

CEO Presentation

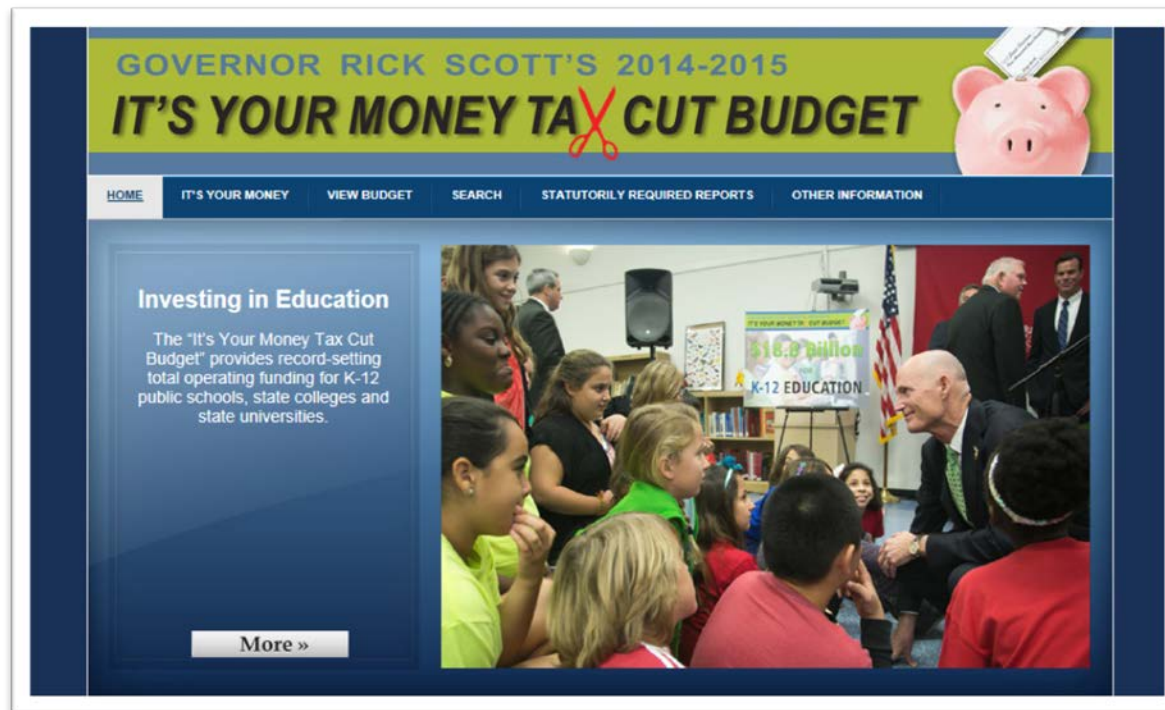
February 3, 2014



GOVERNOR'S PROPOSED BUDGET



- Governor Rick Scott's 2014-15 "It's Your Money Tax Cut Budget" is proposing an increase of \$59 million for early learning.
- The budget in its entirety is available at www.FLItsYourMoney.com.



What this Means for . . .

Overall Funding

- The Governor's Budget includes \$1.1 billion in total funding, which is an increase of \$59.4 million over the current year
 - This is the largest annual increase in total funding over the last decade

What this Means for . . .

School Readiness

- a one-time \$30 million increase in funding for the School Readiness Program
 - The proposed budget provides greater services for Florida's families, recommending \$30 million for serving additional families through the school readiness program and \$5 million for improving teacher quality in the school readiness program

What this Means for . . .

Voluntary PreKindergarten

- The proposed budget includes \$405.9 million in total funding for the Voluntary PreKindergarten program
 - Includes a \$100 per child increase in the base student allocation (reimbursement rate).
 - The school-year base student allocation increases from \$2,383 to \$2,483
 - The summer base student allocation increases from \$2,026 to \$2,126

What this Means for . . .

Parents

- The proposed budget includes \$12 million in state funding for the Parent Skill Building Initiative
 - This is an initiative from the Florida Children and Youth Cabinet and The Children's Movement of Florida.
 - Provides parents with information and resources on a wide range of topics to enhance their knowledge and skills related to parenting with the goal of preventing them from coming into the child welfare system

What this Means for . . .

Data Management for VPK and SR

- The proposed budget includes \$7 million to develop and implement an early learning data system
 - This data system is needed to support the management of information for parents, enrollment and attendance data on over 300,000 children, payments to over 10,000 providers, and state and federal required reporting

What this Means for . . .

Teacher Professional Development

- Increase of \$1.5 million in funding for early childhood teacher scholarships, through T.E.A.C.H. (Teacher Education And Compensation Helps)
- \$5 million for teacher training and improvement
- \$3 million for pre- and post- assessments in the Voluntary Prekindergarten program

EXPLORING A TIERED REIMBURSEMENT MODEL FOR MIAMI-DADE AND MONROE COUNTIES



What Are We Trying To Accomplish?

- Increase the number of children that receive School Readiness funding who attend high quality early learning programs
- Create incentives for families to select higher quality care
- Improve the quality of care and education in high-need areas
- Provide quality improvement supports and incentives to help providers improve their programs
- Create incentives for providers to sustain quality improvements

What Are The Main Challenges?

- The current payment structure is inadequate, but comfortable - change is difficult
- Quality early care and education is expensive
 - Most families cannot afford what quality costs
 - Challenging for providers to offer quality programs with limited revenues, particularly in high-need areas
- Cost and location are the biggest drivers of family selection of care – parent copay and differential
- Limited Resources – Quality vs. Quantity
- Children and providers in high-need areas face the greatest challenges
- Providers in high-need areas get paid the least

How Are We Going To Get There?

- Review tiered reimbursement models in other states
- Discuss options with providers, community, and board
- Determine number of tiers and incentives at each tier level
- Determine how system is going to be financed and feasibility – local funding?
- Determine what we are authorized to do based on current law and administrative rules
- Obtain board and OEL approval (SR plan), as appropriate
- Provide input on how to improve payment structure to members of legislature actively involved in improving the system

We Have Heard the Feedback So Far

- Invest more in the programs that are serving the **most vulnerable children** in the **most vulnerable neighborhoods**
- Don't over complicate model
- Provide **meaningful support** for programs to meet the higher standards
- Ensure **all programs** have opportunity to participate
- Provide **different ways** for programs to participate

WHAT CAN WE LEARN FROM OTHER STATES?



What Components Determine Higher Rates?

- Quality is often measured by the QRIS. Higher rates for higher star levels
 - Standards often include some combination of:
 - Learning environment (ERS and/or CLASS)
 - Professional development
 - Ratios
 - Family engagement
- Requirements for each program tier
 - For example:
 - Tier 1: licensing
 - Tier 2: specific standards
 - Tier 3: accreditation

How Are Higher Rates Calculated?

- Increase subsidy rates by a percentage based on star level or requirements met in the form of
 - Fixed percentage rate increases
 - Increases up to 100% of the market rate
 - Adding to the daily reimbursement rate
 - Annual quality bonus based on the net reimbursement multiplied by a fixed percentage

Who Can Provide Subsidized Child Care?

- Only those programs that have met higher standards can provide subsidized care
 - Programs that are 0-1 or 0-2 stars cannot provide subsidized care OR
 - Programs must meet specific higher standards (that exceed licensing) to provide subsidized care
- All facilities can provide subsidized care (with higher payments made to those that meet higher standards)

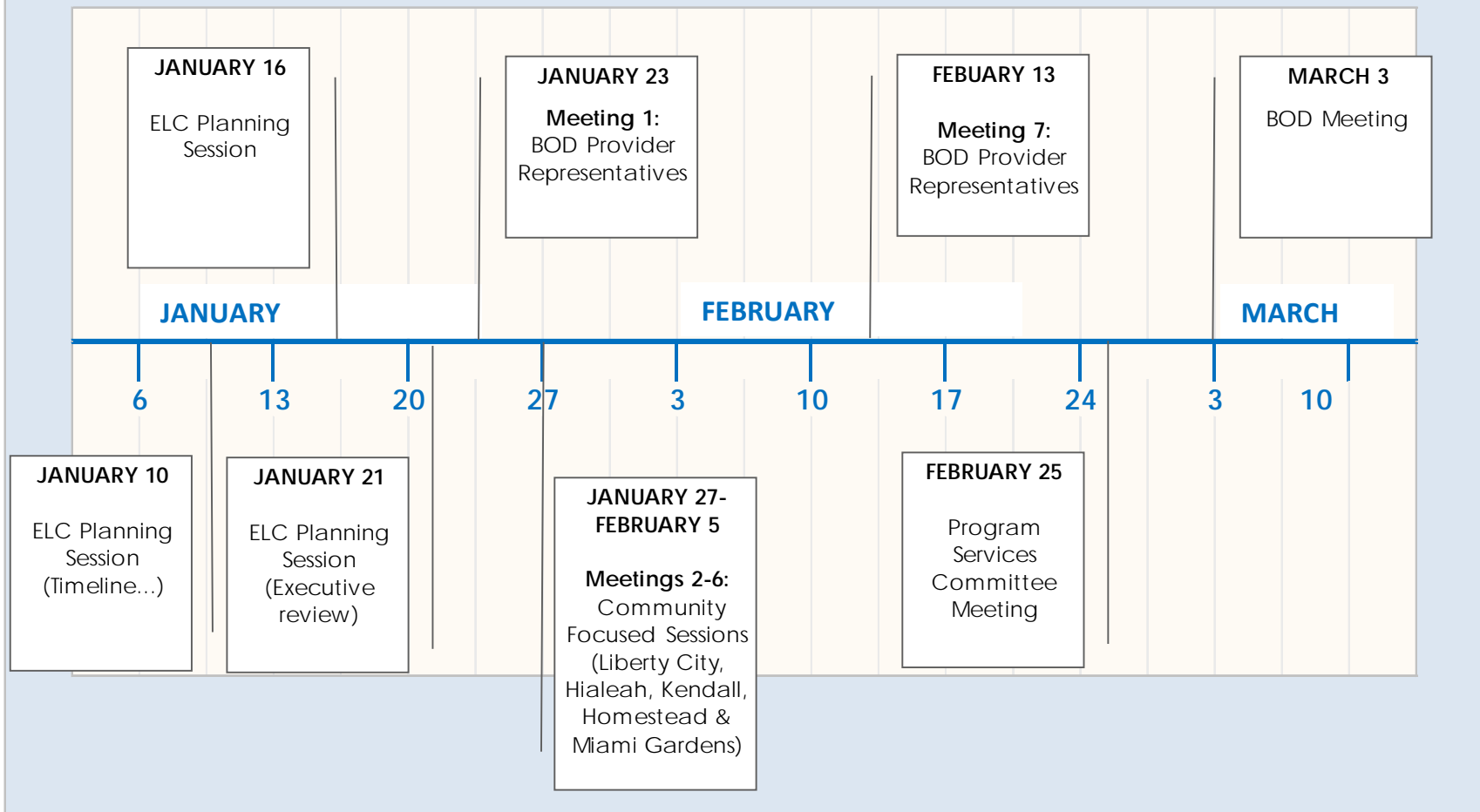
Discussing tiered reimbursement options with providers and other stakeholders

The ELC is hosting a series of meetings including three groups of participants comprised of:

1. ELC staff, nationally recognized consultants in the field and partnering agencies
2. An early care and education provider workgroup consisting of program owners and directors recruited by the three ELC Board of Directors provider representatives
3. All early care and education providers in the Miami-Dade County

Discussing tiered reimbursement options with providers and other stakeholders

Tiered Reimbursement Discussion Timeline



EARLY LEARNING BILL



Bill Section	Line	Statute Amended	Topic	Proposed Changes
1	6-10	Unnumbered	School Readiness Program Name Change	Directs statutory revision to change name of School Readiness Program to Child Care and Development Program.
2	11-24	s. 125.0109	Family Day Care Homes/Residential Zoning	Adds large family child care homes (LFCCH) to family day care home (FDCH) zoning statute. (counties)
3	25-38	s. 166.0445	Family Day Care Homes/Residential Zoning	Adds LFCCH to FDCH zoning statute.(municipalities)
4	40-84	s. 402.305	Child Care Facility Licensing	<ul style="list-style-type: none"> • Adds failure to report child abuse as a disqualifying offense for employment as child care personnel. • Technical change. Subjects licensed FDCH to transportation safety requirements child care facilities and LFCCH. • Prohibits operators of licensed child care facilities, LFCCH, and licensed FDCH from transferring ownership to relatives if license has been suspended or revoked, suspension or revocation proceedings are pending, or provider is on the U.S.D.A. National Disqualified list.
5	85-117	s. 402.3115	Elimination of Duplicative Inspections	<ul style="list-style-type: none"> • Deletes outdated provisions regarding plan to eliminate duplicative inspections. • Specifically requires DCF to conduct abbreviated inspections of licensed child care facilities, licensed FDCH, and licensed LFCCH with no Class 1or Class 2 violations in the past 2 years. • Requires DCF to adopt criteria and procedures for abbreviated inspections in rule. • Requires DCF to develop and implement a plan for reducing the number of inspections conducted on licensed child care facilities with no Class 1or 2 violations in the past 5 years.
6	118-318	s.402.313	Family Day Care Homes	<ul style="list-style-type: none"> • Requires FDCHs to conspicuously display license or registration. • Removes requirement that FDCH submit proof of background screening and training. • Instead, DCF reviews its records and verifies compliance with screening and training requirements. • Requires substitutes to meet same training requirements as the operator. • Adds numeracy to the introductory training course and continuing education course on early literacy. • Adds failure to report child abuse as a disqualifying offense for all persons who are required to be screened. • Deletes provisions specifying that DCF's FDCH media campaign.

Bill Section	Line	Statute Amended	Topic	Proposed Changes
7	319-387	s. 627.70161	Residential Property Insurance Coverage for FDCH	Adds LFCCH to FDCH property insurance statute.
8	388-427	s. 1002.53	VPK Eligibility and Enrollment	<ul style="list-style-type: none"> • Authorizes Early Learning Coalitions (ELC) to authorize private providers to determine child eligibility for VPK. • Requires such providers to keep enrollment records and allows ELCs to audit such records.
9	428-686	s. 1002.55	School Year VPK; private providers	<ul style="list-style-type: none"> • Requires private providers to either be licensed by DCF, hold accreditation that meets or exceeds DCF licensing standards, hold the Gold Seal Quality Care designation, or be a child development center on a military installation. • Requires private providers to allow DCF to conduct inspections (excluding child development centers/military). • Consolidates allowable instructor credentials in the same paragraph. • Requires instructors employed by private providers to be trained in first aid and CPR by Jan. 1, 2015. Instructors hired on or after Jan. 1, 2015, must complete the training before employment. • Adds failure to report child abuse as a disqualifying offense for instructors employed by private providers. • Requires child care personnel employed by private providers to be at least 18 years of age, unless the personnel is not responsible for supervising children or is under direct supervision. (effective Jan. 1, 2016) • Requires personnel employed by private providers to hold a high school diploma or its equivalent with exceptions. (effective Jan. 1, 2016) • Denies eligibility to offer VPK to private providers cited with a Class 1 violation in the 12 months prior to seeking eligibility.

Bill Section	Line	Statute Amended	Topic	Proposed Changes
10	687-731	s. 1002.61	Summer VPK; public schools and private Providers	<ul style="list-style-type: none"> Adds failure to report child abuse as a disqualifying offense for instructors employed by public school and private providers of summer VPK program.
11	732-798	s. 1002.63	School-year VPK; public schools	<ul style="list-style-type: none"> States that charter schools that are authorized to provide VPK in their charter are part of the school district's VPK program and subject to sponsor oversight. Adds failure to report child abuse as a disqualifying offense for instructors employed by public school providers of the school year VPK program.
12	799-858	s. 1002.75	OEL; VPK powers and duties	<ul style="list-style-type: none"> Amends required provisions of state provider contract to require: <ul style="list-style-type: none"> Each private VPK provider to notify parents of violations and post citations on the premises for 1year. Each provider to furnish information to parents regarding school entry health examinations and immunizations required for entry into kindergarten and available hearing and vision screenings. Child care personnel employed by a provider to be trained in developmentally appropriate practices aligned to the age and needs of children served by the personnel.
13	859-909	s. 1002.77	Early Learning Advisory Council (ELAC)	<ul style="list-style-type: none"> Revises duties of ELAC, i.e., provide input to Executive Director (XD) of OEL on best practices, including program administration, use of funds, professional development, and coalition plans. Provides that the XD calls meetings. Makes optional OEL provision of staff and administrative support.

Bill Section	Line	Statute Amended	Topic	Proposed Changes
14	910-1045	s. 1002.81	Definitions (School Readiness Program)	OEL glitch fixes. Revises definitions of "At-risk child," "Family income," and "Working family."
15	1046-1309	s. 1002.82	OEL; School Readiness Program powers and duties	<ul style="list-style-type: none"> • Requires OEL to implement an online child care personnel training course on school readiness performance standards by July 1, 2015. • Amends required provisions of state provider contract to require: <ul style="list-style-type: none"> • Each provider to notify parents of violations and post citations for 1 year. • Child care personnel employed by a provider to be trained in developmentally appropriate practices aligned to the age and needs of children served by the personnel. • Personnel to complete the training course on the school readiness performance standards. • OEL glitch fix. Clarifies OEL duties related monitoring and evaluation of ELCs. • Makes conforming changes.
16	1310-1401	s. 1002.83	ELCs	OEL request. Authorizes ELCs to appoint up to 2 optional members and provides qualifications for such members.
17	1402-1428	s. 1002.84	ELCs; school readiness powers and duties	OEL glitch fix. Revises waiver of copayment for families that experience a natural disaster/other event limiting ability to pay to specify that the family's income must be at or below the federal poverty level.
18	1430-1484	s. 1002.87	School Readiness Program eligibility and enrollment	<ul style="list-style-type: none"> • Multiple OEL glitch fixes. <ul style="list-style-type: none"> • Revises eligibility granted to siblings to state that siblings are eligible until age 11, rather than until the school year in which they enter 6th grade. (OEL requested "age 13") • Clarifies that parents enrolling a child in the program must complete an application and submit it to the ELC. • Clarifies ELC duties regarding notice to parents whose child is determined ineligible or is disenrolled from the program.

Bill Section	Line	Statute Amended	Topic	Proposed Changes
19	1485-1668	s. 1002.88	School Readiness Program provider standards; provider eligibility	<ul style="list-style-type: none"> • Requires providers to be either a licensed child care provider, a public school, or hold accreditation that meets or exceeds DCF licensing standards • Requires licensed or accredited providers to submit to DCF inspections. • OEL glitch fix. Clarifies liability insurance coverage requirements for private providers. • Requires child care personnel employed by a provider to be at least 18 years of age, unless the personnel is not responsible for supervising children or is under direct supervision. (effective Jan. 1, 2016) • Requires provider personnel to hold a high school diploma or its equivalent, with exceptions. (effective Jan. 1, 2016) • Requires personnel to be trained in first aid and CPR beginning Jan. 1, 2015. Personnel hired on or after Jan. 1, 2015, must complete the training before employment.
20	1669-1752	s. 1002.89	School Readiness Program funding	<ul style="list-style-type: none"> • Multiple OEL glitch fixes. • Revises quality activities related to public outreach and training, technical assistance, and grants to providers. • Clarifies that funds ELCs spend on minor remodeling must be necessary for program administration.
21	1754-1765	s. 1002.91	Investigations of fraud and overpayment	OEL glitch fix. Clarifies that ELCs may not contract with both "individuals" and providers on the U.S.D.A. National Disqualified list.
22	1766-1779	s. 1002.94	Child Care Executive Partnership Program	OEL glitch fix. Deletes requirement that community child care task forces be established for each purchasing pool.
23	1780-1792	s. 1001.213	Office of Early Learning	Authorizes OEL to hire a general counsel and an inspector general.
24	1793			Provides an effective date of July 1, 2014.

Insurance Requirements for School Readiness and VPK Providers in HB 7165

- During the 2013 session, the Florida Legislature passed important early learning legislation. Designed to improve quality and bring more accountability and transparency to the state's early learning programs, the law moved the Office of Early Learning into the Department of Education and implemented changes to the School Readiness and Voluntary Prekindergarten (VPK) Education programs. The bill includes requirements for provider insurance.
- **1. As a school readiness and/or VPK provider do I need to obtain liability insurance and name the early learning coalition as an additional named insured?**
 - **Yes.** All providers including religious-exempt providers need to obtain liability insurance and **name the early learning coalition as an additional insured.**
- **2. Does a family child care home with one employee need to carry workers compensation insurance as specified in HB 7165?**
 - **No.** Florida law specifies that companies with fewer than four employees are exempt from workers compensation requirements.
- **3. How do I obtain liability insurance for my childcare facility?**
 - Contact your insurance agent or call your provider association for assistance.
- **4. HB 7165 states that a provider must obtain and retain an insurance policy that provides a minimum of \$100,000 of coverage per occurrence and a minimum of \$300,000 general aggregate coverage, but can request a lower limit as appropriate. How do I request a lower limit?**
 - The office is **working on** procedures to request a lower limit.

Insurance Requirements for School Readiness and VPK Providers in HB 7165

- **5. Does HB 7165 require child care providers to carry **workers compensation insurance**?**
 - **Yes.** Please visit the Division of Workers Compensation for all questions regarding workers compensation insurance <http://www.myfloridacfo.com/wc/index.htm>. If you have more in-depth questions on workers comp, you should contact the Division of Worker Compensation of the Florida Department of Financial Services, your insurance agent or your attorney.
 - Please note that while the reference to workers compensation in the law is new, it is not a new requirement for providers. It existed previously under the Workers Compensation law. Unless exempt, providers have already been required to maintain Workers Compensation coverage.
- **6. Does HB 7165 require providers to carry **unemployment compensation**?**
 - **Yes.** However, certain providers may be exempt. Please see the attached link to the Florida Department of Revenue's tutorial for the basics: <http://dor.myflorida.com/dor/training/ut/>. Also see the DOR website: <http://dor.myflorida.com/dor/taxes/reemployment.html#reference>
- **7. What paperwork is the coalition required to request to prove the provider has liability insurance?**
 - A **certificate of liability insurance** is sufficient as it provides proof of liability insurance coverage. It also includes policy numbers, effective dates, expiration dates and the name of the insurance company providing coverage.

ELC FACILITIES UPDATE



Permanent Locations

- **Operational in 2013:**

- **Main Office:** 2555 Ponce de Leon Blvd., Coral Gables
- **Central Service Center:** 1350 S.W. 3rd Ave., Miami
- **Central File Room:** 1468 NW 78 Ave., Doral
- **Key West:** 1111 12 St., Suite 206
- **Marathon Satellite Office:** 5800 Overseas Highway, Suite 36
- **Key Largo:** 103400 Overseas Highway, Suite 232

- **Operational in 2014:**

- **North Service Center:** 1515 NW 167 Ave., Suite 320, Miami Gardens (February 3, 2014)
- **South Service Center:** 19001 S.W. 106th Ave. (March 2014)
- **Hialeah Satellite Office:** 4125 West 20th Ave., Hialeah (January 13, 2014)
- **Liberty City Satellite Office:** 5400 NW 22nd Ave., (April 2014)

COMMUNICATIONS UPDATE





VPK Online registration is now open!

If you live in Florida, and your child turns 4 years of age by September 1, your child is eligible to participate in Florida's FREE Voluntary Prekindergarten (VPK) education program.

Register online at www.vpkhelp.org

- ★ Fill out the application online
- ★ Print your Certificate of Eligibility at home
- ★ Avoid lines and wait times

Visit www.elcmdm.org to learn more about the program and register your child today.



The End

