

Child Care in Montana

Economic Affairs Interim Committee

November 14, 2023



DEPARTMENT OF
**PUBLIC HEALTH &
HUMAN SERVICES**

Child Care & Development Fund



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HUMAN SERVICES

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Equal access for families through the Best Beginnings Child Care Scholarship Program

Timely payments to providers serving BBS families.

Transparent licensing inspection and monitoring information

Health and safety standards met by all licensed providers

Child Care Resource and Referral agencies across the state

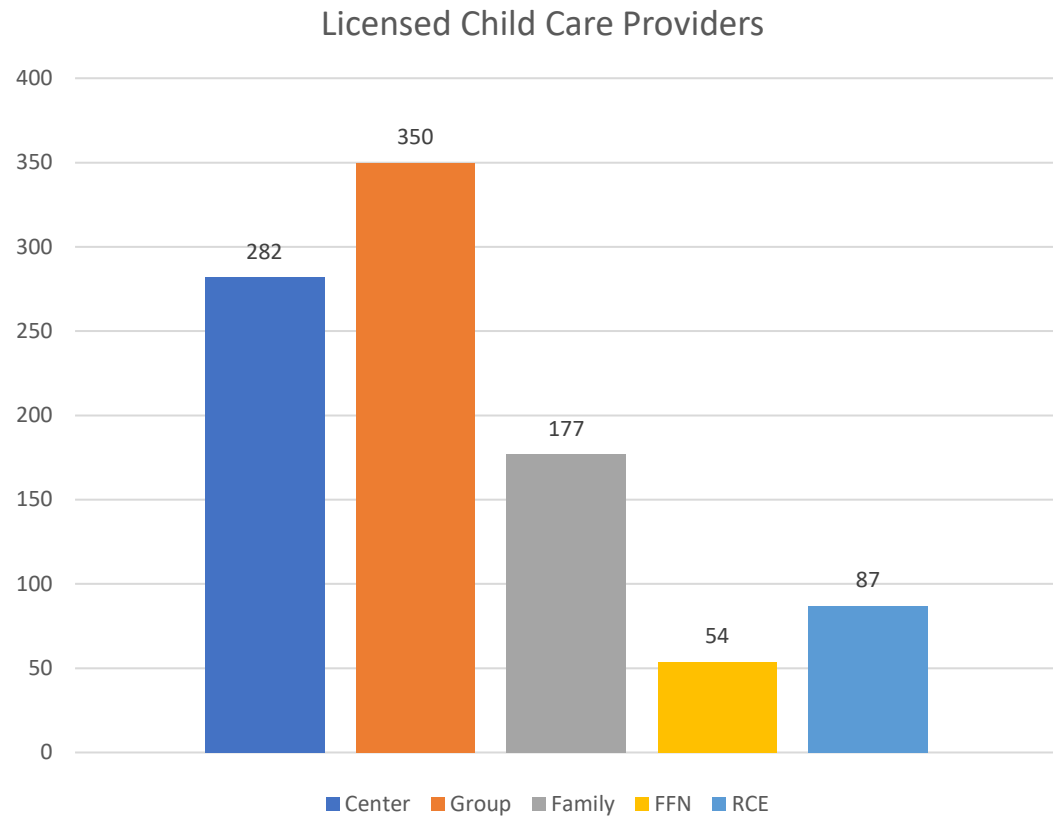
Quality Initiatives to improve child care quality

☐ Review Montana's 2022 – 2024 State Plan:

https://dphhs.mt.gov/assets/ecfsd/childcare/Montana_stplan_pdf_2022.pdf



Licensed Providers-November 2023



- **Center** - an out-of-home place in which care is provided to 16 or more children.
- **Group home** - a private residence or other structure in which care is provided for 9 to 15 children.
- **Family Home** - a private residence in which care is provided for 3-8 children.
- **Family, Friend, Neighbor Provider** - a provider which may provide care in a child's home or in the provider's residence for a sibling group of any size or no more than 4 unrelated children.
- **Relative Care Exempt Provider** - a provider that may care for either a sibling group of any size or no more than 2 children from separate households. This provider type is considered 'License Exempt'.



Child Care Capacity-November 2023

Relative Care		Family, Friend & Neighbor		Family Home	
Capacity Serving	Under 2 Capacity	Capacity Serving	Under 2 Capacity	Licensed Capacity	Under 2 Capacity
225	225	168	168	1413	487

Group Home		Center		Total	
Licensed Capacity	Under 2 Capacity	Licensed Capacity	Under 2 Capacity	Licensed Capacity	Under 2 Capacity
5268	1956	15103	2613	22,177	5064

Licensing Data:

<https://dphhs.mt.gov/childcareprovidersdashboard>

Staffing Child Care- November 2023

- **950** Total licensed programs, all types
- **5,162** Total current approved staff, all types
- **439** Average number of new staff entering the industry since last year.



Best Beginnings Child Care Scholarship

Benefits to Families

- Available to families who:
 - Are working or going to school,
 - Make 185% FPL or less, and
 - Need child care.
- Each family participates in the cost of care through a copayment.
 - \$10 copayment ended December 2022 back to sliding scale.
 - HB 648 now caps at 9%
- Authorized for a full year.

Benefits to Child Care Providers

- Reimbursement rates are set at the 75th percentile of the market rate.
- Payments are made directly to providers. Online invoicing available.
- Full-authorized amounts are paid.

Best Beginnings Scholarship Managerial Report: <https://dphhs.mt.gov/StatisticalInformation/childcare>



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MARKET RATE

- Provider reimbursement rates are set based on a valid and reliable Market Rate Survey conducted every 3 years.
 - 2020 Market Rate Survey:
<https://dphhs.mt.gov/assets/ecfsd/childcare/document/sandresources/ChildCareExecutiveSummary2021.pdf>
- 2023 Market Rate Survey to be finalized in December.



American Rescue Plan Act



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Covid Relief Funding over the last 3 years

– CARES Act, CRRS Act, ARP Act

Key Goals for COVID-19 Child Care Funding

Stabilize the sector

Increase wages/benefits

Increase payment rates

Address workforce shortage

Improve payment policies

Build the supply of child care

Expand access



CARES, ARPA, and CRSSA Cont.

- **CARES:** The Coronavirus Aid, Relief, and Economic Security Act went to support Montanans impacted by COVID-19. Grant funds covered closures or absences for up to two weeks per month at 100% of the authorized amount at licensed and registered child care programs. Financial supports were also given to families to assist with copayments.
- **CRRSA:** The Coronavirus Response and Relief Supplemental Appropriations Act awarded Montana to help . Grants were used to increase income eligibility from 150 to 185 of the Federal poverty level, reduce copays for all families to \$10/month, and to pay providers based on a child's enrollment status rather than their attendance.
- **ARPA:** The American Rescue Plan Act awarded Montana \$110 million to help stabilize the child care industry. Grants to providers helped offset operating expenses and other loses during the pandemic. Currently, the funding is being used to expand the State's child care infrastructure and provide monetary supports for child care workers and other essential workers.

\$10,113,887

\$28,379,759

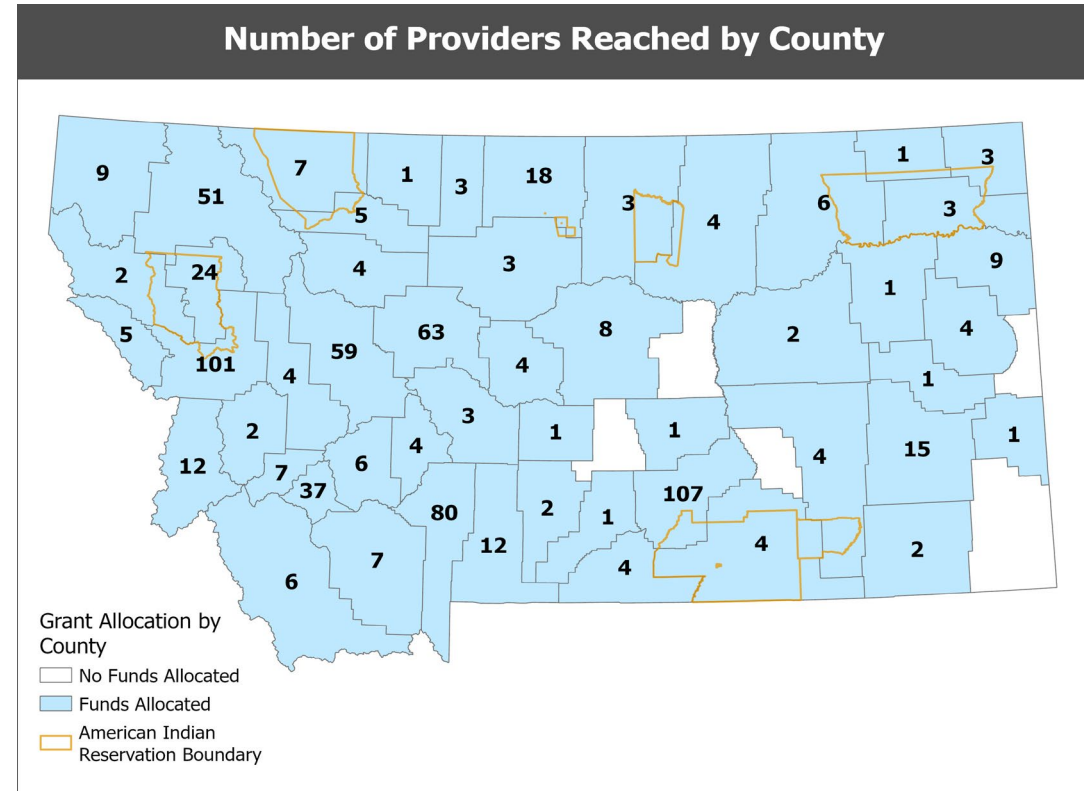
\$110,639,057



ARPA Stabilization Grants

Stabilization Grants: Licensed child care providers applied for funding to stabilize their child care businesses by maintaining or resuming child care services.

- Of the over **900** licensed child care providers in the state during the grant application period, there were **709** who applied and were grant eligible.
- \$62 million awarded total
- 5th Quarter payments with additional priority for child care deserts.



ARPA Funding – Stabilization Grants

Range of Stabilization Grant amounts including 5th quarter and child care desert payment awards.

Provider Type	Low	High	Average
Family	\$11,524	\$94,961	\$30,999.31
Group	\$6,835	\$182,773	\$52,712.78
Center	\$3,848	\$684,568	\$143,700.52



ARPA Supplemental Funding

- Innovation and Infrastructure Solution Grants,
- Child care business specialized training, professional development and technical support,
- Business process improvements and regulation improvements,
- Child care workforce supports, and
- Child care assistance for health care workers.



ARPA Funding – Innovation Grants

Licensed child care providers and other organizations applied for funding to develop and implement innovative community, area, region and/or business-based strategies which expand child care availability for families.

2022 Awards:

- Alberton Early Learning Center LLC | \$366,263
- Big Timber Daycare LLC | \$383,788
- Bozeman Montessori | \$275,308
- Browning Public Schools | \$207,568
- Central Montana Childcare Alliance | \$413,904
- Community Health Care Center Inc. | \$413,676
- Curious Minds Montessori & Preschool | \$999,200
- Great Falls Chamber of Commerce | \$413,904
- Ekalaka Public Schools | \$163,290
- Evergreen Kids Corner Inc. | \$142,797
- Explore Academy LLC | \$394,632
- Flint Creek Childcare Co. | \$1,000,000
- Florence Crittenton Home & Services | \$999,226
- Great Beginnings Montessori School | \$269,091
- Greater Missoula Family YMCA | \$798,680
- Hodges Child Development Center DBA - Kid Country CDC | \$413,904
- Immanuel Lutheran Communities | \$869,770
- Jefferson Local Development Corporation | \$961,549
- Morningstar Learning Center - Spanish Peaks Community Foundation | \$413,904
- Partnership Health Center | \$522,178
- Red Lodge Area Community Foundation | \$465,330
- Rising Stars Early Learning Center - Family Promise of Gallatin Valley Inc | \$989,734
- St John's United | \$970,000
- St Peter's Health | \$1,000,000
- Supalla Inc. | \$413,904
- The Birds Nest | \$1,000,000
- Sunshine Academy Inc. | \$370,199
- The YWCA of Helena | \$355,611
- University of Montana Western | \$999,920
- United Way of Missoula County | \$413,904



ARPA Funding - Business Supports



- Shared Services
- Sub Pool
- Family Network
- Increase in rural providers



- Business training for CC entrepreneurs
- Community-level consultation to support implementation strategies
- Business mentorship program
- Technical assistance for CC business planning and management
- Web-based resource hub with toolkits, community child care business models and resources

ARPA Funding - Workforce Incentives

\$4 million in one-time-only funds for child care workforce retention and incentive payments.

- Round 1 payments of \$600.
- Round 2 payments of \$1,000.
- 3,711 child care staff received funds.

Eligible child care professionals were:

- Active on the ECP Workforce Registry and working at a program approved by Montana Child Care Licensing in one of the following positions:
 - Early Childhood Teacher (Full and Part Time)
 - Early Childhood Assistant Teacher (Full and Part Time)
 - School Age Teacher (Full and Part Time)
 - Director



ARPA Funding -Montana Dept of Labor & Industry

- A MOU, signed March of 2022, established a Child Care Business Development Specialist position at DLI and directed \$288,000 of ARPA funds to:
 - Collaborate with DLI Workforce Services to create and monitor child care workforce stabilization and expansion goals
 - Develop or enhance career pathways
- **Current Outcomes**
 - Developed a 3-tier career pathway aligned to national standards
 - Level 1 – Pre-apprenticeship (CDA)
 - Level 2 – Apprenticeship (associate degree)
 - Level 3 – Bachelor’s or master’s degree
 - Launched a Pre-apprenticeship pilot
 - Developed CDA course work
 - Developed new framework for mentor qualifications



ARPA Funding-Health Care Workers

- Provided \$2 million in child care assistance to certain workers in the health care field.
- This program served 341 children in 211 families.

For more ARPA information visit
childcare.mt.gov



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Montana Bright Futures Birth – Five, BFB5



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Montana Bright Futures B-5

Preschool Development Grant B-5

Child care access and workforce initiatives:

- Child Care Worker Program started on 10/01/2023
- Contract with P-5 Fiscal Strategies to conduct a cost of quality care analysis of the early childhood system
 - In partnership with Zero to Five's evaluation of the cost of quality child care in Montana



Montana Bright Futures B-5

Preschool Development Grant B-5

Child care access and workforce initiatives:

- Workforce Research/Evaluation Project will direct future workforce strategies
- Child Care Recruitment and Retention Mini-grants
 - Support the development and implementation of provider-driven approaches to recruit and retain staff
 - Evaluate best practices to guide future initiative



Data & Resources

- Child Care Capacity and Best Beginnings Authorizations: <https://dphhs.mt.gov/InteractiveDashboards/ChildCareCapacityandSubsidyAuthorizations>
- Montana Child Care & Development Fund Information: <https://dphhs.mt.gov/ecfsd/childcare/childcareanddevelopmentfund>
- Child Care Managerial Reports: <https://dphhs.mt.gov/StatisticalInformation/childcare>
- Montana CCDF State Plan: https://dphhs.mt.gov/assets/ecfsd/childcare/Montana_stplan_pdf_2022.pdf
- Child Care Market Rate Survey: <https://dphhs.mt.gov/assets/ecfsd/childcare/documentsandresources/ChildCareExecutiveSummary2021.pdf>
- ARPA Child Care Information: childcare.mt.gov
- Child Care Licensing Project: <https://dphhs.mt.gov/ecfsd/ChildCare/childcarelicensingproject>



Questions?

Tracy Moseman, Administrator

Department of Public Health and Human Services

Early Childhood and Family Support Division

Tracy.moseman@mt.gov



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