

Maximizing the Power of Technology to Boost Child Care Access + Stability

By Louise Stoney

The federal Administration for Children and Families (ACF) recently proposed new rules designed to help more families access the child care they need and to better support child care providers in the essential work they do every day. The proposed rules focus on increasing reimbursement rates, lowering co-pays, encouraging contracts and more. These policy changes are significant, and much-needed, improvements. Coupled with growing state and federal investment in early care and education, these changes will help stabilize the sector and expand supply.

However, ensuring that all families have access to high-quality ECE requires more than money. In most states child care centers and home-based providers that serve children whose families receive subsidy are required to use specific forms and automated systems to document enrollment, report daily attendance, submit invoices and much more. The impact of this additional work should not be minimized. In nearly every state, the administrative burden associated with serving children whose tuition is paid by government is significant. Thus, it is not surprising that child care program operators choose not to serve publicly funded children—even when public reimbursement rates are

high—especially if they can easily fill available seats with families who pay private tuition.

"When a family goes to enroll in my program and I find out they are going to use child care subsidy...It is a lot of extra work for me," reported a small home-based child care program owner in upstate New York. "I have to do a lot of special attendance tracking and bookkeeping. I do it because it helps the family, but it takes a lot of time. And I have to do that work at night or on the weekends, because I'm taking care of kids all day!"

How is it possible to change this picture? How can the process used to track attendance, payment or other reporting be the same for all children, regardless of who pays for their care? Harnessing the power of modern technology is the key.

lowa is at the forefront of a new approach to child care subsidy management that links billing and reporting for publicly funded child care to the automated **Child Care Management Systems** (CCMS) providers use every day to manage their businesses. Early data and stakeholder interviews underscore that the impact has been positive and significant. Providers are extremely enthusiastic. "I can't say enough good things about it," reports an Iowa child care director. "I was very skeptical at first. I thought it would be good for centers with 200 kids, but not us, with only 36 kids. Boy....was I wrong. I would never want to go back. Even home-based providers who have only 2 or 3 kids – this is the way to go!"

Data links to state supported CCMS is one of several steps lowa is taking to craft a newECE Technology Ecosystem. The ultimate goal is to ensure that policymakers have the data they need —in real time—to make smart, timely decisions; that providers have access to the business tools they need to maximize revenue and use resources wisely; and that parents are able to search for available spaces, enroll children, pay for care electronically, and more.

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