



Complex Considerations for the Recovery of Ohio's Essential Child Care System

Updated April 27, 2020

Governor DeWine has made an incredible effort over the past weeks to protect the public from harm, support the health systems that are needed to fight COVID-19, address the severe economic impact on many businesses, and set the stage for a swift economic recovery. Child care is essential for each of these efforts. In fact, none of them can happen without a well-functioning child care system.

But the past several weeks have exposed more broadly the fundamental weaknesses in our child care system that many families, early educators and employers have experienced over the past decades. We recognize this complex system requires a complex response to survive this crisis and to continue providing essential support to children, families and the state's economy. After all, high-quality child care is the foundation on which all other industries rely.

There is no quick fix or easy solution for Ohio's child care system as we move into the recovery period of the COVID-19 pandemic. Child care requires investment, time, attention and creativity to get through this crisis and help our state get back on its feet.

Recognizing the complexity of Ohio's child care system and the unique needs of young children and families, Groundwork encourages the state and its stakeholders to consider all issues this vital intervention faces. Obviously, these issues can't be resolved at the same time. However, consideration must be given to the full breadth of the challenges in order for sustainable progress to be made. Policy choices in the short-term that reflect the broader systems challenges will create a stronger foundation for which recovery can flourish in the long term.

The following issues for consideration create a basis for such thoughtful decision-making as the state contemplates its plans for the eventual re-opening of child care programs:

- **Keep kids at the top of the agenda.** It has been communicated that children often carry the virus but are not contracting the virus at the same rate as older adults and have a low risk of complications if found to be positive for COVID-19. Accordingly, the decisions around group size in child care settings have been motivated by the goal of eliminating community spread to others by children. While we would not argue with the best available evidence and medical science on this topic, this message should not undermine the state's duty to also protect children for the sake of protecting children from the virus. Additionally, perpetuating this message without adequately balancing it with the fact that children are being harmed deeply

every day by the economic and emotional impact of this global pandemic is a disservice to our youngest and most vulnerable community members.

While it is undisputed that quality child care is essential to reopening the economy so parents can return to work, high quality child care also provides the same critical education to our infants, toddlers and preschoolers year round that our K-12 system provides to our school-age children during the school year—especially when infant and toddler brains are growing more rapidly than any other period in their life. Similarly, as has been learned during this time, the K-12 system effectively provides child care in addition to a high-quality education when children are at school. Our youngest children will soon be part of the workforce themselves on the other side of this pandemic and deserve access to the opportunity we know supports their healthy development and school readiness so they too can thrive in our future economy.

- **Adequately compensate child care programs to accommodate COVID-19-safe environments.** Child care programs should provide a safe environment for children and staff to minimize the spread of COVID-19. Maintenance of a lowered teacher to child ratio and group size may be necessary to ensure safety and minimize spread. These policies substantially raise the program's cost of doing business and limit their enrollment capacity depending upon the limitations of their physical facility (i.e., how many classrooms they can operate). The child care industry typically runs on very low margins and has few areas in which to capitalize on any program efficiencies. Lowering ratio and group size and implementing social distancing measures, while critically important to ensure health and safety, prohibit program efficiencies. Payments for publicly funded children and private pay families will need to increase to cover the increased cost of doing business if there is any reasonable expectation of reopening and maintaining current pandemic program operation. While tiered quality payments should be instituted to reward programs providing high-quality care, this desire must be balanced while regulations would require all programs, regardless of quality rating, to operate at lower ratios and group sizes. Additionally, paying by enrollment versus attendance for publicly funded children, and offering grant supports for programs should be considered to help offset the increased cost of lower ratios and group sizes.
- **Recognize early childhood educators who have continued to work through this public health crisis.** At a minimum, early childhood educators who are currently working should be paid at the same levels as those who are accessing increased unemployment insurance benefits. Attracting and maintaining staff to work for an average of \$11 in a high-risk environment is a significant challenge for current pandemic providers and will only get more difficult, particularly as other businesses continue to provide premium pay to their low-wage workers. Additionally, when state and federal unemployment benefits are combined, laid-off child care workers are earning more than they did on the job. Similar to the added challenge of accommodating the child care business model to reduced ratios and group sizes, this workforce issue increases operating costs for providers and needs to be accounted for in order to open and maintain programming.
- **Prioritize quality and support evidence-based child health and education outcomes.** We know quality matters—and it matters now more than ever to our youngest, most vulnerable children that are experiencing incredible change and trauma as their parents respond on the frontlines of this pandemic. Significant public and private investments have been made in

providing consistent quality care over nearly two decades of our state's history because quality care yields positive child health and education outcomes—both in the short- and long-term. Given what we have learned during other periods of crisis across the nation and in our state, we know that young children are at risk of falling severely behind in their development during this time. Quality child care is among our most powerful interventions to mitigate the impact of the crisis and keep children healthy and on track for school. We know some programs may not reopen. But as we strive to meet family and program needs, we cannot undermine the integrity of our model. Pandemic child care funding decisions should be made to protect our children and investments by supporting quality capacity based upon the strong evidence that it supports positive child outcomes, so that children have access to the supports they need to be successful during this crisis and beyond.

- **Lift initial child care income eligibility to 200% of the Federal Poverty Level.** States have flexibility in setting income eligibility levels with new and existing child care dollars. Within the guidelines of the federal law, it is critical that Ohio provide the maximum flexibility to providers so they can pay their monthly bills without asking hard-pressed families for more. For several years, Ohio has had among the lowest initial eligibility in the country at 130% FPL. If we want to support the many parents who have lost their jobs in getting back to work, we cannot continue to make lack of access to affordable child care a barrier to work in this difficult environment. Low income families must have the opportunity to avail themselves of economic recovery and they need child care to do it.
- **Provide time and resources to programs so they can prepare for reopening.** In order for programs to work towards pre-COVID enrollment with new licensing rules, time will be needed to rehire, retrain, source necessary supplies, and communicate with families and employees. Please consider providing at least a two-week notice and offering as much detailed guidance as possible on ratios and any other new requirements required to maintain the health and safety of children and staff. Grants for programs may be needed to support the cost of reopening. Most programs have had little or no cash flow during this operational break. Support may need to look different for substantially private pay versus substantially publicly funded programs in order to ensure children can safely walk through the door upon the mandatory child care closure order being lifted. Additional consideration should be given to those who chose to operate pandemic care programs which operated at a substantial financial loss in service to essential workers and their community. Some child care programs may have the benefit of potential financial support from a local early childhood initiative or private philanthropy. Allowing time for these stakeholders to plan how they may be able to temporarily fill gaps left by the lack of state investment will ensure a stronger reopening for programs who stand to benefit.
- **Fast-track public health guidance and access to Personal Protective Equipment (PPE) to child care providers and staff.** For those providers that have remained open or will reopen to serve essential personnel and families returning to work, their risk of contracting and spreading COVID-19 is no different than frontline employees in other essential fields. States can leverage the role of licensing staff to ensure these providers get ongoing daily public health support and guidance and immediate and sustained access to PPE including masks, booties and child care-appropriate cleaning supplies and protocols. Programs are desperately concerned about the safety of children and employees at this time.

- **Promote racial, geographic and income equity when determining policy changes that impact access to child care.** As COVID-19 has shown us, racial inequities run deep, and they have devastating effects. Just as there must be a commitment to protecting *all* Ohioans from contracting and ultimately dying from the virus, there must also be a recognition that the economic impact of the pandemic falls disproportionately upon these vulnerable populations of children and their families. Additionally, policy choices, without consideration of equity, regarding the reopening and rebuilding of Ohio's child care system could exacerbate both the inequities brought on by the virus and those historically present within the system prior to the pandemic.

Specific to the child care system, state agency data has instructed us that even among publicly funded children, African American children are less likely than their White counterparts to access a high-quality program (3- to 5-star rated in Ohio's Step Up to Quality system) versus an unrated program or a quality rated program (1- or 2- star rated in Step Up to Quality). Given this reality, any contemplated grant structure or other supports that may consider incentivizing high-quality programs to the exclusion of other rated programs without consideration of equity, may undermine capacity that is disproportionately supporting our families of color. Additionally, targeting support to programs operating in child care deserts should be considered to ensure that lack of capacity is not exacerbated disproportionately in those communities.

As the state continues to plan in the near and long term for child care, they should build upon the trusted small group of external stakeholders from whom they solicit feedback on policy proposals. The expediency of working with a small group should not be tolerated as a justification for excluding diverse voices and thinking, which promote equity at every level of public policy development.

- **Respond to the unique needs of infants and toddlers.** Even among the birth to five population, child development instructs the child care system and all child serving systems that infants and toddlers have unique needs that must be considered distinctly from preschool and school-age children. The choices the state makes about changes to their care and their caregivers in the classroom should look different. The most immediate choice may be concerning ratios and group size. The needs of infants and toddlers should not be outweighed by our inability to properly finance programs under COVID-19 regulations. While we recognize that the way infants and toddlers must interact and learn from their adult caregivers do not lend themselves to any type of developmentally appropriate social distancing, the use of mask and other protective gear may present additional hazards in the classroom and diminish the caregiver's ability to communicate through voice, expression and nurturing touch.
- **Provide specific Family Child Care guidance.** State policy and guidance for child care during the crisis and upon reopening must be clear, specific and inclusive of home-based child care options in Ohio. Family child care programs are critical to Ohio's child care system and are a naturally safe and enriching environment for children during COVID-19 because their ratio and group size is already limited when providing care in their residence. They

deserve equal respect and unique consideration when applying any systemic policy consideration applicable to child care programs.

- **Demand accountability through timely data.** Data will be instrumental for planning and to inform necessary course-corrections to understand what we have gained, saved, and lost in program access and child development. Using information gleaned from pandemic child care sites will be helpful as a starting point but ongoing, real-time supply and demand data that can be disaggregated by geography, race and income will be critical. The state will need to support the requisite technology to ensure decisions reliant on the supply and demand of child care are data-driven.
- **Respond to the significant mental health needs of children, families and early childhood educators.** The state should promote best practices and evidence-based models to support the mental health needs of children, families and early childhood educators. Training on Conscious Discipline and trauma-informed care should be increased. In addition, support for early childhood mental health consultants and direct mental health services for this sector should be considered.
- **Tailor business supports and policy to the unique needs of the child care industry.** Ohio needs to provide guidance and leadership to ensure that child care businesses can navigate and avail themselves of small business supports including SBA loans and unemployment compensation. It requires strong partnership, proactive communication, and efficient planning and implementation by the governor's office and state CCDF administrators to unwind the complexities and communicate them to the industry in these unprecedented and challenging times. Additionally, the state can be a partner in leveraging business and banking relationships to meet the needs of these essential businesses.
- **Utilize CARES Act dollars thoughtfully and expediently.** New CCDBG dollars authorized in the CARES Act should be spent in a simple, efficient and accountable manner to support the above considerations.
- **Advocate for additional federal dollars to support child care programs.** It is expected that this crisis will have a significant impact on the state budget. In anticipation of cuts to the child care budget, we encourage ODJFS and the Governor's office to advocate for additional CCDBG dollars to help support continued services consistent with all considerations. While flexibility for states has been appreciated regarding these dollars, future guidance by congress should focus on the priorities of increasing access and achieving equity.
- **Leverage employers of essential employees.** Before COVID-19, more and more employers were recognizing the value of employer-sponsored child care at the worksite, by purchasing "slots" for their employees in community-based settings or providing back-up child care. While most sectors are suffering significantly during this public health crisis, others such as online food supply and delivery services are thriving and even expanding their businesses. We encourage states to ask these private employers to help finance child care so that they too have a stake in ensuring their essential employees receive access to quality care.

- **Consider access to early learning that is not exclusively tied to employment of parents.** It will take a long time for our economy to recover to previous employment levels. State and federal policy should consider additional investments in Head Start and Early Head Start, Early Childhood Education Grants through the Department of Education and home visiting to serve more children and families who may be unemployed.
- **Prioritize child care staff when a COVID-19 vaccine becomes available.** Child care staff are the first responders for our youngest and most vulnerable children regardless of the public health and economic environment. During the pandemic, early childhood educators have put forth heroic efforts to be the essential workforce to the essential workers. Child care staff must have priority access to a vaccine in order to contain community spread and out of respect for the valued and dangerous work staff is doing to support families and keep children safe.
- **Create a Child Care Transition Work Group.** In order to implement a successful transition that addresses the complex issues involved in the child care transition, a larger working group above and beyond the initial small “strike team” should be created. These local and statewide leaders should reflect depth and breadth of experience and include diversity in every respect but especially racial and geographic diversity. **Multiple African American professionals and child care owners should be included to enhance the group and appropriately represent the field.** Considerations for membership should include:
 - Local early learning initiative leaders
 - Ohio AEYC, Southwest Ohio AEYC
 - Ohio Head Start Association, Head Start & Early Head Start
 - Local resource and referral organizations & OCCRRA
 - OACCP
 - Representatives from single site child care centers and Type A and B family child care homes including both pandemic sites and currently closed sites that serve a variety of ages of children including infants and toddlers.
 - Groundwork Ohio
 - Private philanthropy
 - Families served in publicly funded child care
 - Ohio Chapter-American Academy of Pediatrics
 - Early childhood mental health expert
 - Special needs child care provider
 - Representatives from ODJFS and ODE



GroundworkOhio.org



@GroundworkOhio