



Great Start for All Minnesota Children Task Force

Working Group Meeting #6: Family and Provider Affordability Working Group

July 14, 2022

Welcome!

Here are our virtual meeting protocols



- **Please be on video** as much as possible to help with overall engagement
- **Mute self** when not speaking
- Use **Chat feature** or “**raise hand**” **button** for questions or comments
- Technical issues can happen to anyone – **chat privately to Hannah Quinn for any needs**
- If you are experiencing an unstable connection - **switch to phone call or close other applications**
- Members of the **public can submit written feedback to** greatstart.taskforce.mmb@state.mn.us

Guiding Principles

Guiding Principles reflect the Task Force's values and beliefs, guide how it operates, and lay a foundation for decision-making

Promote Equity	Prioritize Family Perspectives, Needs, and Choices	Support the Power of Local Communities	Build Upon our Solid Foundation	Uplift and Diversify the ECE Workforce	Recognize Implementation Realities	Expect High Quality & Effectiveness	Design for Stability, Sustainability, and Positive Impact
<p>We will prioritize a system that promotes equitable outcomes, with a specific focus on children of color and building cultural competency in ECE classrooms.</p>	<p>We will prioritize families' perspectives, needs, and choices as we make data driven and evidence informed recommendations , recognizing that all provider types and settings provide value to the system.</p>	<p>We will ensure local communities are able to define their own priorities and are supported to build the system that meets their children and families' needs.</p>	<p>We will build upon the successes of Minnesota's past and current system, lessons from other states, and the expertise and research in the field.</p>	<p>We will invest in our dedicated and capable early childhood professionals so that they have the opportunity to thrive and grow, and we will build and support a racially diverse workforce.</p>	<p>We will recognize inherent system constraints while remaining responsive to local, state, and federal landscape changes.</p>	<p>We will endeavor to create a high quality and effective ECE system that meets the needs of all of Minnesota's children and families, regardless of circumstance, knowing that the state's future workforce, economy, and resident welfare is dependent upon it</p>	<p>We will work to support funding stability for providers, educators, and staff across mixed delivery settings to ensure better service for families.</p>

Welcome & Agenda

Family and Program Affordability Working Group

Voting Members	Non-Voting Members
Representative Liz Boldon	Janell Bentz, Minnesota Department of Revenue
Shakira Bradshaw, Parent Children Under 5	Summer Bursch, Minnesota Association of Child Care Professionals (MACCP)
Kath Church, Family Child Care Program	Deb Fitzpatrick, Statewide Advocacy Organization
Brook LaFloe, Tribal Representative	Missy Okeson, Minnesota Initiative Foundations (MIFs)
Jayne Whiteford, Parent Children Under 5	Clare Sanford, Minnesota Child Care Association
	Tonia Villegas, Minnesota Association of County Social Services Administrators
	Cindi Yang, Department of Human Services

Our Working Group Charge

Define what an **affordable ECE system** that *works for families* and that *providers / programs want to be part of* looks like in Minnesota and how it can be achieved.



What We Must Consider

Per the Legislation

- The maximum percentage of income that families must pay for ECE
- The process through which families will access financial assistance for ECE (infrastructure, benefit mechanisms, and financing mechanisms)
- How provider payment rates for childcare will be determined and updated
- How to streamline funding and reduce complexity in plan administration
- Roles in administering the plan (including state agencies, local agencies, and community-based organizations)
- How to maintain and encourage the further development of Minnesota's mixed-delivery system in the plan

Family Contributions

Family Benefit Mechanisms

Provider /Program Funding

Administration

Types of Questions We Will Explore

(non-exhaustive)

Family Contributions

- What are today's family co-pay policies for child care financial assistance, and how is it working for families?
- What alternative co-pay policies might we consider and why? What would potential changes mean for affordable access and equity for families within the system?
- What financial impact would a change in family co-pay rates have?

Family Benefit Mechanisms

- How should families access financial assistance in the future system (what are the “benefit mechanisms”)?
- How can we ensure family choice of care setting is maintained and further supported?
- How can we make the system more transparent and accessible to families?

Provider/Program Funding

- What changes are needed in provider/program pay for a stable, sustainable system for all programs types?
- How should provider/program funding be determined and updated?
- How can we ensure provider/program pay is equitable across the mixed delivery system?

Administration

- How should the system of provider pay and family benefits be administered to best meet our goals?
- What roles might exist for state agencies, local agencies, community-based organizations, and other entities in the future plan?
- What infrastructure needs exist to set this future system up for success?

Planned Sequencing of Discussions

Month	Anticipated Topics
February	Introductions & Overview
March - May	Family Affordability: <ul style="list-style-type: none"> • Eligibility • Co-payments • Accessing Benefits
June - Aug	Provider/Program Sustainability: <ul style="list-style-type: none"> • Determining pay levels • Pay process challenges
September	Administration <ul style="list-style-type: none"> • Streamlining funding and reducing complexity • Roles in plan administration
October	Finalize Recommendations

Definitions:

- **Eligibility** – The criteria needed for a family to be designated as eligible to receive payment assistance for care and/or services.
- **Co-payments** – Payments required from families to pay for services.
- **Family Benefits** – Resources or in-kind services families receive from the state.
- **Programs/Providers**: The entities where services are being provided (businesses, family child care homes, school districts, etc.).
- **Workforce**: The people who provide early care and education, including licensed family child care providers, teachers, paraprofessionals, and assistants.
- **Administration** – Government management and oversight of benefits, services, and resources.

*Family Child Care owners are both providers and workforce

TODAY'S GOALS

- Explore updates to our long-term family benefits recommendations
- Align on recommendation for *determining and updating provider pay rates*

Working Group Meeting #6 Agenda – 2 hours

1:00 – 1:10 p.m. Goals and reminders

1:10 – 2:30 p.m. Share and discuss an updated long-term proposal for Family Affordability

2:30 – 2:55 p.m. Align on process for determining and updating provider/program pay rates

2:55 – 3:00 p.m. Next steps and close out

Our Equity Commitments

In all our conversations, we will strive to:

- **Center children and families**
- Pay **particular focus to the needs and priorities** of historically disenfranchised children and families and their communities
- Specifically contemplate **how our decisions may benefit or harm** historically disenfranchised children and families and their communities
- Seek the **expertise and input from stakeholders** already doing the work in historically disenfranchised communities
- Where possible, consider **data that provides insight** into the relative impact on historically disenfranchised children and families and their communities

Long-term Family Benefits Recommendations

Revising recommendations based on feedback

- How can we think **outside the box of our current systems** to meet our charge?
 - Pushing beyond the existing programs/language of existing programs – is this something new entirely?
 - What are the pros and cons of existing benefits programs' frameworks that we can build from?
 - What are the restrictions that come with federal dollars that we must keep in mind?
- Cost will be a large factor in implementation. **Do we need to prioritize**, and if so, where and how?
- We want a **quality system** that families can access. How do family benefits impact or address this?

Reminder: Our draft from May

- **Fully fund a benefits program at rates that cover the full cost of care and for the true demand in the system.** This means between state and federal funding sources, there should be enough money in the system to provide coverage based on eligibility guidelines and established co-pay schedules. With this level of funding, assuming provider capacity exists, there would be no systemic waitlists (though program-specific waitlists may still exist) and all eligible families would have access to benefits.
- **Ensure future funding mechanisms incentivize and equitably support providers across the mixed delivery system and across geographies in achieving high quality standards.**
- **Increase income eligibility for assistance to 250% of State Median Income (SMI),** which means a family of 3 with up to about \$237,000 of income would be eligible to participate. This is a marked increase from today's eligibility.
- **Limit family copayments to 7% of income,** which means eligible families would pay no more than 7% of their income toward early care and education regardless of the number of children in care.
- **Eliminate co-payments for families making 200% or less of the Federal Poverty Line (FPL), which is approximately 47% of SMI.** Co-payments are especially challenging for families below, at, or near the federal poverty line, who often struggle to pay for basic living necessities. Eliminating co-payments for low-income families removes this burden entirely.
- **Simplify all aspects of eligibility** by removing differing entry, exit, and redetermination income amounts. The current system is complicated and may be confusing for families. By simplifying eligibility to include all families earning up to 250% of the SMI, there will be one exit level for the program, and all families earning under that income limit will be eligible.

Reframing from existing systems to “attributes of the future system”

Attributes: “a quality or feature regarded as a characteristic or inherent part of someone or something”

We want a system that:

Is built to center the child and brain development

Makes early care and education affordable for families, especially lower- and middle- class families (“Affordability Standard”)

Promotes access to quality

Promotes family choice among provider and program types that best meet family needs

Encourages family participation

Maximizes federal investments to minimize costs to the State

What else?

Are these right?

What other attributes of existing programs do you like that the future system should embody?

System attribute: *Maximize federal funding*

Federal Context:

- MN's current federal funding for child care = \$357.11 M
- Current CCDBG requirements for funding:
 - Serve children under age 13 in families below 85% SMI
 - Sliding fee scale for family cost sharing
 - Market rate survey OR alternative methodology to set provider reimbursement rates
- Other proposals to consider:
 - CCDBG Reauthorization Act of 2022 – eligibility up to 150% SMI; limits family contribution to 7% of income
 - Build Back Better – eligibility up to 250% SMI; limits family contribution to 7% of income

What does this mean?

To maximize federal investments, the State should adopt the greatest eligibility standards funded by federal law, and invest adequate State funding to meet demand up to this income level

Note: our short-term recommendation includes increasing eligibility to federally allowed eligibility of 85% SMI, the current greatest eligibility standard

System attribute: *Makes early care and education affordable for lower and middle class families*

May draft proposal eligibility and co-pay requirements:

- **Income eligibility:** up to 250% SMI
- **Activity eligibility:** working, looking for work, education, substance use treatment program, experiencing domestic violence, incarcerated caregiver, mental health treatment program, foster care, or CPS supervision (consistent with short-term recommendations for existing programs)
- **Co-pay requirements:** No co-pay for families up to 47% SMI (approximately 200% FPL); phasing up co-pays to 7% of income at 100% SMI, remains at 7% up to eligibility limitation of 250% SMI
- *Reminder: this is under the frame of fully funding the system*



What do we like about this proposal?



What might we want to change about this proposal, based on feedback?



What would it look like to phase up from our short-term to long-term plan?

Our “Affordability Standard”: How much can families contribute to costs of care?

From our establishing legislation: "The plan must include an **affordability standard** that clearly identifies the maximum percentage of income that a family must pay for early care and education.

The standard must take into account all relevant factors, including but not limited to:

1. the annual income of the family;
2. the recommended maximum of income spent on child care expenses from the United States Department of Health and Human Services (*see next slide*)
3. the average cost of private child care for children under the age of five; and
4. geographic disparities in child care costs."

Affordability Standard in May draft recommendations = a gradually increasing percentage of income, from 0% for those at or below 200% of the Federal Poverty Line, up to 7% of income for families up to 250% of State Median Income (where both FPL and SMI differ by count of household members but do not differ by geography within MN).

Our “Affordability Standard”: How much can families contribute to costs of care?

- In 1998, the United States Department of Health and Human Services created a benchmark of 10 percent of family income as an affordable copayment.
- The national benchmark was revised following the 2014 bipartisan reauthorization of the CCDBG. The current benchmark is 7% of income.
 - "HHS chose the 7% benchmark to reflect U.S. Census Bureau data that showed the average percent of monthly income spent by all families on child care stayed consistent at about 7% from 1997 to 2011. Because low-income families disproportionately spend more of their income on child care compared to higher income families, HHS recommended the 7% benchmark in order to achieve parity in child care cost burden." - from the Bipartisan Policy Center
- The Child Care and Development Block Grant Reauthorization Act of 2022, introduced by Senator Tim Scott (R-SC), would establish 7% of income as a cap for family copayments (replacing the current "benchmark", which is not a required cap).
 - The bill would establish a sliding scale for copayments:
 - Families earning less than 75% of SMI would pay no copayment
 - Families earning between 75-100% of SMI would have a copayment between 0-2% of income
 - Families earning between 100-125% of SMI would have a copayment between 2-4% of income
 - Families earning between 125- 150% of SMI would have a copayment between 4-7% of income

7%/10% of income for a family of three with one child (Estimated cost of care TODAY = \$15,400)

		Max Eligibility = 85% SMI		Max Eligibility = 150% SMI		Max Eligibility = 250% SMI	
SMI Level	Family of 3	7%	10%	7%	10%	7%	10%
47% SMI (~200% FPL)	\$44,589	\$3,121	\$4,458	\$3,121	\$4,458	\$3,121	\$4,458
85% SMI (current fed max)	\$80,640	\$5,645	\$8,064	\$5,645	\$8,064	\$5,645	\$8,064
100% SMI	\$94,870	\$15,400	\$15,400	\$6,641	\$9,487	\$6,641	\$9,487
150% SMI (CCDBG Reauth 2022)	\$142,305	\$15,400	\$15,400	\$9,961	\$14,231	\$9,961	\$14,231
250% SMI (BBB proposal)	\$237,17	\$15,400	\$15,400	\$15,400	\$15,400	\$15,400 (7% is \$16,602)	\$15,400 (7% is \$23,718)

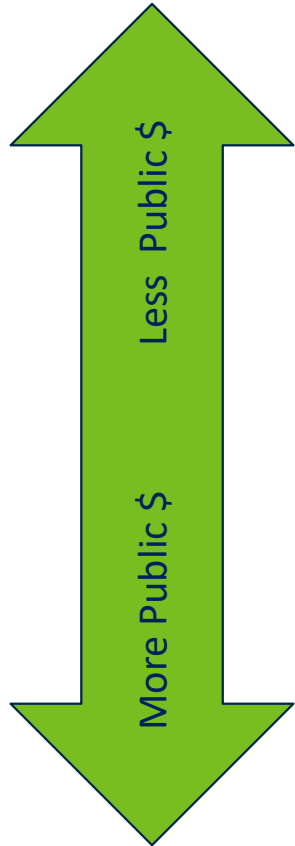
May Task Force
Proposal

 = not eligible, family contribution is full cost of care

CCDBG Reauthorization Act of 2022 (Proposal Introduced by Sen. Tim Scott, R-SC)

Draft Build Back Better Act of 2021

We are creating a new “funding cliff” for families, especially larger families, albeit at a much higher income bracket than today



What can we do?

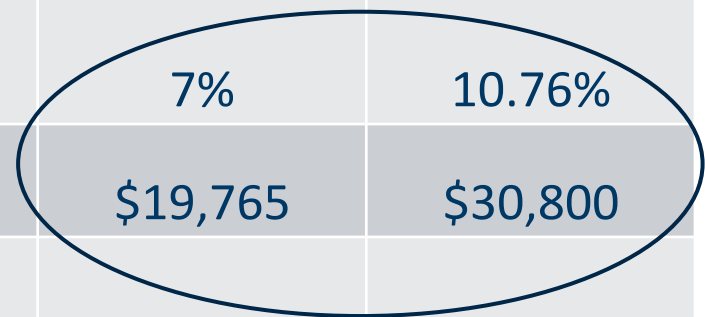
1. Leave proposal as is, with an understanding that families at higher incomes can afford higher child care payments
2. Set the max copayment at a higher percentage of income based on family size / number of children in care
3. Increase income eligibility to allow co-payment to be fixed at 7% across all income levels*

*Based on today's estimated average cost of care of \$15,400 per child, for a family of four with two children in child care, this would be incomes up to \$440K

What does a system of 250% SMI eligibility and max 7% co-payments mean to families?

Family of 4 Co-payment Chart with 2 children in care (directional estimate):

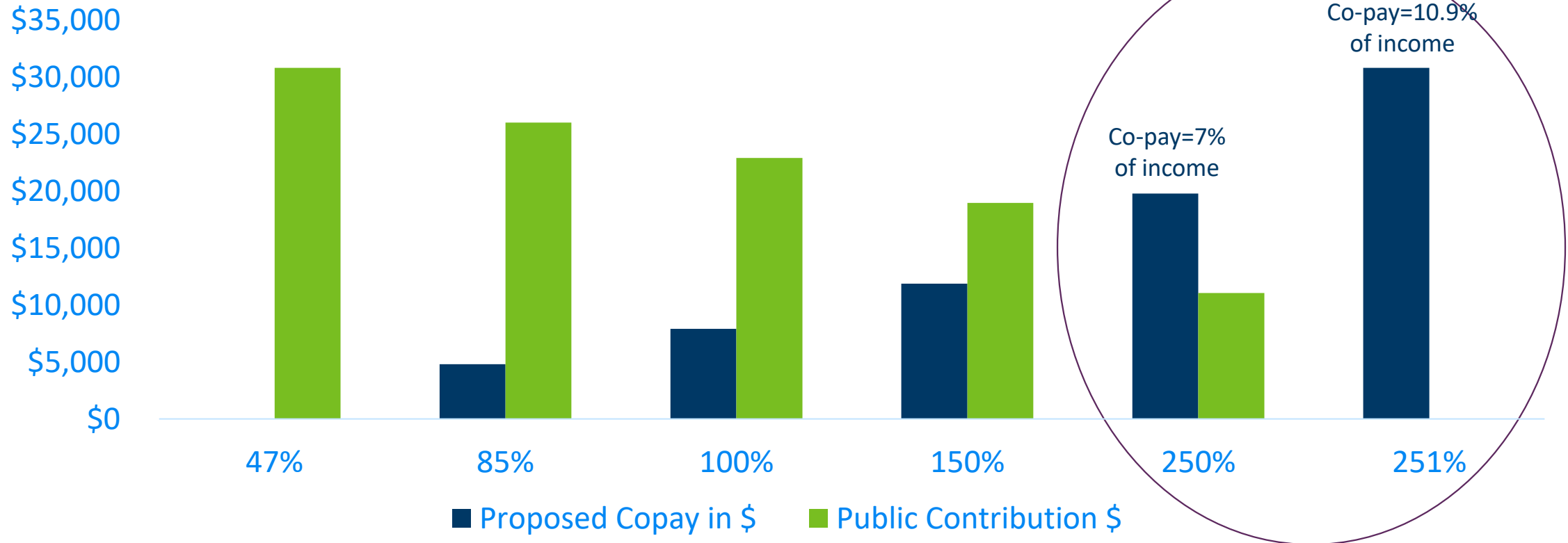
% SMI	47%	85%	100%	150%	250%	251%
Income (family of 4 with 2 kids)	\$53,083	\$96,001	\$112,943	\$169,415	\$282,358	\$282,359+
Current Copay Rate	5%	11%	N/A	N/A	N/A	N/A
Current Copay in \$	\$2,704	\$10,608	N/A	N/A	N/A	N/A
Proposed Copay Rate	0%	5%	7%	7%	7%	10.76%
Proposed Copay in \$	\$0	\$4,800	\$7,906	\$11,859	\$19,765	\$30,800
Public Contribution (based on today's avg costs)	\$30,800	\$26,000	\$22,894	\$18,941	\$11,035	\$0



A family would need to make \$440,000 for the cost of care for two children to be 7% of their income (\$30,800)

What does a system of 250% SMI eligibility and max 7% co-payments mean to families?

Public Contribution and Family Co-Pay by SMI
Family of 4 with two children in care



Where does this leave us on an affordability standard, and its ramifications, for our recommendations?

- Per our charge “It is the goal of the State for all families to have access to affordable, high-quality early care and education....The goal will be achieved by...creating a system in which family costs for early care and education are affordable...”
- To meet our charge, we could define an affordability standard as families paying no more than of 7% of income towards child care for low and middle class families (defined as up to 150% of SMI), and up to 10% of income for higher income families earning up to 250% of SMI, with an acknowledgement that families above 250% of SMI are anticipated to be able to afford the full cost of early care and education. This affordability standard remains the same regardless of the number of children in care.
- The state should increase income eligibility over the implementation period of this Task Force’s plan (July 2025-July 2031) in phased increments from to 250% SMI.
- This Task Force’s short-term recommendations include increasing to the federal limitation of 85% SMI at the start of the implementation timeframe (2025). The state should reach 250% SMI eligibility by the end of the implementation timeline (by July 2031)
- The state must complete a strategic financing study in order to understand potential revenue opportunities (and their ramifications to taxpayers and/or other stakeholders) to offset increased costs
- The affordability standard must be re-evaluated periodically (every two years) to assess the impact of changes in:
 - Family Incomes, including understanding family income in comparison to inflation and cost of living
 - Costs of care, including levels of quality and increasing compensation, which may make the full cost of care more challenging for even higher income families to cover
 - Federal landscape – including both federal funding changes and changing requirements – which could dramatically alter costs to the State and families
- A cost study must be done alongside the periodic re-evaluation of the affordability standard to understand 1) true cost of care including varying levels of quality, 2) geographic differences in costs of care, and 3) total costs to the state. This study must also include an assessment of full system take rates and demand, in order to understand total costs to the state.

Reactions? What does this get right? What is missing? What would you change?

System attribute: Promote access to quality AND promote family choice

How can the family benefits system promote....

Access to quality

- Families understand what quality means, looks like, and how it benefits their child(ren)
- Families have support in finding a quality program that meets their needs
- The benefit amount covers the cost of quality programs
- There must be no financial (or other) disincentive to families to choose quality programs

Family choice

- Families have the information necessary to make informed decisions about program/provider types
- Families can easily find the choices available to them that meet their needs and preferences
- The benefit amount covers the cost of each provider/program type
- There must be no financial (or other) disincentive to attend the program type of family choice

- *Note: this presumes more programs become “high quality” (ties to our effectiveness)*

Reactions? What does this get right? What is missing? What would you change?

System attribute: Encourages family participation

- ✓ Increase funding amount to cover more programs
- ✓ Reduce co-pays
- Reduce administrative complexity
- Increase access points
- Streamline communications
- Connect to other social programs
- Minimize stigma
- What else?

Reactions? What does this get right? What is missing? What would you change?

What could this new program look like? (Slide 1 of 2)

- **A new family benefits system (for example, "Great Start MN Program") is built to center the child and brain development.** Existing state and federal resources and necessary new contributions are combined to form the new program, which is fully funded to cover the full cost of quality care for the true demand in the system. This means there should be enough money in the system to provide coverage based on eligibility guidelines and established family contribution schedules. With this level of funding, assuming provider capacity exists, there would be no systemic waitlists (though program-specific waitlists may still exist) and all eligible families would have access to benefits.
- **Federal investments are maximized to minimize costs to the state.** This means if/as federal limitations on eligibility increase, the state increases its eligibility accordingly and maintains its investment efforts as federal appropriations increase. Upon commencement, eligibility immediately increases to the federal level in place.
- **Early care and education is affordable for lower- and middle- class families in the new system.** This is done in four ways:
 - Expanding income eligibility levels for program participation to percentage of SMI allowed under federal law– currently 85%; CCDBG Reauthorization 2022 bill 150%; BBB 250%
 - Further expanding income eligibility up to 250% SMI by the end of the implementation timeline, in accordance with the state's clear goal to make early care and education affordable to families
 - Eliminating contributions for low income families – families below 100% SMI should not be required to pay a family contribution
 - Reducing family contributions for middle class families – families earning 100% of SMI to the income eligibility limit should contribute an increasing amount of income, but no more than 7% for lower and middle class families/10% for higher income families

What could this new program look like? (Slide 2 of 2)

- **The system is structured to promote access to quality.** Families must understand what quality means, looks like, and how it benefits children's brain development. Families must have support in finding a quality program that meets their needs. The benefit program must cover the cost of quality programs and give families no financial (or other) disincentive to choose quality care.
- **The new system is structured to promote family choice among provider and program types that best meet family needs.** Families have the information necessary to make informed decisions about program/provider types, and can easily find the choices available to them that meet their needs and preferences. The benefit amount covers the cost of each provider/program type, and there must be no financial (or other) disincentive to attend the program type of family choice
- **Family participation in the program is actively encouraged, given the opportunity for positive impact on child development.** It does this not only by making participation affordable, but also by removing barriers to participation including: Reduce administrative complexity, increase access points, streamlined communications, clear connections to other social programs, and minimize stigma. *A benefit of increased family participation is the positive impact on workforce participation.*

How could this program function?

Should this new program be administered through one state agency?

This new future program must be administered through one agency to reduce administrative complexity. The state should develop full program administrative rules and determine the most appropriate agency to administer the future program based on a comprehensive analysis of program requirements. The state must fully fund the infrastructure required to deliver this program effectively.

How will families access supports? What should be the point(s) of entry for families?

The state should authorize multiple entry points to simplify access for families. In doing so, the state must assess potential demand by geography and study the options for adequate support. The state should select primary structure(s) for local administration that ensure adequate coverage of the full state in a manner that provides a high level of customer service quality. However, the state must balance this with the need to maintain efficient operations and ability to ensure consistency in program administration execution through sufficient oversight of adherence to program administrative policies and procedures.

Should provider participation in the new family benefits system be tied to QRIS participation? If mandated, how to scale up while keeping access for families and stability for providers? (FOR FULL TASK FORCE CONSIDERATION WITH EFFECTIVENESS)

The state must achieve two things simultaneously – 1) increase access and 2) increase overall system quality. In order to achieve these, the state must build up today's provider base, and provide supports to providers to achieve increased levels of quality, while also growing and incubating new quality providers. Accordingly, the state should – in partnership with a diverse stakeholder body inclusive of providers of all types – study the option to include all licensed providers in a common QRIS system, which would be expanded to include a new entry standard of “licensed” (such as, for example, a new definition of 1 Star, with the current 4 Star Parent Aware rating structure expanded to a 5 Star structure). This acknowledges that licensed programs are required to meet a certain level of quality standards, and enables parents to more readily assess and compare programs through one rating system.

Determining Provider Pay Rates

Reminder: What do we mean by “Program Funding”?

- The funding that flows from the state to programs across the mixed delivery system in order to fund them for the services they provide for children and families.
- There are two key questions to address in program funding:
 - **Is the funding level (how much money flows to providers) appropriate?** If not, what should it be and how do we get there?
 - **Is the funding mechanism (how money flows to providers) appropriate?** If not, what should it be and how do we get there?
- Per legislation, we must specifically address:
 - How provider payment rates for childcare will be determined and updated
 - How to streamline funding and reduce complexity in plan administration
 - How to maintain and encourage the further development of Minnesota's mixed-delivery system in the plan

Thoughts we've already raised on Program Funding

- What changes are needed in provider pay to have a stable, sustainable system for providers of all types?
 - Simplify the system so that new providers and programs are not intimidated by the complexity
 - Have consistent policies and requirements for billing and payment across administrators
 - Ensure consistency in billing and payment practices across counties
 - Pay up front rather than on a reimbursement basis
- How should provider funding be determined and updated?
 - Understand impact of geographic differences in market rates and if these should be reconsidered given current inflation
 - Set rates on what it actually costs to provide care
- How can we ensure provider pay is equitable across the mixed delivery system?
 - Provide more transparency, in accessible language, as to how CCAP rates are set today, including county differences

Today we will focus on one of our legislative requirements:

How should provider payment rates for childcare be determined and updated?

Setting Rates: Market Price vs. True Cost

Market Price

- ✓ How much people can afford to pay
- ✓ Often reflective of what a child care program will charge to fill its classrooms
- ✓ Creates system where providers in certain communities receive lower reimbursement rates, which can perpetuate lower wages and higher turnover in low-income communities.
- ✓ Centers often subsidize their infant classrooms with rates from preschool classrooms which fill classrooms more easily
- ✓ Average Market Price of child care ranges from \$12K-\$15K/year

True Cost

- ✓ Actual cost of providing care
- ✓ Reflective of ALL costs associated with running a program
- ✓ Ensures reimbursement rates do not replicate the deficiencies of the private market, creating an approach to rate setting that truly allows for equitable access.
- ✓ Centers follow designated rates for infant and preschool classrooms in line with the best quality of care
- ✓ Average True Cost of child care ranges from \$20K-\$30K/year

Understanding true cost as compared to market cost helps set rates that allow for more stable, higher quality of care

Cost Modeling Efforts in Minnesota

- A narrow cost analysis/cost modeling report was published in 2020. The report offered insights into various factors influencing actual costs, and illustrated factors such as provider type, location and wages, and how those differences impact the bottom line for providers.
 - <https://edocs.dhs.state.mn.us/lfservlet/Public/DHS-7180-ENG>
- An updated Cost Modeling Report, with work carried out by First Children's Finance, is planned for Fall 2024.

DRAFT: Recommendation for Provider Pay Determination

Per legislation, we must consider: *How provider payment rates for childcare will be determined and updated*

Minnesota should establish early care and education funding amounts based on cost modeling, rather than market rates (as is current practice). Cost modeling will estimate the actual cost of providing care, reflective of all costs associated with running a program. This should be done across provider types, quality levels, and regions of the state.

This should begin with modeling current costs of care and be **updated every two years** to take into account changes in cost elements including phase-in of Task Force recommendations (including compensation), new mandates, other recommendations or requirements including requirements to meet quality standards, and for changes in cost of living and inflation.

This Task Force's recommendations (including compensation) should be **included in the ongoing work to create an updated Cost Modeling Report**, carried out by First Children's Finance, with planned delivery in Fall 2024.

Discussion Themes – how will we address?

Current pain points (in addition to “not enough funding”):

- ❑ Inability of families to afford co-pays
- ❑ Cash flow challenges from reimbursements-based funding
- ❑ Instability and unpredictability in revenues from family mobility
- ❑ Complicated and inconsistent billing and payment policies and practices across counties and administrators
- ❑ There are current quality differentials for participating in Parent Aware, and about 30% of providers participate in Parent Aware and are eligible to receive those extra funds.
 - ❑ What are the barriers to entry for providers to participate?
 - ❑ The differentials still don't cover the cost of care, how can we resolve that gap?
- ❑ Ensuring equitable access across provider types to provide voluntary Pre-K and afterschool programming.

Anticipated Timeline



Monthly meetings through September 2022

- TODAY: July 14 | 1:00 - 3:00 PM
- August 11 | 1:00 - 3:00 PM
- September 8 | 1:00 - 3:00 PM
- *October TBD*

Next Steps

- Who can volunteer to present an update for our group at the next taskforce meeting on July 26?
- Our next meeting will take place on Thursday, August 11 from 1:00-3:00pm
- Share your reflections at GreatStart.TaskForce.MMB@state.mn.us

