



# Minnesota's 2025 – 2027 Child Care Development Fund Plan

Tuesday, April 23 and Thursday, April 25, 2024



Submit questions and comments to  
[dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)

# Welcome and Housekeeping

- Please keep your video off and your audio muted when listening.
- Add questions and comments in the chat. We will read questions and respond at the end of each section.
- This hearing will be recorded and the link will be posted on the DHS website by April 26, 2024.
- If you experience problems with Webex, you can call in: 1-415-655-0003.
- If you are having technical difficulties, email Cindy Schneider at [cindy.schneider@state.mn.us](mailto:cindy.schneider@state.mn.us)

## Topics

Welcome and introductions

Child Care and Development Block Grant

Subsidy administration and equal access

Health and safety and background studies

Addressing shortages in the supply of child care

Recruiting and retaining a qualified workforce and quality improvement

Parent Aware and consumer education

Next steps



# Child Care and Development Block Grant

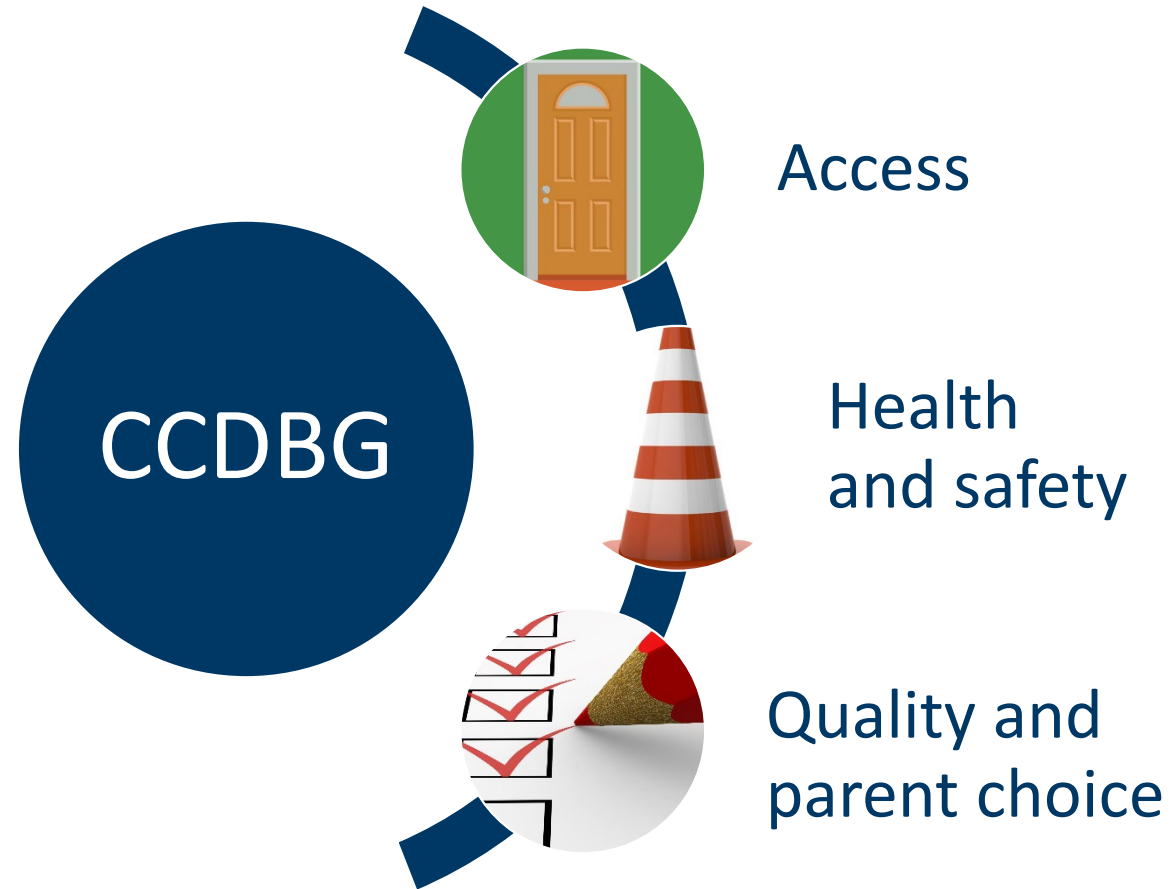
Cindi Yang, Child Care Services Division

Submit questions and comments to [dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)

# Child Care and Development Block Grant (CCDBG)

- Plan covers Federal Fiscal Years 2025-2027 (October 1, 2024 – September 30, 2027)
- Primary source of federal funding for child care subsidies, quality supports and consumer education.
  - States must set aside 9% for activities to improve child care quality
  - States must set aside 3% for activities to improve quality in infant and toddler setting
- Four main provider groups:
  - Licensed child care centers
  - Licensed family child care providers
  - Certified child care centers
  - Legal nonlicensed providers

# Key features of the Child Care and Development Block Grant



# Child Care Development Fund (CCDF) Plan Coordination

**The Minnesota Department of Human Services coordinates with these groups to develop the CCDF Plan:**

- Local units of government and Tribal governments
- State Advisory Council on Early Childhood Education and Care
- Child care providers and parents
- State agencies, including Departments of Education, Health, Employment and Economic Development
- Nonprofit agencies, including DHS grantee organizations, and foundations
- Head Start programs
- Engagement survey

# Organization of the CCDF Plan (1 of 2)

- Overall administration
- Child and Family Eligibility and Enrollment and Continuity of Care
- Child Care Affordability
- Parental Choice, Equal Access, Payment Rates, and Payment Practices
- Health and Safety of Child Care Settings





# Organization of the CCDF Plan (2 of 2)

- Support for a Skilled, Qualified, and Compensated Child Care Workforce
- Quality Improvement Activities
- Lead Agency Coordination and Partnerships to Support Service Delivery
- Family Outreach and Consumer Education
- Program Integrity and Accountability



# Questions and comments about CCDBG and plan coordination

## Questions and comments about:

- The Child Care Development Block Grant
- Plan coordination



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# Subsidy administration and equal access

Laurie Possin or Stacia Rosas, Child Care Assistance Program

Submit questions and comments to [dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)

# Minnesota Child Care Assistance Program

## The Child Care Assistance Program (CCAP):

- Helps pay for child care while parents work or go to school
- Helps ensure children have more opportunities to thrive as learners
- 22,000 children served by 4,000 providers throughout the state:
  - 69 percent are children of color or American Indian children
  - 63 percent are age 5 or younger; 47 percent ages 6-13



## What do local CCAP agencies (counties, Tribes, sub-contracted agencies) do?

- Administer the program
- Work directly with families
- Register providers (will change to state in April 2025)
- Pay bills

## What does the Department of Human Services do?

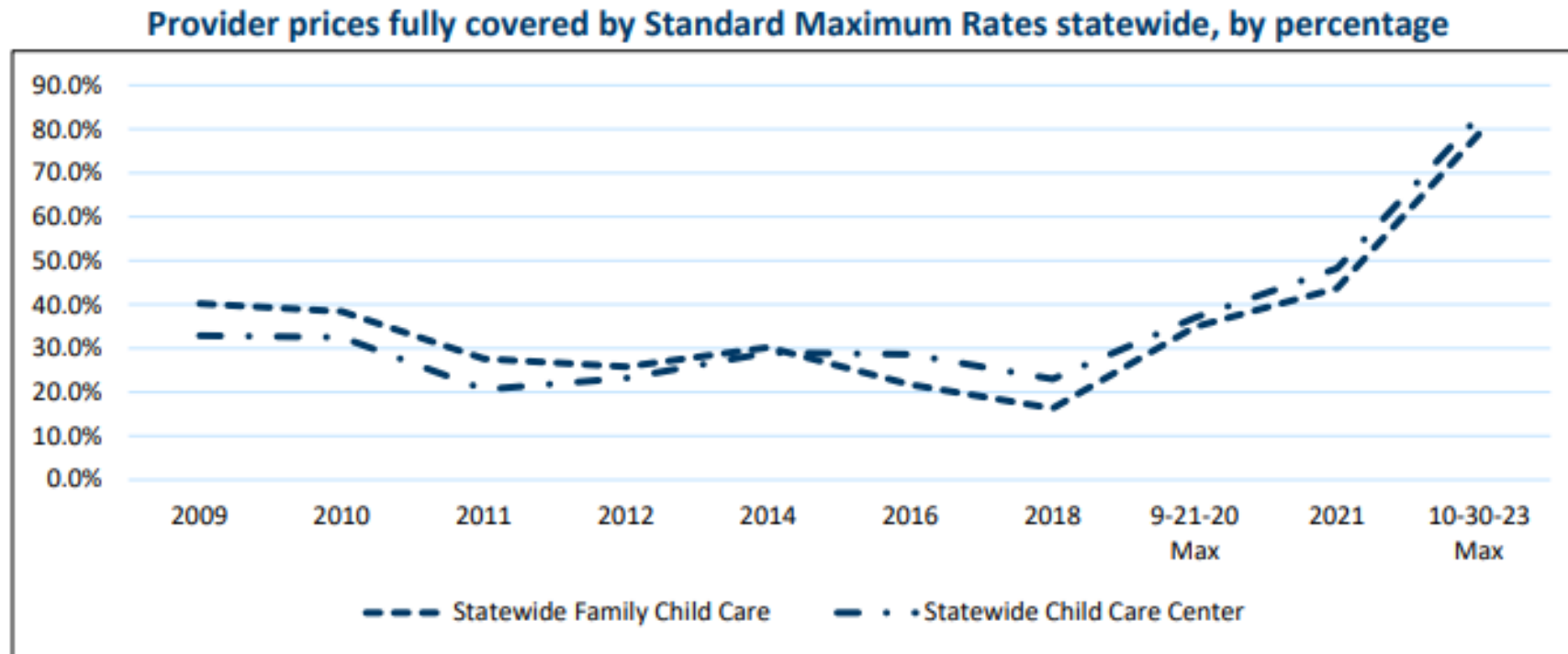
- Oversee the program and develop policy, and/or analyze new policy ideas
- Help local CCAP agencies, issue guidance and offer technical assistance
- Make sure federal, state and county laws are followed

# Changes for the Child Care Assistance Program

- October 30, 2023: Rates updated to the 75<sup>th</sup> percentile of the most recent market rate survey (and again every 3 years – next update: January 2025)
- August 25, 2024: Expand family definition so Relative Custodians and Foster Parents can receive CCAP
- April 28, 2025: State agency begins registering providers.
- Additional funds for Basic Sliding Fee child care (\$15 million per year)
- Update how income is counted (Tribal per capita, non-recurring, RSDI, etc.)
- Great Start Scholarships Program (report due 7/2026, implement by 7/2028)

# Maximum rates – Progress!

- Rates set at 75<sup>th</sup> percentile of prices reported by providers, using 2021 data.



## **Federal Rule changes include:**

- Encouraging states to establish payment rates based on cost modeling which focuses on provider costs to operate their child care program. Minnesota is studying this, with a report to the Legislature due January 2025.
- Paying providers in advance of caring for children rather than after care was provided.
- Paying providers for direct services using grants/slots for some children.
- Paying providers based on a child's enrollment – expanding payment beyond scheduled and authorized hours and absent days.



# Income eligibility

- Entrance level: Families must have 47% of the state median income or less to **enter** Basic Sliding Fee child care.
- Exit Level: Families **exit** when income is more than:
  - 67% of state median income at redetermination, or
  - 85% of state median income during the 12-month eligibility period.
- Income limits are here: <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-6413L-ENG>

Household size	47% entrance level	67% exit level (at redetermination)	85% exit level (during eligibility period)
2	\$40,156	\$57,244	\$72,623
3	\$49,605	\$70,713	\$89,711
4	\$59,053	\$84,182	\$106,798

## Copays gradually increase from \$0 to 14% of income

- The new Federal Rule requires states to reduce copays to not more than 7% of income. This requires state legislation.
- CCAP will recommend eliminating copayments for families under 100% of Federal Poverty Guidelines (vs. 75% of FPG now).
- \$2 copayments could be eliminated and copayments could go down for most families.

Minnesota's efforts to ensure program integrity include:

- Case reviews to minimize errors and improper payments
- Case Accuracy Reviews (new, focuses on common errors)
- Training and technical assistance for DHS staff, local agency staff and child care providers
- Fraud prevention and consequences for fraud
- Oversight of compliance with state and federal rules and laws

# Questions and comments: Eligibility, access, maximum rates and program integrity

## Questions and comments about:

- Eligibility for families
- Access for families at local level
- Maximum rates or payment policies
- Program integrity



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# Health and safety

Alyssa Dotson

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# Health and safety requirements

## The CCDF Plan includes requirements for:

- Inspections and oversight
- Monitoring and inspection results
- Training and standards



# Standards and training

## Federal requirements:

- Health and safety **standards** and **training** requirements for licensed and license-exempt providers receiving CCDF in the following areas:

1. Prevent and control infectious diseases (including immunization)
2. Sudden unexpected infant death and use of safe sleep practice
3. Administration of medication
4. Prevention and response to allergies (including food allergies)
5. Building and physical premises safety
6. Abusive head trauma
7. Emergency preparedness and response
8. Handling and storage of bodily fluids
9. Transportation
10. Pediatric first aid and CPR
11. Recognition and reporting of child maltreatment
12. Child development

# Modernization projects

- The **systems transformation project** supports the development of the Provider Hub
  - Available today – Licensed and Certified Child Care Centers and Wayfinder
  - In development – Family Child Care and other services for providers such as applications for scholarships, CCAP, and Great Start Compensation Support Payments.
- The **regulation modernization project** supports the development of:
  - Risk-based tiered violation systems
  - Key indicator systems for abbreviated inspections
  - Revised licensing standards





## Background Studies

Joshua Quigley, or Kate Bigg, Background Studies Division

Submit questions and comments to [dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)

# Background Studies requirements

- The plan requires that the department conduct comprehensive background checks for all child care staff members (including prospective staff members) including:
  - All child care providers that are:
    - (1) licensed, regulated, or registered under State/Territory law, regardless of whether they receive CCDF funds; or
    - (2) all other child care providers eligible to deliver CCDF services (e.g., license-exempt CCDF eligible child care providers).
  - For family child care home providers, all household members age 18 or older must have a comprehensive background check.
- These background studies are fingerprint-based and include all checks required under the CCDBG. At the state level, these background studies are governed by Minnesota Statutes Chapter 245C.
- The department is currently using CCDF funds to cover the costs of these background studies until the end of 2024.
- CCDF regulations do not allow for much variability in how the department completes background studies.

# CCDBGA background study requirements

<b>National</b>	<b>Does Minnesota law comply with federal requirements?</b>	<b>Preprint section</b>
A fingerprint search of FBI criminal history records (for 18+ years old)	Yes	5.7.2
A search of the FBI's NCIC National Sex Offender Registry	Yes	5.7.3
<b>In-State</b>		
A fingerprint search of Minnesota's criminal history record repository (for 18+ years old)	Yes	5.7.1
A search of Minnesota's predatory offender registry	Yes	5.7.4
A search of Minnesota's maltreatment registry	Yes	5.7.5

Note: State law (Chapter 245C) governs how these requirements apply to individuals under age 18.

# CCDBGGA background study requirements, continued

<b>Inter-State (for anyone who lived outside of Minnesota in last five years)</b>	<b>Does Minnesota law comply with federal requirements?</b>	<b>Preprint section</b>
An out of state search of criminal history records	Yes	5.7.6
An out of state search of the sex offender registry	Yes	5.7.7
An out of state search of the child abuse and neglect registry	Yes	5.7.8

Note: State law (Chapter 245C) governs how these requirements apply to individuals under age 18.

# Background Studies Updates

- Five Year Renewal Requirement
  - The first Minnesota child care background studies expired in October 2023.
  - GovDelivery communications + new NETStudy 2.0 system functionality help providers monitor expired and soon-to-be-expired studies.
- End of emergency background studies
  - Full return to fingerprint-based studies effective January 1, 2023. Emergency studies are no longer valid.
  - All child care staff must have a comprehensive fingerprint-based study to meet CCDBGA requirements.
- Current data on child care background studies
  - 2023 – 62,895 studies initiated
  - 2024 (Jan. – March) – 13,849 studies initiated

# Questions and comments: Healthy & Safety, Licensing and Background Studies

## Questions and comments about:

- Health and safety
- Licensing
- Background studies



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# Supply building

Deb Swenson-Klatt, Child Development Services

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# CCDF Requirements

- **Lead Agencies** must identify shortages in the supply of child care that meet parents' needs and preferences.
- Lead Agencies must also develop and implement strategies to increase the supply of and improve the quality of child care services.



# Child care supply building – Assessing need

- State and community-level supply analyses to track progress toward One Minnesota goal of increasing access to child care
- Partnership with University of Minnesota Family Access to Child Care Measure
- Investments in the National Study of Early Care and Education to gather Minnesota-specific data on family needs and preferences and supply of child care

# Child care supply building – New Services and Supports!

- **Child Care Wayfinder** is a one-stop navigation network for starting and growing child care programs
- **Access to Technology Grants** for child care providers
- **Shared Services Alliances Grants** for family child care providers
- **Family, Friend and Neighbor Support Grants**

# Child care supply building – First Children’s Finance

## Rural Child Care Innovation Program

- Community engagement
- Community’s “core team”
- Analysis of current child care supply and demand
- Resources and financial modeling
- Community Solution Action Plan
- One-on-one consulting an access to capital

## Business Cohorts – Training and Technical Assistance

- Accounting
- Annual budgeting
- Cash flow projections
- Financial statements

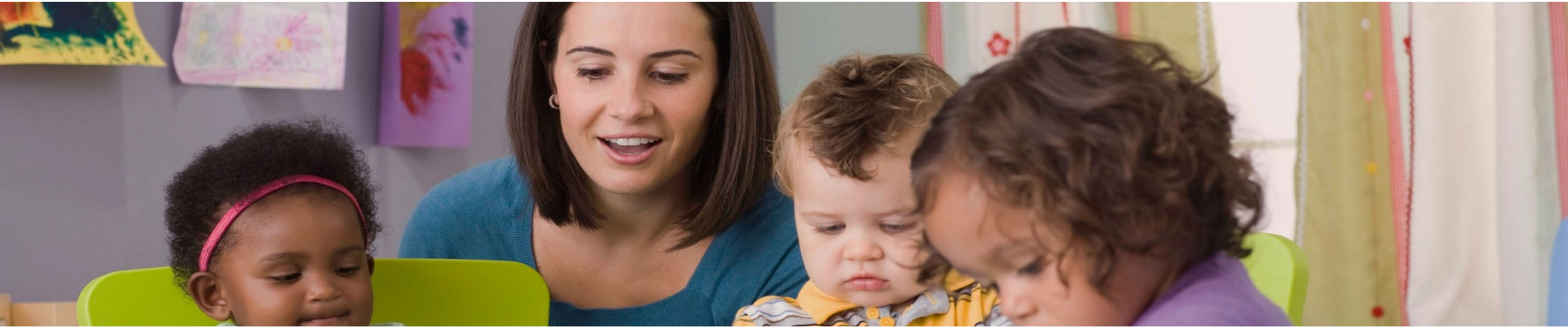
# Questions and comments: Supply building

## Questions and comments about:

- Supply building



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# Support for a skilled, qualified, and compensated workforce

Scott Parker, Child Development Services

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# CCDF Requirements: Workforce

- **Lead Agencies** must have a framework for training, professional development, and post-secondary education.
- They must also incorporate health and safety training into their professional development.
- Lead Agencies should also implement policies that focus on improving wages and access to benefits for the child care workforce.

# Workforce Recruitment and Retention

- R.E.E.T.A.I.N. bonuses can be used for program supplies, professional development, or personal expenses. Bonuses are awarded annually and range from \$500 - \$3,000.
- Mental Health Consultation
- Early Childhood Leadership Development

# Professional development requirements

The state professional development framework should include these components:

- (1) professional standards and competencies,
- (2) career pathways,
- (3) advisory structures,
- (4) articulation,
- (5) workforce information,
- (6) financing



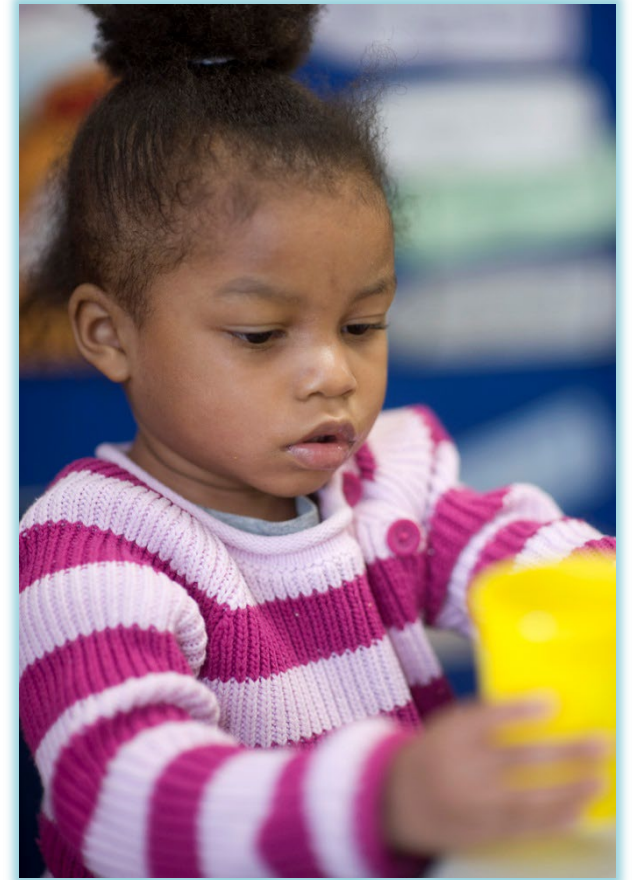
# Achieve – The Minnesota Center for Professional Development

- Trainer approval
- Training approval
- Career guidance tools
  - Learning records
  - Career Lattice
  - Individual training needs assessment
  - Virtual career guidance



# Support for credential and degree attainment

- T.E.A.C.H. Early Childhood Scholarships
- Child Development Associate Credential
  - Training
  - Financial Supports



# Professional development supports

- Delivery of free and low-cost training opportunities to meet CCDF related training requirements, training for Parent Aware and ongoing professional development
- Align with Minnesota's Knowledge and Competency Framework, Early Childhood Indicators of Progress, and Parent Aware quality indicators
- Trainer recruitment and support
- Support for curriculum writers and Relationship-Based Professional Development (RBPD) specialists

# Relationship-Based Professional Development

- RBPD = coaching, consulting and mentoring
- RBPD competencies
- RBPD credential
- Can be used to meet licensing and Parent Aware training requirements



# Infant toddler provider supports

## **Infant Toddler Specialist Network**

- Relationship-based support, training and modeling
- Available statewide to licensed center-based and family child care programs
- Focus on best practices of infant and toddler care including:
  - Quality environments
  - Programming
  - Strengthening relationships between caregivers and children
- Provide staff training on topics related to infants and toddlers

# Health and safety supports for providers

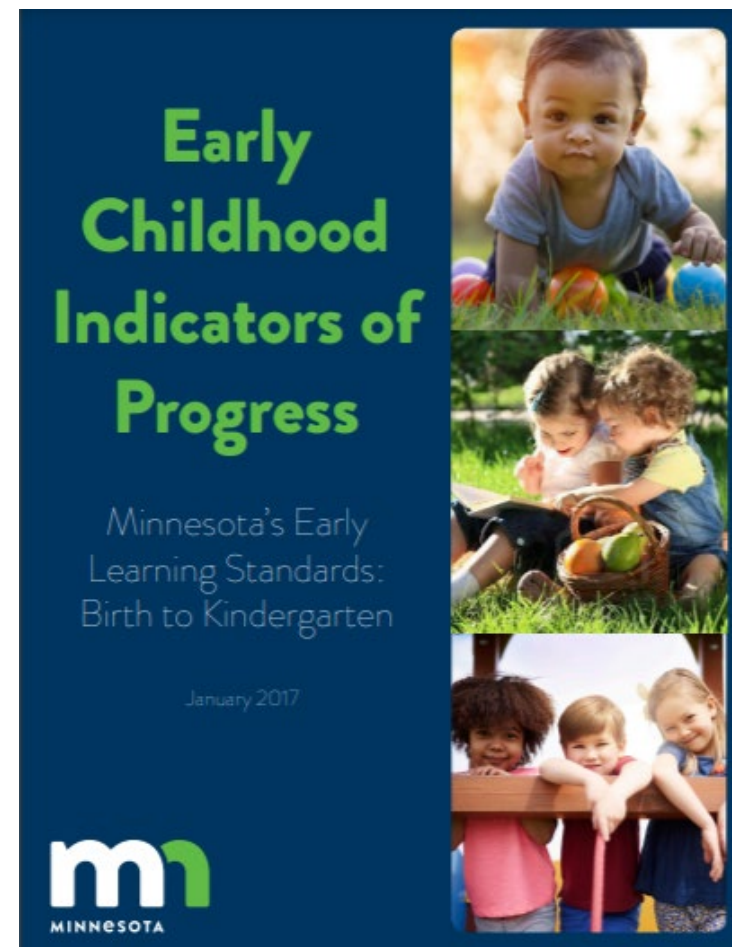
## Health and Safety Initiative

- Support programs in:
  - Increasing knowledge of licensing regulations
  - Creating health and safety program policies
  - Implementing health and safety best practices
  - Identifying illness and injury prevention tactics
- Available statewide to licensed center-based and family child care programs

# Minnesota's Early Learning Guidelines

## What they are

- Provide shared expectations for early educators and providers for what children ages 0 – 5 should know and be able to do
- Allow teachers to plan and scaffold learning by individualizing activities
- Support quality improvement activities to boost early educator knowledge of child development
- A resource for alignment, to ensure programs using different curricula are working toward the same standards and expectations



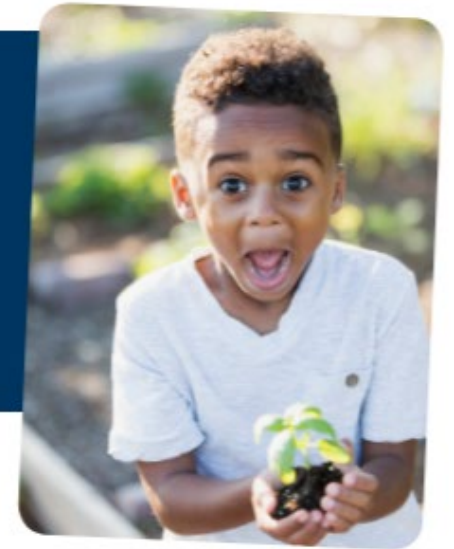
# Early Learning Guidelines, continued

## How they are used

- To inform curricular and assessment decisions
- To support lesson planning
- All publicly and privately funded early learning programs are encouraged to use them

## Early Childhood Indicators of Progress

Minnesota's Early Learning Standards



## What they are not

- They are not a curriculum or an assessment
- May not be used to deny children access to programs or services



# Questions and comments: Professional development and recruitment/retention

## Questions and comments about:

- Professional Development
- Recruitment and Retention



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## Parent Aware

Mee Vang, Child Development Services

Submit questions and comments to [dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)

# Parent Aware: Minnesota's Quality Rating and Improvement System



- Voluntary participation
- Programs grow and demonstrate quality
- Helps parents choose early care and education programs



## Quality Rating and Improvement System

### Five Key Elements:

1. Program standards
2. Supports to programs to improve quality
3. Financial incentives and supports
4. Quality assurance and monitoring
5. Outreach and consumer education

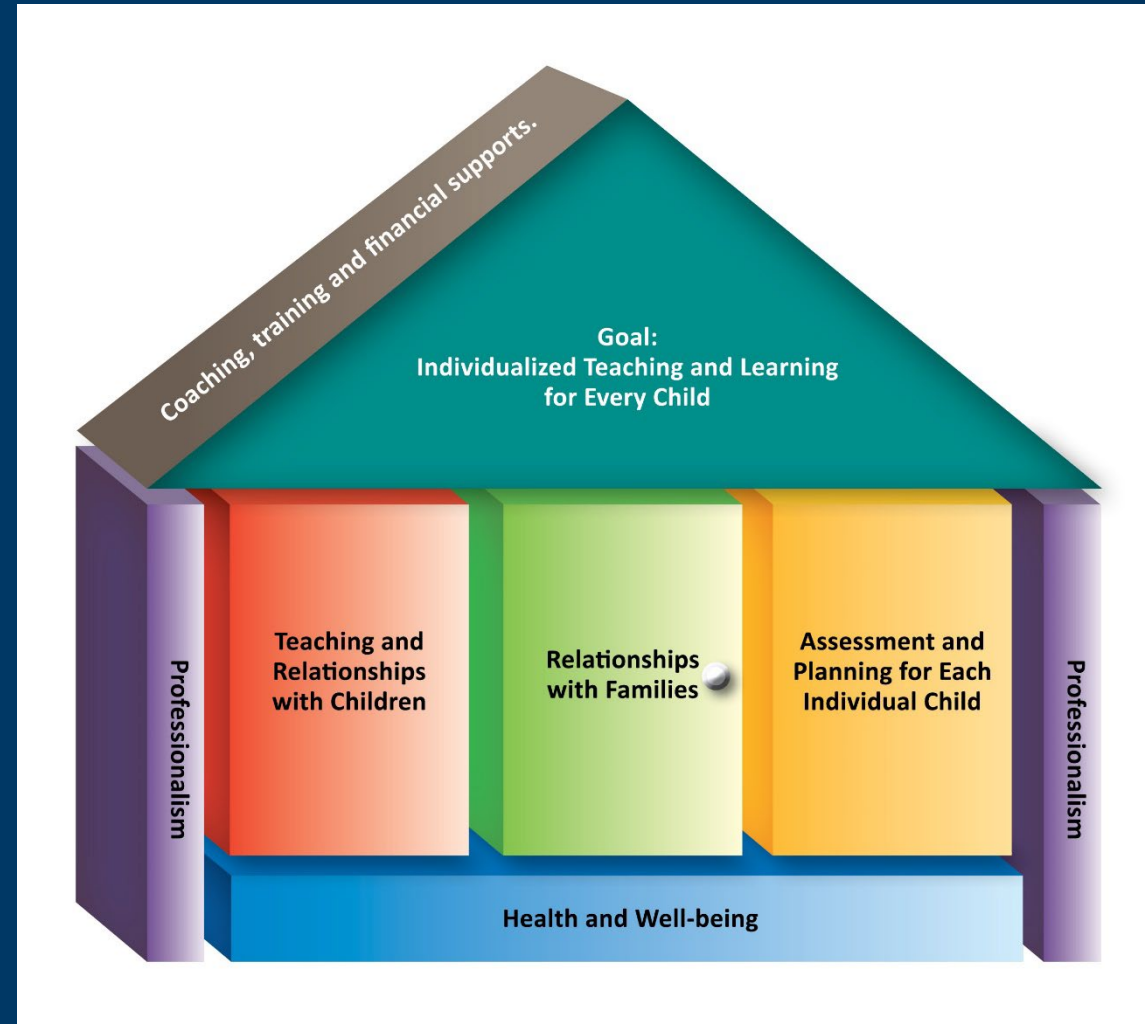
# How do programs earn stars?

## Flexible Framework:

Standards and Indicators describe best practices

Programs have flexibility in how they demonstrate quality

Programs show how they meet the Standards in the House Framework



# Pathways to Rating



1. Full-Rating
2. Accelerated
3. Automatic
4. Expedited
5. Automatic One-Star

# Parent Aware Racial Equity Action Plan and Redesign

- The Minnesota Department of Human Services engaged in efforts to better understand and address inequities within Parent Aware with the Parent Aware Racial Equity Action Plan.
- As a result of the engagement with partners and communities, we implemented the **Parent Aware Redesign**. This multi-year effort includes multiple projects and centers best practices and racial, cultural, linguistic, ability and geographic equity.

# Automatic One-Star Rating

- Starting July 1, 2026, all licensed child care providers that are in good standing with the state or their Tribe will automatically receive a One-Star Parent Aware Rating (Minnesota Statutes, section 124D.142, subdivision 2), unless they are already Rated or choose to opt out.
- Programs can choose to participate and earn a Rating or commit to the Automatic One-Star Rating now.
- Both allow programs to support families with Early Learning Scholarships.



# Sections of draft CCDF Plan related to Parent Aware

- **Section 4:** Ensure Equal Access to Child Care for Low-Income Children and Defining Quality Care
- **Section 6:** Recruit and Retain a Qualified and Effective Child Care Workforce
- **Section 7:** Support Continuous Quality Improvement & Parent Aware Redesign
- **Section 8:** Coordination efforts with Child Care Resource and Referral organizations (CCRR) and other state agencies to offer support to children with disability needs, mental health needs, and programs related to Head Start
- **Section 9:** Quality Information




# Consumer education

Scott Parker, Child Development Services

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# How Parent Aware helps parents

Language: English ▾ Need Help? 888.291.9811 FOR PARENTS FOR PROGRAMS


Parent  [HOME](#) [LEARN](#) [SEARCH](#)


New Search | Compare (0/3) | Favorites 0


1 How would you like to search?  by location  by name

2 Where would you like to search?   
Minnesota programs only.  
Distance is calculated by using an address or area's most central point. Use a complete address in your search for the most accurate results.  
Example: "123 Front Street Minneapolis"

3 What type of program are you searching for? Select all that apply  
Learn more about types of child care and early learning programs

  
**Centers and Preschools**  
Care typically provided in a center or school and in age-based groups.

  
**Family Child Care**  
Care provided in a home that has been licensed for a group of children of mixed ages.

  
**Head Start**  
Provide comprehensive educational, health, nutritional and social services for income-eligible families. [More information.](#)

Consumer-friendly website

Lists all licensed programs

Developed with partners

Approximately 86,000 visitors annually

# Promote family engagement through outreach and consumer education

**Who:** Parents, public, providers

**Why:** “Promote involvement by parents and family members in the development of their children in child care settings.”

**How:** Consumer-friendly website and several brochures



The screenshot displays the Parent Aware website interface. At the top, there is a navigation bar with links for 'Select Language', 'Need Help? 888.291.9811', 'FOR PARENTS', 'FOR PROGRAMS', and 'Site Search'. The Parent Aware logo is on the left, and 'Home', 'Learn', and 'Search' buttons are on the right. The main content area features a large teal banner for the 'Assessing Quality Checklist' guide, which includes a sub-headline: 'This guide highlights the qualities you should look for when visiting programs.' and a 'Go To Checklist' button. Below the banner, a section titled 'Featured Guides to Child Care and Early Learning' lists four guides, each with an icon and a brief description:

- Health and Safety for Your Child During the Pandemic**: Ask your child care program about their COVID-19 preparedness plan. [Health and Safety for Your Child During the Pandemic →](#)
- Finding Child Care: A Guide for Families**: You know your child. We know child care and early learning. Use this guide to help you find the right place for your child. [Finding Child Care: A Guide for Families →](#)
- Checklist: Narrowing Down Your Search**: You've used the online search or called Parent Aware and have a list of programs. Now what? Use the Choosing Care Checklist to guide the next steps of your search. [Choosing Care Checklist →](#)
- Counting the Stars**: No two stars are the same. Each Star Rating builds on the next, helping families identify programs preparing their kids to shine.

# Consumer and provider information

## States must make information to families available on the following topics:

- Availability of child care services
- Quality rating of providers
- Process for child care licensing, background studies and monitoring
- Programs funded under the Individuals with Disabilities Act
- Child development
- Positive behavioral intervention and support
- Policies about preschool expulsion
- Developmental screening

# Financial assistance programs

## **Services referred to through Parent Aware.org:**

- Temporary Assistance for Needy Families
- Head Start and Early Head Start
- Energy Assistance Program
- Supplemental Nutrition Assistance Program
- Women, Infants and Children nutrition assistance
- Child and Adult Care Food Program
- Medicaid and State Children's Health Insurance
- Individuals with Disabilities Education Act

# Questions and comments: Parent Aware and consumer education

## Questions and comments about:

- Parent Aware
- Consumer education
- Anything else



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- See draft 2025-27 CCDF Plan on the [Department of Human Services website](#)
- Submit feedback using [dhs.ccdfplan@state.mn.us](mailto:dhs.ccdfplan@state.mn.us)



# Thank you!