

## Testimony to the 8/27/20 Joint Hearing of the House and Senate Appropriations Committees

By Floyd Nease, Executive Director, Lamoille Family Center

Honorable members of the House and Senate Appropriations Committees:

Please be aware that I have provided more background in the form of a longer testimony document and I urge you to take a look. This testimony concerns the Administration's proposal to eliminate local Eligibility Specialists housed in community agencies (Line 37 of the DCF section of the Administration's proposed budget). What follows is a summary of how bad an idea I think this is, and why.

What is being proposed here is not an effort to improve the effectiveness of government services. It is not an effort to help families with young children already struggling with low or no incomes improve their lives. It is not an effort to make sure that families with young children get the services they need when they need them. In fact, this policy change flies in the face of the stated goal of the Child Development Division (CDD) of the Department for Children and Families (DCF) which is: ***"...to increase access to high-quality, sustainable services that are developmentally beneficial for children, strengthen families, and meet their needs. We do this in partnership with families, communities, schools, providers and state and federal agencies."*** The Administration's proposal would do the opposite. It decreases access to high-quality services for struggling families and abandons partnerships with families, communities, schools and providers. With a wave of the hand, line 37 of the Administration's budget proposal says it will, *"Complete work in house with existing state resources."*

Here is the "work" that those "existing state resources" are expected to replace:

- 21 Eligibility Specialists (ES) housed locally in Parent Child Centers and other agencies in communities around the State.
- Each ES serves 350 to 400 families a year.
- They process 10,000 applications a year.
- Each ES is an expert in local resources and services.
- They are experts at building trust, asking the right questions and guiding families as they access local resources and services.
- There are two state employees housed at CDD who cover the entire state. They go out to the agencies that hold these contracts to troubleshoot problems and streamline processes. They monitor carefully not just how many are being served and by when, but how effectively they are being served.

In the Administration's proposal, all of this would be eliminated, in an apparent attempt to save the State money. It strains credulity that this can be done with no new State hires and no new resources.

Two important facts:

- Eligibility determination for child care subsidies was originally moved away from state offices and into community-based agencies because of the stigma experienced by families in need of child care subsidies. Does the state have a plan for how they will eliminate stigma this time around? None that has been shared to date.
- Usually, when an Administration proposes a departure from current policy as serious as this, an analysis is provided of the impact of the change on families, on service quality and on the "existing state resources" that are going to take it on. It appears that no one has looked at impacts, either positive or negative, except to the bottom line. This is what happens when accounting takes precedence over policy. Has anyone asked what families will lose in this proposal? How those losses will be compensated for in this change? Not that has been shared to date.

Honorable members of the Appropriations Committees, I know how busy you are, but I urge you to read the background to this testimony that has been provided. This has been proposed before, in 2011. Back then, you thought it was a terrible idea. You were right. It is still a terrible idea and I urge you to reject it again.



**Joint Hearing of the Vermont House and Senate Appropriations Committees  
Background to the Testimony of Floyd Nease, Executive Director, Lamoille Family  
On behalf of the Parent Child Center Network  
RE: Governor's Proposed Restatement Budget – Childcare Eligibility, Resource & Referral  
August 27, 2020**

*The Parent Child Center Network is opposed to the proposed changes to the CCFAP program in the Governor's recommended budget. We ask your committee to also oppose these changes. Below are some of the impacts we have identified with this change, which is not only a budgetary change, but also a policy change that will impact families and childcare providers. Parent Child Centers and other providers have spent significant time building relationships with DCF/FSD to ensure families get access to programming based on their eligibility - this is now a good system that works well and would have to be completely overhauled in the middle of a pandemic where things are already so much more challenging for families.*

The proposal to shift childcare eligibility, resource and referral services to the Economic Services Division (ESD) would eliminate this highly effective, locally accessed service that is currently embedded and integrated in communities, and promises to be a disaster for families. Most recently, the very Community Based Child Care Referral Specialists up for elimination in this proposal were vital during the COVID School and Childcare shutdown, when hundreds of Essential Workers were able to access essential child care slots because Community Child Care Referral Specialists worked round the clock, 7 days a week reaching out to childcare providers to secure slots for essential workers. These community-based staff were able to match families with providers so that Vermont's essential workers could go to work knowing that their children would be taken care of.

Families with young children who need to work or enroll in training or educational programs often have multiple needs that are met via the one-stop-shop of Parent Child Centers or other community-based host agencies. A family may walk in the door needing help finding or paying for childcare, and then they are connected with multiple other family resources, supports and referral services. That one-stop-shop approach will evaporate if these services are moved into ESD.

**IMPACTS ON FAMILIES:**

If accepted by the Legislature, this would introduce a profound change of Vermont's social policy as it applies to young families. As it is now, the policy is to determine eligibility for childcare subsidy through a local provider that serves families holistically and has expertise in helping them access other services and supports. In effect, by moving the program from where it currently sits – at the Child Development Division (CDD) – to ESD and eliminating the positions at CDD that oversee the program, DCF is shifting away from a system that considers not just eligibility for child care subsidy, but takes a multi-generational, family-centered approach to each family whether they are eligible or not.

Applying for childcare subsidy is often the first time a young family touches the Human Services system of care. When families are applying, they often share much more information than what is needed to determine eligibility, which allows the local specialist to get them connected to many supports and services that might not otherwise be identified. Families often feel less comfortable sharing personal and family issues with state staff because of the fear associated with the power of the state and sometimes the stigma associated with state services. Parent Child Centers and other local providers can offer a warm, welcoming and judgment-free space where families can share their concerns, struggles and barriers and get connected to the help they need. They will also find a home at the Parent Child Center that they can come back to again and again for other supports and services as they need them.

Due to the pandemic, many families have been accessing these services for the first time, with layers of stressors such as: loss of employment, reduced school hours, loss of child engagement activities from

community partners, reduction of people's salaries. They are often embarrassed and stressed when they seek help. We are well equipped to draw out their issues and address their needs with our evidence-based Strengthening Families framework.

CCFAP, Referral and Specialized CCFAP are integrated with Children's Integrated Services (CIS) at the regional level. That works for children and families. It is critical that these are connected to CIS in order to keep quality, multi-layered, seamless integrated services that are accessible and family friendly, thereby ensuring better outcomes. If these functions are moved into ESD, that CIS connection will be lost, which will mean that families are not getting the integrated services that their children need.

Accessibility is an issue for families. Currently, families just "pop" in to their local PCC or other agency to get paperwork, drop off paperwork, ask questions etc. If they must go to the state building, parking is a bigger issue, there are metal detectors, and they just don't feel comfortable in the same building as Family Services Division (FSD), where they may have an open case. Families participating in this program come in for childcare and end up receiving everything from diapers, to CIS referrals, to playgroup info, to parent education. It is difficult to see how this policy change will improve outcomes for children and families, which is supposed to be the primary goal

In the current arrangement, we work directly with the families to make sure they actually access the services they need. For instance, we go back and forth with them and their other services providers to ensure all their paperwork is in order, to help them access family support, childcare or other CIS services. We are concerned that families will fall through the cracks without this locally based, wrap-around approach.

Our Specialists work closely with CIS so that families are not "dropped" from one service need to another. The "warm handoff" that the State demands to ensure continuity for families is based on clear communication and timely transitions. This policy change almost guarantees there will be no warm handoff.

In 2011 the CDD thought of moving these divisions to ESD and it was deemed on many levels a poor idea with many flaws and potential negative impacts to families. We would ask now:

- What has changed, especially during a pandemic?
- What processes have been developed to ensure a smooth continuity for families and providers?
- What accommodations are in place for ESD workers to learn of and develop relationships with all of the support workers who assist families throughout our community?
- How will this workload be distributed among the current State work force and what work has DCF has done to anticipate and mitigate the impact on Vermont families?
  - Currently, there are 21 Child Care Financial Assistance Eligibility Specialists around the State. Each one handles an average between 350-400 cases per year. They process over 10,000 applications/year.

### **IMPACTS ON CHILDCARE PROVIDERS**

Childcare providers operate on a thin margin and CCFAP eligibility determination for families and regular payments must be in place for providers to operate. In order for these smooth operations to happen, childcare providers need prompt confirmation as to where families are at in their eligibility determination, before assigning a secured childcare slot. It is critical to know payment is in place before admitting a child, and parents often urgently need the child to begin attending a program to secure employment.

The BFIS state data base system is difficult to use and childcare providers often rely on local support from local CCFAP specialists with questions around invoicing and family eligibility and determination.

Childcare providers are strapped for time working all day with children with little time for breaks. They need access to local specialists to get the supports they need. Our community-based specialists know them and are

frequently communicating through email and phone to ensure they have what they need so they can bill appropriately and get paid.

We are concerned that this will be one too many changes for childcare providers at this critical time, and we'll see more people close their doors. Everything is in a state of flux right now in this sector, and these providers were on the edge before the pandemic struck.

#### **FINANCIAL IMPACTS FOR PARENT CHILD CENTERS - \$616,898 total**

- Family Center of Washington County would lose \$151,162/year
  - \$117,234 CCFAP & \$33,928 referral; approx 2.5 FTE's
- Springfield Area Parent Child Center would lose \$79,986/year
  - \$16,734 for referral and \$63,252 for CCFAP). Approx 1.2 FTEs
- Sunrise would lose \$102,000/year.
  - Approx 1.5 FTEs and also this contract pays overhead and if it isn't in place it causes other services to cost more because overhead has to be redistributed
- Parent Child Center of NCSS will lose \$130,862/year
  - \$104,514 for CCFAP and \$26,312 for referral. Approx 2 FTEs
- Lamoille Family Center will lose \$85,844 annually.
  - It has been level funded for many years. \$7,804 is spent on administrative costs. \$3,000 is spent on occupancy costs, which would have to be absorbed by all other programs, increasing their cost. That leaves about \$75,000, which covers salaries.
- NEKCA North Parent Child Center would lose \$51,013 per year
  - \$45,626 for CCFAP, \$5,387 referrals. One FTE - this position has been level funded for quite a while and we have had the same staff member in this role since at least 2017. She is the hub for Orleans and Northern Essex - the most rural Counties in Vermont.
- The Family Place would lose \$101,875 per year
  - 1.5 FTE; and similar to Sunrise's comments about overhead.

Respectfully,



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