

# CDD STARS & Operational Q & A

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House Human Services Committee

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# Topics

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- Child Care and Development Fund (CCDF)
- STARS
- Child Care Financial Assistance Program (CCFAP)
- CCFAP 5 Year Plan

# Child Care and Development Fund (CCDF)

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Federal Child Care and Development Block Grant Act (CCDBG) of 2014 is the law that authorizes the Child Care and Development Fund. This law requires states to do several things, and partially funds those activities:

1. Coordination of Early Childhood and Afterschool Systems in the State, including planning for disasters
2. Promote Family Engagement through Outreach and Consumer Education
3. Provide Child Care Financial Assistance to Families
4. Ensure Equal Access to Child Care for Low-Income Children
5. Establish Standards and Monitoring Processes to Ensure the Health and Safety of Child Care Settings
6. Recruit and Retain a Qualified and Effective Child Care Workforce
7. Support Continuous Quality Improvement, including a Quality Rating and Improvement System (QRIS)
8. Ensure Grantee Program Integrity and Accountability

CCDF State Plan:

[https://dcf.vermont.gov/sites/dcf/files/CDD/Reports/VT\\_stplan\\_2019\\_amendment3\\_07.27.2020.pdf](https://dcf.vermont.gov/sites/dcf/files/CDD/Reports/VT_stplan_2019_amendment3_07.27.2020.pdf)

# H-171 and impact on CCDF federal requirements

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1. Using cost of care as the benchmark for setting rates paid to providers. (H-171 sec 5)
2. State Plan amendments are a federal requirement (H-171 sec 6)
3. A family pays no more than 10% of their income for child care (H-171 sec 7)

# VT SStep Ahead Recognition System (STARS)

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The [SStep Ahead Recognition System](#) (STARS) is Vermont's quality recognition system for child care, preschool, and afterschool programs. Nationally these systems are called Quality Rating and Improvement Systems.

Providers may apply for STARS recognition in four areas:

1. Staff qualifications and training;
2. Interaction with and overall support of children, families, and communities;
3. How thoroughly providers assess what they do and plan for improvements; and
4. The strength of the program's operating policies and business practices



# STARS

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**One-star programs** are programs that have a full license based on the appropriate [child care licensing regulations](#).

**Two-star programs (1 - 4 points)** are making a commitment to strengthen their practices. They may have made some progress in many areas or more progress in one or two areas.

**Three-star programs (5 - 8 points)** have made improvements and are working to reach specific goals. They have either made substantial progress in two or three areas or have made some improvements across all five areas.

**Four-star programs (9 - 11 points)** are established programs that have met several standards of quality in all five areas. Many four-star programs are also nationally accredited.

**Five-star programs (12-14 points)** are outstanding in all five areas. Many five-star programs are also nationally accredited.

# December 2020 STARS Participation

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Type of Program	1 Star	2 Stars	3 Stars	4 Stars	5 Stars	No Stars	Grand Total
Afterschool Child Care Program	59	2	51	23	27		162
Center Based Child Care and Preschool Programs (CBCCPP)	37	3	45	182	217	1	485
CBCCPP - Non-Recurring	9	1	1	2	1		14
Licensed Family Child Care Homes (FCCH)	3	1	4	6	8		22
Registered Family Child Care Homes (FCCH)	153	42	142	93	19		449
<b>Grand Total</b>	<b>261</b>	<b>49</b>	<b>243</b>	<b>306</b>	<b>272</b>	<b>1</b>	<b>1132</b>

# VT STARS: connections to other policies

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- Publicly Funded Prequalified Prekindergarten Programs (Act 166)
- Child Care Financial Assistance
- Definitions of high quality
- Specialized Child Care

# Evolution of STARS

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- 2018 Validation and Evaluation Study of STARS Results
- Spring 2019 held community meetings about proposed changes to the STARS system
- September 1, 2019 First Step in STARS changes implemented – all regulated programs with a full license are at one star.
- Winter 2019 proposed criteria for STARS finalized and workgroups created to work on the needed materials, application, guidance manual, continuous quality improvement plan
- Spring 2020 – Work paused due to COVID-19 response
- Winter 2020/21 – Emerging Research influencing a “course correction” to proposed changes

# HHS Committee Requests for Information:

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1. CCFAP Eligibility Needs and Hours of Care
2. Crosswalk of the CCFAP 5 Year Plan as Presented in 2019 and 2021

# CCFAP Eligibility Needs and Hours of Care

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## Eligible Hours:

- Part Time: 1 – 25 hours per week
- Full Time: 26 – 50 hours per week
- Extended Time: more than 50 hours per week

## Information about program eligibility:

- Child Care Financial Assistance Family Booklet:  
[https://dcf.vermont.gov/sites/dcf/files/CDD/Brochures/ccfap/FAP\\_Booklet\\_web.pdf](https://dcf.vermont.gov/sites/dcf/files/CDD/Brochures/ccfap/FAP_Booklet_web.pdf)
- CCFAP Regulations:  
[https://dcf.vermont.gov/sites/dcf/files/CDD/Docs/ccfap/2008\\_DCF\\_CDD\\_Child\\_Care\\_Subsidy\\_Regulations.pdf](https://dcf.vermont.gov/sites/dcf/files/CDD/Docs/ccfap/2008_DCF_CDD_Child_Care_Subsidy_Regulations.pdf)
- CCFAP Policies and Procedures: <https://dcf.vermont.gov/cdd/ccfap-policies>

# Crosswalk of the CCFAP 5 Year Plan as Presented in 2019 and 2021

	As Originally Presented in 2019	As Presented in 2021
<b>Strategies/Details</b>	<ul style="list-style-type: none"> <li>• Set a flat co-payment amount for a family based on family size and income.</li> <li>• Family co-payment assessed at the youngest child first.</li> <li>• Increase income guidelines.</li> <li>• Pay the provider's replated rate up to a capped rate.</li> <li>• Maintained a tiered rate structure based on the program quality.</li> </ul>	No changes from original proposal.
<b>Money</b>	\$2.6 million cost for Year 3 of the plan	\$5,529,000 cost for Year 3 if use of CCFAP returns to pre-COVID-19 levels. Costs will be absorbed in the lower utilization of the program. This cost is associated not to the increase in the Market Rate, but to child care programs increasing their rates.

# Crosswalk of the CCFAP 5 Year Plan as Presented in 2019 and 2021, continued

	As Originally Presented in 2019	As Presented in 2021
<b>Proposed Income Guidelines</b>	Income Guidelines based on the 2019 Federal Poverty Level (FPL)	Income Guidelines based on 2021 Federal Poverty Level (FPL)
<b>CCFAP Rate Caps</b>	Rates were capped based on STARS levels and using the 2017 Market Rate Surveys	Rates were capped based on STARS levels and using the 2019 Market Rate Surveys
<b>Assumptions</b>	Caseload assumptions for estimates are based on the use of the CCFAP in 2018	Caseload assumptions for estimates are based on both the use in 2019 and 2020 – The 2019 use was used to determine the cost estimate, while 2020 was used as a comparison for lower use due to COVID-19.
<b>Technology</b>	Original proposal included upgrades to the current data system – Bright Futures Information System (BFIS)	Current proposal to replace BFIS with a different, new technology. The system will be built in module, with the first module being the CCFAP module.

# CCFAP Rate Caps in 5 Year Plan

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Licensed Center		Base Rate	1 STAR	2 STARS	3 STARS	4 STARS	5 STARS
		50th Percentile	55th Percentile	60th Percentile	70th Percentile	80th Percentile	90th Percentile
Infant	Full Time	\$ 265.00	\$ 270.00	\$ 275.00	\$ 280.00	\$ 300.00	\$ 325.00
Toddler	Full Time	\$ 255.00	\$ 260.00	\$ 265.00	\$ 275.00	\$ 289.69	\$ 328.35
Preschool	Full Time	\$ 235.00	\$ 240.00	\$ 250.00	\$ 260.00	\$ 288.00	\$ 349.13
School age	Full Time	\$ 200.00	\$ 209.20	\$ 215.00	\$ 224.31	\$ 245.60	\$ 275.00

Registered		Base Rate	1 STAR	2 STARS	3 STARS	4 STARS	5 STARS
Infant	Full Time	\$ 175.00	\$ 180.00	\$ 185.00	\$ 200.00	\$ 200.00	\$ 225.00
Toddler	Full Time	\$ 170.00	\$ 175.00	\$ 175.00	\$ 185.00	\$ 200.00	\$ 211.50
Preschool	Full Time	\$ 165.00	\$ 170.00	\$ 175.00	\$ 185.00	\$ 200.00	\$ 210.00
School age	Full Time	\$ 150.00	\$ 160.00	\$ 165.00	\$ 175.00	\$ 190.00	\$ 200.00