



Child Care Regulation Modernization

Brandon Tice, Chelsea Magadance, Katherine DiBenedetto

Child Care Regulation Modernization Policy Analysts

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Role of Licensing

Human Services Licensing in Minnesota

- DHS, in cooperation with counties, licenses approximately 20,000 service providers
- Purpose of licensing:
 - Protects health, safety, and rights of those receiving services
 - Requires providers to meet minimum health and safety standards
- Types of licensed facilities: adult day care, child care, foster care, home and community-based services, and many more
- Human Services Licensing governed by MN Statutes, Chapter 245A and MN Administrative Rules

Child Care Licensing

- DHS licenses two types of child care:
 - Family Child Care – county-delegated system of licensing (MN Rules, Chapter 9502)
 - Child Care Centers – directly licensed by DHS staff (MN Rules, Chapter 9503)
- Licensors monitor 4 categories of requirements for child care:
 - Health & safety
 - Physical/facility standards
 - Training
 - Background studies



Child Care Regulation Modernization Projects Overview

Child care regulation modernization projects (part 1)

- The 2021 Legislature allocated federal funding to support regulation modernization projects for both licensed family child care and child care centers
- The Family Child Care Task Force (2019-2021) recommended a modernization project in their final report
- The regulation modernization projects support the development of:
 - Key indicator systems for abbreviated inspections
 - Risk-based tiered violation systems
 - Revised licensing standards

Child care regulation modernization projects (part 2)

- DHS has a three-year contract with the National Association for Regulatory Administration (NARA) to conduct these projects
 - NARA has experience with other states doing similar work
- NARA will develop and implement a stakeholder engagement process that solicits input from parents, licensed child care providers, county licensors, experts in child development, staff from DHS, and others

Child care regulation modernization projects (part 3)

- The National Association for Regulatory Administration (NARA) will work with DHS to put together a report and proposed legislation to implement the new licensing tools and revised licensing standards
 - The report is due to the legislature by February 1, 2024
- Pilot projects will allow DHS, licensors, and providers to have an opportunity to identify technical or policy issues and make necessary changes before final implementation
- Some components of the projects will need to be adopted into statute or administrative rule before they will take effect

Child care regulation modernization projects: Abbreviated inspections

- Abbreviated inspections will include a subset of standards, known as key indicators, which statistically predict compliance with the entire list of standards
- The National Association for Regulatory Administration (NARA) will:
 - Identify which standards should be included in abbreviated inspections
 - Work with stakeholders to determine eligibility criteria for an abbreviated inspection
 - Develop materials to help licensors, providers, and the public understand abbreviated inspections and when they would be used

Child care regulation modernization projects: Risk-based tiered violation systems

- With stakeholder input, NARA will develop a tiered enforcement framework that is weighted to reflect the level of risk that a violation poses to children
- The National Association for Regulatory Administration (NARA) will:
 - Gather data and input from DHS, family child care providers, child care centers, county licensing agencies, and other stakeholders
 - Collect and analyze data to determine when various enforcement mechanisms would be used
 - Use data analysis and stakeholder input to develop a weighted risk assessment system
 - Develop a pilot project to implement the risk-based tiered violation system
 - Develop materials to help licensors, providers, and the public understand the new system

Child care regulation modernization projects: Revised licensing standards

- Relying on its experience in other states, NARA will draft updated licensing standards for family child care and child care centers over the next few years
- NARA will navigate DHS, child care providers, county licensing agencies and other stakeholders through the process of developing the new updated standards by:
 - Collecting stakeholder input on current licensing standards
 - Drafting proposed revisions to licensing standards
 - Developing a pilot project to implement revised standards
 - Reviewing and revising draft standards with stakeholders

Child Care Regulation Modernization Projects: NARA & State of Minnesota



Stakeholder Meetings—Becky Fleming-Siebenaler, NARA Consultant

Becky Fleming-Siebenaler—Assisting in the area of stakeholder meetings and revising licensing standards

- **Consultant with NARA for 10+ years**
- **Served as a Licensing Professional for the MT Department of Human Services for over 25 years; retiring in 2016.**
- **Worked on several of the contracts NARA has entered into assisting States and Provinces establishing Key Indicator Systems and drafting new licensing regulations for child care facilities, health care facilities and adult care facilities.**



Minnesota Child Care Modernization Projects

This project is focused on:

- The development and implementation of a Key Indicator System, which will allow for abbreviated inspections while statistically predicting compliance
- Development of a Risk Based Tiered Violation System
- Revision of Minnesota's Child Care Regulations

Key Indicators

- Key Indicator Systems are a kind of **targeted measurement tool**. Targeted measurement tools are licensing inspection instruments that increase the **effectiveness and efficiency** of a regulatory oversight agency without producing recurring operational costs. In other words, targeted measurement tools maximize performance while minimizing costs.

The Benefits of Key Indicator Systems

The Key Indicator Systems process has been used successfully for close to 30 years

NARA has been involved with KIS systems for close to 20 yrs.



Key Indicator Systems (KIS) and Stakeholders

A key element of a successful KIS process is the involvement of stakeholders and keeping the lines of communication as open as possible.

Weighted Rule

Risk Based Tiered Violation System—

- Assisting Minnesota in developing a system that assesses the severity of the licensing action to the potential risk of harm to the child
- Gather stakeholder input and along with data analysis, will assist in developing an appropriate enforcement scheme

Revisions to the Child Care Regulations

Revisions to the Regulations governing Minnesota's Child Care Licensing requirements.

- NARA has been asked to assist Minnesota in developing revised child care licensing standards to replace outdated standards that were written in the 1980's.
- NARA will gather information from child care providers, county licensing agencies, DHS, and other child care stakeholders to develop updated licensing standards.
- The proposed licensing standards must protect the health and safety of children and be child-centered, family-friendly, and fair to providers.
- NARA will facilitate with Minnesota a pilot program to test the draft child care regulations.

Stakeholders

My role as a NARA Consultant will be to work with the staff from Minnesota DHS to engage stakeholders and assist in keeping lines of communication open in terms of all three stages of this Modernization Project.



Stakeholders and Communication

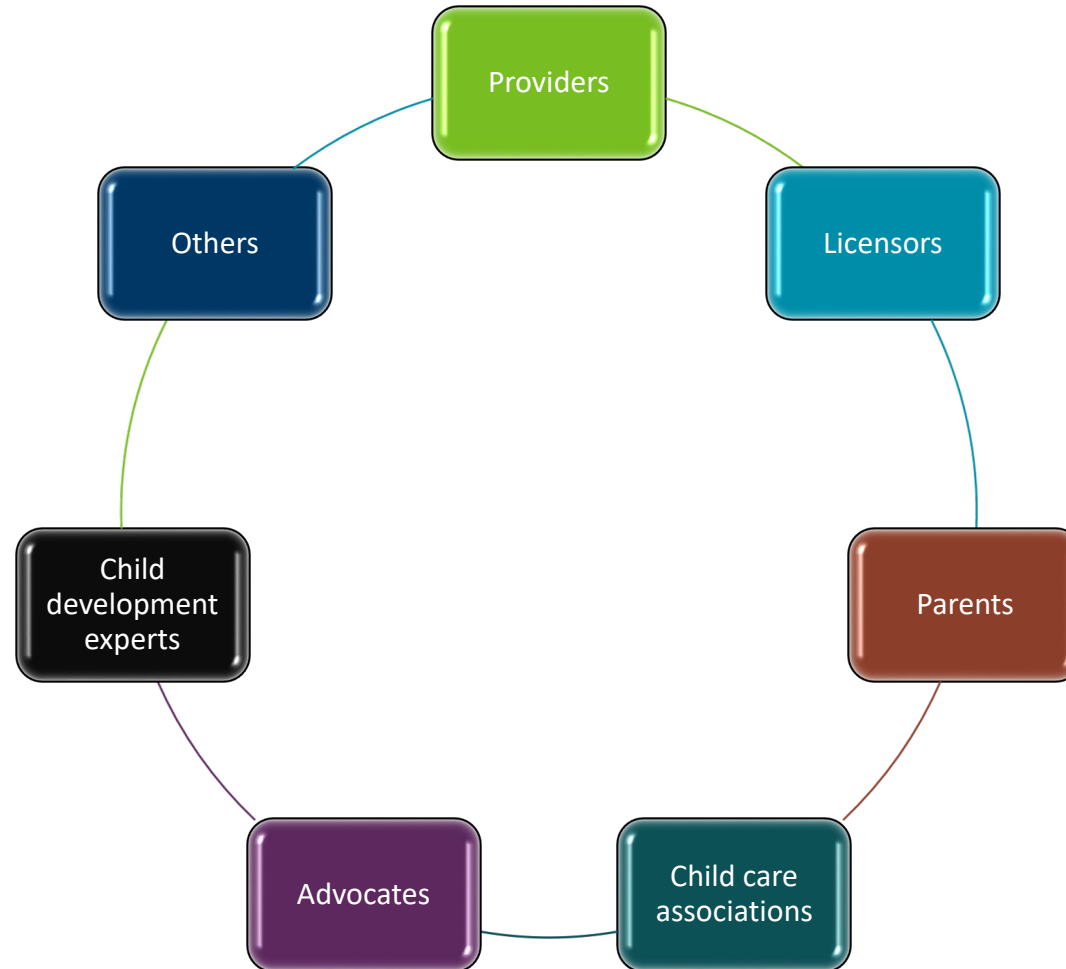
Please be assured that your input matters and Minnesota DHS is committed to obtaining your thoughts and reactions to any and all changes being proposed and implemented.





Stakeholder Engagement

Who do we want to hear from?



How will we engage our stakeholders?

- Surveys
- Focus groups
- Large group discussions
- Email
- Updates through website

- There are 3 webpages
 - Overview page
 - Family child care page
 - Future meetings for family child care will be posted here
 - Child care center page
 - Future meetings for child care centers will be posted here
- Meetings will be virtual
- On these webpages you will also be able to find frequently asked questions and additional resources

- Email: ccregmodernization.dhs@state.mn.us
- Subscribe: On our website, you can sign up for email updates on one or both projects
- Please spread the word about these projects. Your input is important in making positive changes for the future of child care



Timeline

About the Regulation Modernization timeline

- The 3 project components will be developed at the same time. The timelines will overlap, and activities may occur on multiple components at once.
- There will be multiple opportunities for input throughout the duration of the projects.
- Timeline focuses on activities between April 2022 and February 1, 2024
 - February 1, 2024: legislative deadline for report and proposed legislation to implement the new licensing tools and revised licensing standards.
 - Work will continue after February 1, 2024, but will be legislatively driven.
- The following slides give more detailed timelines for each component. These timelines are estimated and are subject to change as the project develops.

Estimated timeline for revised licensing standards

April 2022 – April 2023

1. Collect stakeholder input
2. Distribute revised standards draft 1 for review
3. Revise and write 2nd draft of revised standards

April 2023 – February 2024

4. Begin revised standards pilot projects
5. Propose revised licensing standards

Estimated timeline for risk-based tiered violation system

April 2022 – April 2023

1. Begin focus groups
2. Begin data collection and analysis
3. Collect stakeholder input

April 2023 – February 2024

4. Pilot project of system
5. Evaluate pilot of system

Estimated timeline for abbreviated inspections

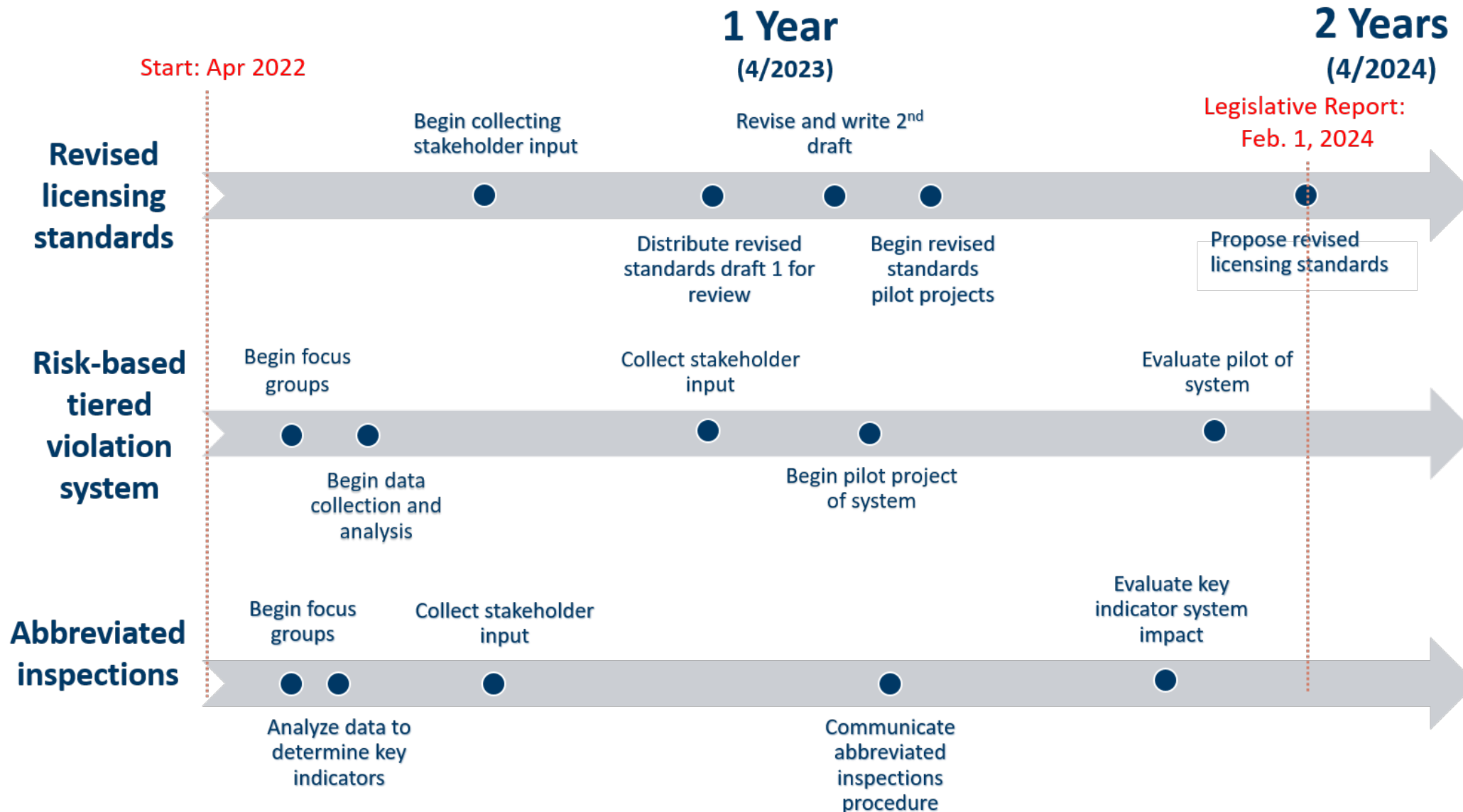
April 2022 – April 2023

1. Conduct focus groups
2. Analyze data to determine key indicators
3. Collect stakeholder input

April 2023 – February 2024

4. Communicate abbreviated inspections procedure
5. Evaluate key indicator system impact

Regulation Modernization Project Timeline



Thank You!

Child Care Regulation Modernization Project Team

Brandon Tice, Chelsea Magadance, Katherine DiBenedetto

Project email address: ccregmodernization.dhs@state.mn.us

[Regulation Modernization Project Website](#)