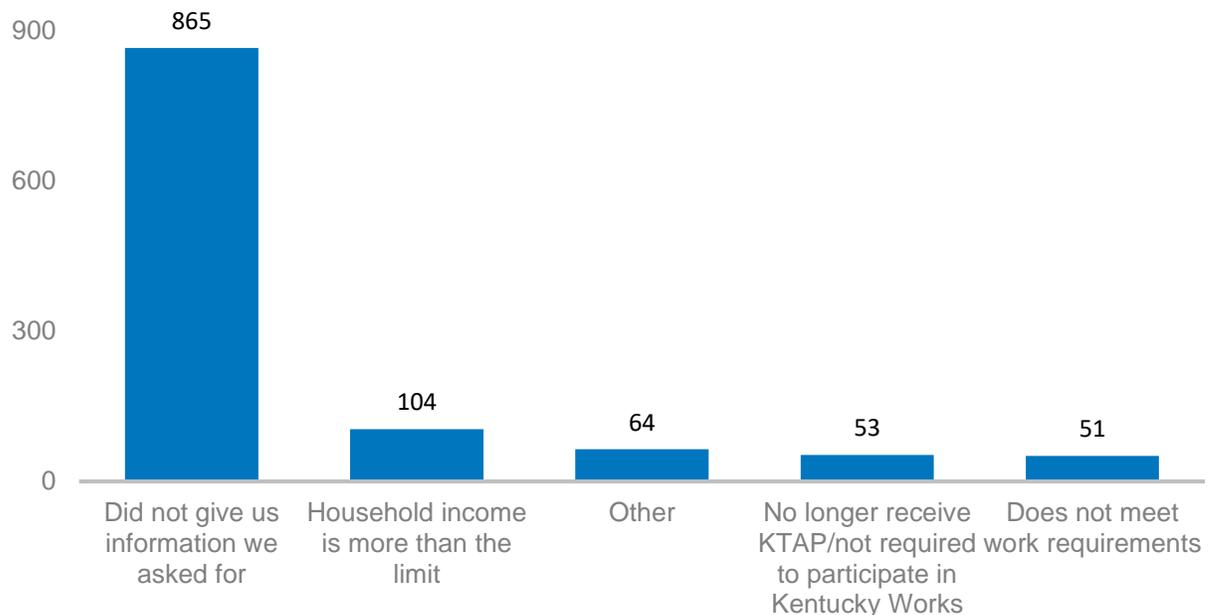
For parents and other caregivers, CCAP helps maintain consistent, safe and quality care, facilitating a focus on education, employment and economic security. Per the U.S. Department of Health and Human Services (HHS), 88% of Child Care and Development Fund (CCDF) benefit recipients in Kentucky in 2016 were receiving the subsidy due to employment.⁴ As with children, the focus on continuity is critical, disruptions in care caused by inaccessible subsidy programs compromise parents' employment security, especially for single-parent families and families with low incomes.⁵ When parents can access benefits consistently and for the duration of their eligibility, their resulting earnings also benefit the local economy. Child care providers benefit from a steadier clientele and income, which, over the long term, helps reduce the number of children living in a child care desert.

Because of this, the state should work to reduce administrative barriers to participation in CCAP to improve continuous access to subsidies for eligible families. Nationally, despite the proven benefits of access to child care, only about 15% of children eligible under federal rules benefit from the Child Care and Development Block Grant (CCDBG) and other federally-funded child care streams across the country.⁶ Health Affairs cites "insufficient funding, state's eligibility rules and policy priorities, lack of program awareness and bureaucratic hassles" as reasons for this low rate.⁷ This percentage is even lower in Kentucky. In 2016, only about 6.4% (220, 708) of children eligible under federal rules were served; 10.8% (131, 024) of Kentucky children eligible under state rules for CCAP were served.⁸ In addition, the number of individuals disqualified or discontinued from CCAP in Kentucky from January 2019 to July 2021 averaged at 1,283 per month, totaling 39,766 denials during this two and half year time frame.⁹

Some of the barriers to more eligible Kentuckians accessing CCAP are outside the purview of the Department for Community Based Services (DCBS). However, according to data from the Kentucky Division of Child Care, problems processing paperwork and household information by the managing agency —DCBS, constitute the overwhelming majority of CCAP denials. In July 2021, 76% of eligible families were denied access because they "did not give [DCBS] the information we asked for."¹⁰ While this number is likely to include families who have made alternative child care arrangements or simply no longer need child care and/or assistance, it is still high enough to raise questions and indicate a potential problem.

Paperwork Issues Drive Denials for Child Care Assistance

Denials from CCAP in July 2021 (Kentucky)



Source: Open records request to the Kentucky Division of Child Care.

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Barriers to participation and continuous care in Kentucky's CCAP

Administrative burdens — the factors that place a toll on benefit recipients when they interact with government — are a barrier to achieving child care stability.

Some broad categories for these kinds of burdens include:

- Length of eligibility redetermination period
- Reporting requirements
- Grace period for continuance of care before termination of services when a family is no longer eligible
- Customer service and program knowledge of caseworkers

"I know people who just give up."

"The first time I signed up [for CCAP], I was about to start working, but I was on the fence about staying home with my baby. When I decided to try again, they canceled it and said to come back when I had the job already. I needed childcare to go out and do interviews to get a job. They didn't explain to me about the three-month job search. They said you only get the grace period once in 12 months, but I feel like I didn't use the grace period because I never used the benefit—I didn't use the child care the first time. They never forget to play the recording about not selling food stamps...all of that is routine...but things that are important like letting people know about the grace period or on this date you're having a

recertification...those things you need to make sure to let people know and give them a warning. I didn't know. The miscommunication is so sad—the only person affected is the person who is in need. I know people who just give up. You have to suck up your pride and feel a little bit low because you're asking for help. If I could pay out of pocket why would I even go in there where they make people feel worse than they already do if I didn't have to do it? I'm just trying to take care of my kids.”

-Parent, Jessamine County¹¹

Not only do administrative barriers have the potential to block eligible people from needed programs, which in turn keeps people from assistance that is beneficial to their families' wellbeing, but the very act of navigating confusing and burdensome application and enrollment processes may even cause acute and chronic stress that increase the risk of poor physical and mental health.¹² Because of the need for recertification, these stressors are often repeated and prolonged. The potentially harmful physical and psychological toll that navigating these programs takes on eligible participants is compounded each time parents must obtain documents from agencies beyond their personal control (e.g. employers, landlords, schools).¹³

“There is so much confusion.”

“Recertification is embarrassing. The paperwork is crazy sometimes. I feel like a burden to constantly have to ask my job for the same information to recertify. Getting a hold of them [DCBS] is terrible. You literally have to call off work or take your whole hour lunch break to talk to somebody. When you're a working mom it's impossible...you don't have time to sit around 8-5 to call them and the employees need to be more stable and consistent. You call and you don't get the right answer. There is so much confusion—you never really know how things work. One person told me one thing, someone else said no. It's very time-consuming and inconvenient.”

-Parent, Fayette County

Barriers to access and continuity exacerbate racial inequity

The negative effects of administrative barriers are most substantial for those groups of people who face educational, informational, relational barriers to, and may be penalized for, advocating for themselves.¹⁴ This is a severe detriment to advancing racial equity goals in our communities. According to HHS, 29% of children receiving CCDF care in Kentucky in 2016 were Black even though just 9% of all Kentucky children are Black.¹⁵ According to a study at the national level, Black and brown caregivers who apply for assistance report the process as being a negative experience and report feeling demeaned, judged, or belittled.¹⁶ In fact, according to the Urban Institute's December 2020 Well-Being and Basic Need Survey (WBNS), Black and Brown adults applying for public assistance, especially those with income below 200% FPL, were more likely than white adults to report unfair treatment or judgment.¹⁷ According to the report, “More than 95% of adults who reported unfair treatment or judgment said they faced a consequence from or acted in response to that experience, and more than 40% reported not getting the public assistance or social services they needed as a result.”

“I depend on this assistance to get ahead.”

“I got pregnant at 16 and went to a school for girls who are pregnant and have kids. We had student advocates there who helped us fill out all the paperwork. Behind the school was a DCBS office—we could walk out the back door and go to the DCBS office which was super easy and convenient. The student advocate was the middle man and that helped a lot, too. I got accepted into college and [assistance] has been a problem for me ever since. Whenever I apply for one program, if they deny it they cut off my CCAP, too. Last month I owed a \$1,400 bill. I didn't get a notice that my benefits were being cut off. When I've called them to try to fix the issue, sometimes I get someone who is helpful. Sometimes I get another person who tells me a completely other thing. It's really frustrating for me because I depend on this assistance to get ahead to receive a bachelor's degree. They make it really challenging to even continue to receive it. The [\$1,400] bill is on my student account and now I can't register for classes. Registration is in two weeks.”

-Parent, Madison County

“We wish there was more transparency.”

“We are legal guardians to our children...considered to be fictive kin. We do have permanent custody at this point. Before we took custody, child care was a question for us. They were attending daycare at a facility for children with medically complex needs that was paid for by insurance. But if they were to get phased out, child care would be a huge expense and we weren't sure we could afford it. The [DCBS] social worker said yes, absolutely we would be provided with daycare vouchers through CCAP. We felt confident we could proceed with taking custody because we could financially make it work with child care with the assistance. The medical daycare gave us six months' notice for when the children would need to transition to a traditional child care facility. We reached out to the social worker right away. She didn't stay on top of it on her end so we went ahead and called the [DCBS phone line] and filled out an application over the phone. We received a letter for denial because our income is higher than the requirements. The social worker told us to ignore that because the children have a case with DCBS so the income rules didn't apply. Two weeks before the child care start date we still didn't have CCAP figured out. We called the social worker and the supervisor. We got an email back five days before the start date for care from the social worker saying, “Sorry, you were denied daycare vouchers. I wish I could be more helpful.” She had explicitly told us for months that we did qualify and we found out right before [the children] were supposed to start. We ended up suffering financially as a result and had one week to figure things out. It all adds up when [DCBS] drags their feet. We wish there was more transparency and timelines were quicker so people can react to determinations and plan accordingly instead of being held in limbo so long. Anyone who has children doesn't have time to waste navigating these systems.”

-Kinship Family, Kenton County

Improving CCAP application and enrollment processes in Kentucky

Everyone benefits from parents being able to afford to work. Removing procedural barriers in application and enrollment systems can help families, advance equity, strengthen the child care economy in this state, and streamline administration. By evaluating what is causing denials and increasing flexibility and transparency in program rules and application/recertification systems and processes, the state could increase participation, limit churn (where families are disqualified or discontinued from care) and reduce superfluous paperwork and redundant phone calls for frontline DCBS administrative staff. This is evidenced in Michigan through their change to a human-centered system design created by Civilla. In just the early stages of use, administrative form completion increased by 22%.¹⁸

In light of our shared interest in increasing access, we recommend CHFS/DCBS administration should consider the following solutions.

Simplify and clarify the application process

Shift the focus from program exclusions, such as means testing and restrictive rules, to move toward including the eligible. This will not only cut down on time for applicants, current program users, and the managing agency, but it will also invest in the long-term health and stability of families served under this program.

1. Training or retraining agency staff to employ a “welcome mat” posture wherein caseworkers seek out ways to enroll prospective participants rather than seek out reasons to deny them and to include training on racial equity (per DCBS strategic planning goals).
2. Update the following websites with specific, clear eligibility information, recertification information, and answers to common scenarios and questions through an FAQ. Use simple 4th to 6th grade reading level language and consider readability for all applicants and participants: [Child Care Assistance Program for Families - Cabinet for Health and Family Services \(ky.gov\)](#) and [dcc11319.pdf \(ky.gov\)](#). Examples of information to include in an updated FAQ could be the following:
 - What qualifies an applicant to apply for and stay on the program?
 - If an applicant applies but does not use the program right away, do they lose the job search period?
 - What difference does sharing child disability status (special needs) make and what does an applicant need to turn in to evidence this status?
 - How does an applicant estimate how much they will still have to pay for care?
 - Does the child care assistance backdate to the application date or does it start after the benefit is processed and the contract is received?
 - Does a foster/kinship care placement qualify for CCAP (including outside of typical income eligibility requirements)? If so, are there contingencies to this income exclusion such as a distinction between kinship and fictive kin or a disqualification once a permanent placement is made official through custody or adoption?
 - What is the anticipated timeline for submitting required information to the state for the next 12 months?
3. For continued eligibility, recertification, and case updates consider only requesting applicable verification. For example, only request verification of household composition if a change in household is reported. Do not re-ask for fixed information such as a birth certificate. Cross-reference information with other programs such as

SNAP so people are not recertifying for multiple programs within the same agency/online platform (kynect). Post the re-certification date on the kynect platform as soon as the benefit is processed so applicants have well-advanced notice.

4. When applicants are required to submit documentation, DCBS should state:
 - Exactly what verification documents are needed.
 - Who is responsible for turning in documents.
 - What are all acceptable forms of verification.
 - What exact language and information need to be included on the verification forms/statements (e.g. a written statement needing to include a date, signature, and phone number as well as wording such as “no income” as opposed to stating the person is not working).
 - If submitted documents have been received and, once they have, when the documents will be processed.
 - How an applicant/benefit recipient will be notified of documentation errors for correction before the due date and automatic discontinuance with no prior communication.

Note: It is not always clear if notifications/requests for information will be furnished via kynect or the mail, and the call center does not always specify the correct place to look, which causes additional confusion and room for error.

5. Update and regularly review this website to make finding a child care provider who accepts CCAP benefits easier (including the STARS rating to promote high-quality choices): [Find Child Care - Cabinet for Health and Family Services \(ky.gov\)](#). CCAP providers have the DCC listserv, but CCAP participants do not have a way to stay up-to-date on program changes. Consider email, text, or mail updates for program applicants and participants.

Improve accommodations for applicants/benefit recipients as they fulfill Requests for Information (RFIs)

Mistakes are made in the application process, but current guidelines do not accommodate when the mistake is made by a third party and results in an applicant being denied assistance. Per the Kentucky Operation Manual, there is currently a 30-day reinstatement allowance on the agency side alone to accommodate human error: “Reinstatement is to allow the DCBS staff the ability to restore eligibility when the case was inactivated within the last thirty calendar days due to agency error.”¹⁹

6. Treat a third-party verification error equally to an agency error under the current agency error reinstatement guidelines. There should also be particular consideration and accommodation for instances of human error.
7. Consider eliminating third-party verification as a sole means of fulfilling RFIs. Provide means of self-attestation as an upfront action (e.g. turning in pay stubs/hire letter to verify employment, a copy of the termination/resignation letter or final pay stub to verify job loss and a written statement by the applicant that is notarized).

Note: These changes should not require a statute change, as 922 Kentucky Administrative Regulation 2:160 currently dictates: “An applicant or recipient shall be the **primary source** of information and shall: 1. Furnish verification of: a. Income; b. Technical eligibility; and c. Employment.”²⁰

Include program usage within the past 12 months for income limit guidelines

8. If an applicant has received CCAP benefits in the last 12 months and reapplies within that 12-month timeframe, they should qualify under the higher continuing eligibility limit instead of initial eligibility, especially when they hold jobs that are seasonal or intermittent.

Authorize subsidy hours based on child's needs, not caregivers' work schedules

9. Support benefit recipients' ability to pick up extra work shifts and children's care needs. The state should authorize subsidy hours based on family needs rather than the guardian's pre-set work schedule. If a contract is provided only for the days guardians are scheduled to work, they lose the ability to pick up an extra shift or day of work. Delinking authorized hours from work schedules also gives children more continuity and options for high-quality care settings.

Note: There is nothing in federal CCDBG law that requires that states tie hours of child care authorized to work or activity schedules.

Measuring CCAP change success

10. Have a team within DCBS regularly evaluate what is causing CCAP and other public benefit denials and set an agency goal to limit the number of preventable and procedural denials. This should include qualitative research with program applicants and beneficiaries.

Thank you for your consideration of these 10 suggestions to make responsive procedural changes that reflect an understanding of best practices for children and families, emphasize continuity of care and seek to reduce racial and economic disparities. I am available for further inquiry and look forward to hearing your thoughts on increasing participation among eligible families in CCAP here in Kentucky.

Sincerely,

Valerie Frost, Kentucky Center for Economic Policy

¹ Data from an open records request to the Kentucky Cabinet for Health and Family Services received on Sep. 20, 2021.

² Jade Marcus Jenkins, Tutrang Nguyen, "Keeping Kids in Care: Reducing Administrative Burden in State Child Care Development Fund Policy", *Journal of Public Administration Research and Theory*, 2021, <https://doi.org/10.1093/jopart/muab020>.

³ Judith Reidt-Parker, Mary Jane Chainski, "The Important of Continuity of Care: Policies and Practices in Early Childhood Systems and Programs," *The Ounce*, Nov. 2015, <https://startearly.org/app/uploads/pdf/NPT-Continuity-of-Care-Nov->

[2015.pdf#:~:text=Research%20has%20shown%20that%20children%20have%20better%20educational,to%20comfortably%20explore%20and%20learn%20from%20their%20surroundings.](#)

⁴ “FY 2016 Final Data Table 10 - Reasons for Receiving Care, Average Monthly Percentage of Families,” Office of Child Care: An Office of the Administration for Children & Families, Feb. 2019, <https://www.acf.hhs.gov/occ/data/fy-2016-final-data-table-10-reasons-receiving-care-average-monthly-percentage-families>.

⁵ Jade Marcus Jenkins, Tutrang Nguyen, “Keeping Kids in Care: Reducing Administrative Burden in State Child Care Development Fund Policy”, Journal of Public Administration Research and Theory, 2021, <https://doi.org/10.1093/jopart/muab020>.

⁶ Bina Patel Shrimali, "Child Care, COVID-19, and our Economic Future," Federal Reserve Bank of San Francisco Community Development Research Brief 2020-5, 2020, <https://www.frbsf.org/community-development/publications/community-development-research-briefs/2020/september/child-care-covid-19-and-our-economic-future/#:~:text=For%20most%20of%20history%2C%20child%20care%20has%20been,workers%20who%20struggle%20to%20make%20ends%20meet.%2030>.

⁷ Gina Adams and Julia Henly, “Child Care Subsidies: Supporting Work and Child Development for Healthy Families,” Health Affairs Health Policy Brief, April 12, 2020, <https://www.healthaffairs.org/doi/10.1377/hpb20200327.116465/full/>.

⁸ Rebecca Ullrich, Stephanie Schmit, & Ruth Cosse, "Inequitable Access to Child Care Subsidies," CLASP, Apr. 2019, https://www.clasp.org/sites/default/files/publications/2019/04/2019_inequitableaccess.pdf.

⁹ Data from an open records request to the Kentucky Cabinet for Health and Family Services received on Sep. 20, 2021.

¹⁰ Data from an open records request to the Kentucky Cabinet for Health and Family Services received on Sep. 20, 2021.

¹¹ Personal stories about CCAP program usage were collected via interview in October of 2021 and may appear slightly edited for grammatical considerations.

¹² Pamela Herd, Donald Moynihan, "How Administrative Burdens Can Harm Health," Health Affairs, Oct. 2020, <https://www.healthaffairs.org/doi/10.1377/hpb20200904.405159/full/>.

¹³ Moynihan, D.P., Herd, P., and Harvey, H. 2014. “Administrative burden: Learning, psychological, and compliance costs in citizen-state interactions.” *Journal of Public Administration Research and Theory* 25 (1): 43-69.

¹⁴ Jade Marcus Jenkins, Tutrang Nguyen, “Keeping Kids in Care: Reducing Administrative Burden in State Child Care Development Fund Policy”, Journal of Public Administration Research and Theory, 2021, <https://doi.org/10.1093/jopart/muab020>.

¹⁵ “FY 2016 Final Data Table 12a - Average Monthly Percent of Children in Care by Race and Ethnicity”, Office of Child Care: An Office of the Administration for Children & Families, Feb 2019, <https://www.acf.hhs.gov/occ/data/fy-2016-final-data-table-12a-average-monthly-percent-children-care-race-and-ethnicity>.

2019 American Community Survey 1 year estimates for Kentucky.

¹⁶ Jade Marcus Jenkins, Tutrang Nguyen, “Keeping Kids in Care: Reducing Administrative Burden in State Child Care Development Fund Policy”, Journal of Public Administration Research and Theory, 2021, <https://doi.org/10.1093/jopart/muab020>.

¹⁷ Eleanor Pratt and Heather Hahn, "What Happens When People Face Unfair Treatment or Judgment When Applying for Public Assistance or Social Services?," Urban Institute, Aug 2021, https://www.urban.org/sites/default/files/publication/104566/what-happens-when-people-face-unfair-treatment-or-judgment-when-applying-for-public-assistance-or-social-services_0.pdf.

¹⁸ Lauren Harrison, “A Blueprint for Human-Centered Change,” Government Technology, <https://www.govtech.com/civic/a-blueprint-for-human-centered-change.html>, accessed Nov. 23, 2021.

¹⁹ “Purpose of the Child Care Assistance Program”, Cabinet for Health and Family Services: Child Care Assistance Program, Operation Manual Volume VIII, Jul. 2021, <https://chfs.ky.gov/agencies/dcb/ds/Documents/OMVOLVIII.pdf>.

²⁰ 922 Kentucky Administrative Regulation 2:160, <https://apps.legislature.ky.gov/law/kar/922/002/160reg.pdf>.