



**November 2020 Caseload Estimating Conference  
RI Department of Human Services  
October 22, 2020**

**Caseload Testimony**

**Gina M. Raimondo  
Governor**

**Courtney E. Hawkins  
Director**

# November 2020 Caseload Conference

## Rhode Island Department of Human Services

The members of the Caseload Estimating Conference have requested that the Executive Office of Health and Human Services (EOHHS) and the Department of Human Services (DHS) provide written answers to various questions in addition to the presentation of their estimates. These answers are provided throughout the document and highlighted in red text.

### TABLE OF CONTENTS

<b>RI WORKS OVERVIEW .....</b>	<b>1</b>
<b>PROFILE OF RI WORKS .....</b>	<b>2</b>
<b>RI WORKS CASES BY CITY/TOWN .....</b>	<b>4</b>
<b>RI WORKS TRENDS .....</b>	<b>8</b>
<b>COVID-19 EXPENSES .....</b>	<b>10</b>
<b>HARDSHIP EXTENSIONS.....</b>	<b>12</b>
<b>WORK PARTICIPATION RATE (WPR).....</b>	<b>13</b>
<b>TANF BALANCES BY QUARTER .....</b>	<b>15</b>
<b>TANF 2021 BUDGET.....</b>	<b>16</b>
<b>TANF MAINTENANCE OF EFFORT (MOE) .....</b>	<b>16</b>
<b>RI WORKS REDESIGN.....</b>	<b>18</b>
<b>POTENTIAL FEDERAL LAW CHANGES.....</b>	<b>22</b>
<b>STATE LAW CHANGES.....</b>	<b>22</b>
<b>CHILD CARE ASSISTANCE PROGRAM OVERVIEW .....</b>	<b>23</b>
<b>OFFICE OF CHILD CARE RESPONSE TO COVID-19.....</b>	<b>23</b>
<b>CHILD CARE STATISTICS .....</b>	<b>26</b>
<b>OFFICE OF CHILD CARE/OFFICE OF FINANCIAL MANAGEMENT.....</b>	<b>28</b>
<b>CHILD CARE TRENDS.....</b>	<b>32</b>
<b>CCAP CASELOAD PROJECTION .....</b>	<b>33</b>
<b>FAMILY BASED UNION INCREASE .....</b>	<b>36</b>
<b>UNION SICK TIME.....</b>	<b>36</b>
<b>TIERED REIMBURSEMENT.....</b>	<b>36</b>
<b>QUALITY INVESTMENTS .....</b>	<b>37</b>
<b>SUPPLEMENTAL SECURITY INCOME (SSI).....</b>	<b>39</b>
<b>GENERAL PUBLIC ASSISTANCE (GPA).....</b>	<b>43</b>
<b>CASELOAD PROJECTIONS.....</b>	<b>APPENDIX A</b>
<b>CCAP ADDITIONAL DOCUMENTS .....</b>	<b>APPENDIX B</b>

## Rhode Island Works (RIW) Program

RI Works is Rhode Island's name for the federal Temporary Assistance to Needy Families (TANF) program. Authorized under Public Law 104-193 in 1996 (the welfare reform legislation "Personal Responsibility and Work Opportunity Reconciliation Act" or PRWORA), the TANF program is a block grant to states to achieve the following purposes:

- Assisting needy families so that children can be cared for in their own homes;
- Reducing the dependency of needy parents by promoting job preparation, work and marriage;
- Preventing out-of-wedlock pregnancies; and
- Encouraging the formation and maintenance of two-parent families.

States create their own programs within the parameters of TANF. RIGL § 40-5.2 authorizes RI Works, Rhode Island's TANF program. It was previously known as the Family Independence Program (FIP) when enacted in 1997. In 2008, it was revised as the RI Works program to align with TANF's employment goals and policies and to help recipient families become employed and self-sufficient. The goal of RI Works is to eliminate or reduce the harmful effects of poverty on families and children by fostering employment and opportunity as a means to economic independence (RIGL § 40-5.2-6 (a)); and to eliminate the stigma of welfare by promoting a philosophy and a perception that the purpose of welfare is to eliminate or reduce the harmful effects of poverty on families and children by promoting work opportunities for all Rhode Island residents (RIGL § 40-5.2-6 (c)).

All activities and services provided through the RI Works program are intended to promote economic progress for families through the provision of supportive services, the development of employment skills and intensive work readiness services. The RI Works Program supports adult family members to work by offering the following benefits and services:

- **Cash Assistance** is provided to needy families that meet certain guidelines
- **Comprehensive Assessment and Service Planning** for families receiving cash assistance
- **Child Care Assistance** is provided to support the family, when needed
- **Assistance with Job Training, Adult Education, and Finding Work**
- **Food Assistance** is provided by Supplemental Nutrition Assistance Program (SNAP)
- **Transportation:** reimbursement and/or bus passes are available to support preparation for employment
- Parents are strongly encouraged to apply for **Health Care** while on RI Works

The TANF Block Grant is the primary funding source for RI Works. In order to draw Rhode Island's 94.7-million-dollar federal grant, the State is required to maintain a historic level of investment in programs that serve low-income families. This investment is called maintenance of effort (MOE), these expenditures are calculated each fiscal year and must be at least 80 percent of historic "qualified" state expenditures under the former Aid to Families with Dependent Children (AFDC) Program. In Rhode Island, 80 percent MOE is 64.4-million-dollars.

## Profile of RI Works

Household Breakdown	Household Breakdown	
	Households with 1 parent	66.45 percent
	Households with 2 parents	4.07 percent
	Households with child-only cases	29.49 percent

Race and Ethnicity	Race and Ethnicity	
	American Indian or Alaskan Native, Non-Hispanic	0.93 percent
	Asian, Non-Hispanic	0.61 percent
	Black or African American, Non-Hispanic	13.26 percent
	Native Hawaiian or Other Pacific Islander, Non-Hispanic	0.10 percent
	White, Non-Hispanic	22.00 percent
	Hispanic, including Mexican, Puerto Rican, and Cuban	21.75 percent
	Unable to Determine the Ethnicity or Race	41.80 percent

Age	Age	
	Adults ages 18 and older	26.63 percent
	Children under age 18	73.37 percent

Recipients per Household	Recipients per Household	
	1 individual	27 percent
	2 individuals	34 percent
	3 individuals	22 percent
	4+ individuals	17 percent

**Profile of RI Works (Continued)**

English Speaking Adults			
Literacy Levels	1st Grade & Below	0.7 percent	41.8 percent Read below an 8 <sup>th</sup> Grade Reading Level
	2nd-3rd Grade	4.7 percent	
	4th-5th Grade	15.4 percent	
	6th-7th Grade	18.9 percent	
	8th-9th Grade	18.0 percent	
	10th-11th Grade	18.5 percent	
	12 <sup>th</sup> Grade & Above	33.0 percent	

Spanish Speaking Adults			
Literacy Levels	1st Grade & Below	4.5 percent	64.9 percent Read in Spanish below an 8 <sup>th</sup> Grade Reading Level
	2nd-3rd Grade	29.4 percent	
	4th-5th Grade	27.2 percent	
	6th-7th Grade	11.7 percent	
	8th-9th Grade	8.9 percent	
	10th-11th Grade	0.6 percent	
	12 <sup>th</sup> Grade & Above	17.8 percent	

**RI Works Cases by City/Town**

City/Town	City/Town	Cases	Individuals
	Barrington	6	16
Bristol	26	57	
Burrillville	17	35	
Central Falls	132	300	
Charlestown	4	5	
Coventry	30	53	
Cranston	132	282	
Cumberland	31	76	
East Greenwich	12	24	
East Providence	77	168	
Exeter	3	5	
Foster	5	8	
Glocester	3	10	
Hopkinton	4	8	
Jamestown	4	5	
Johnston	53	97	
Lincoln	27	63	
Little Compton	2	4	
Middletown	31	80	
Narragansett	2	5	
New Shoreham	0	0	
Newport	87	214	
North Kingstown	23	53	
North Providence	59	127	
North Smithfield	5	12	
Pawtucket	314	747	
Portsmouth	10	25	
Providence	1135	2847	
Richmond	2	4	
Scituate	5	11	
Smithfield	9	18	
South Kingstown	24	64	
Tiverton	29	62	
Warren	14	33	
Warwick	79	180	
West Greenwich	0	0	
West Warwick	77	173	
Westerly	16	25	
Woonsocket	290	715	
Undetermined	6	10	
<b>Total</b>	<b>2785</b>	<b>6620</b>	

**Question:** Please provide a profile of current 1-parent, 2-parent, and child only cases by demographics (such as age and residence) and by duration of benefits.

**Question:** Please provide a profile of hardship cases by similar criteria as listed above.

**Answer:** Please see charts below.

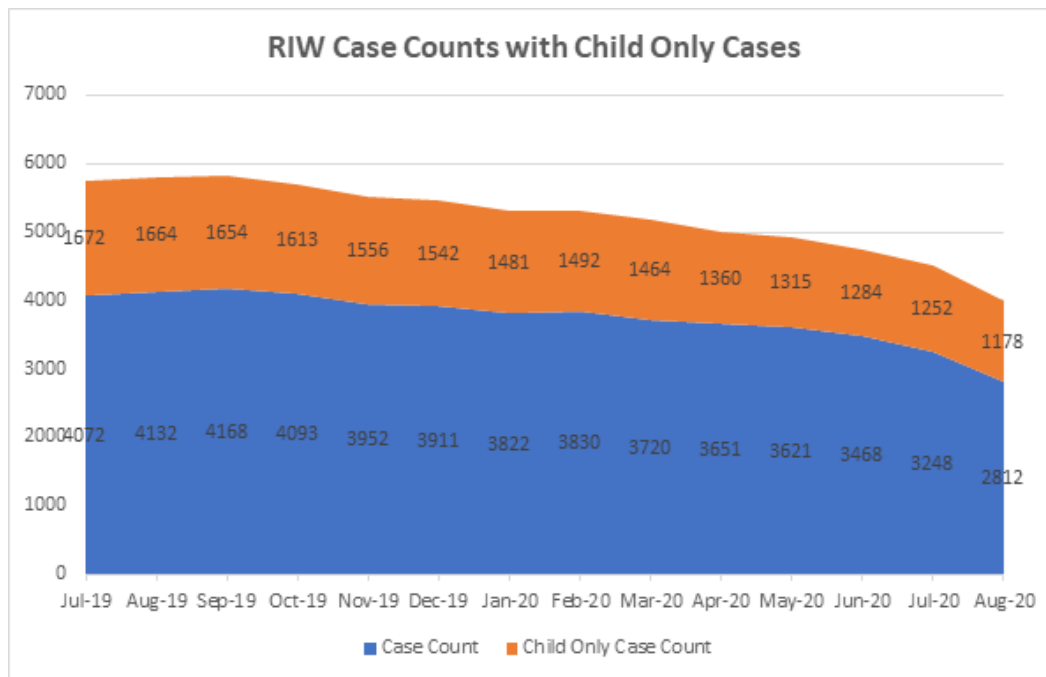
Family Type	Months on RIW				
	0-24	25-48	49-60	>60	Total
Single-Parent	588	698	150	114	1,550
Two-Parent	36	21	5	4	66
<b>Total</b>	<b>624</b>	<b>719</b>	<b>155</b>	<b>118</b>	<b>1,616</b>

City/Town	Cases		
	Child-Only	Single-Parent	Two-Parent
Barrington	2	4	0
Bristol	5	20	1
Burrillville	8	9	0
Central Falls	62	70	0
Charlestown	3	1	0
Coventry	17	12	1
Cranston	57	72	4
Cumberland	14	17	0
East Greenwich	9	3	0
East Providence	32	45	0
Exeter	1	2	0
Foster	3	2	0
Glocester	2	0	1
Hopkinton	1	2	1
Jamestown	3	1	0
Johnston	29	24	0
Lincoln	9	16	2
Little Compton	0	2	0
Middletown	8	23	0
Narragansett	1	1	0
New Shoreham	0	0	0
Newport	26	58	4
North Kingstown	12	11	0
North Providence	24	34	1
North Smithfield	0	5	0

Pawtucket	126	182	6
Portsmouth	4	6	0
Providence	487	626	26
Richmond	2	0	0
Scituate	3	2	0
Smithfield	4	5	0
South Kingstown	14	10	0
Tiverton	12	14	3
Warren	3	10	1
Warwick	32	46	1
West Greenwich	0	1	0
West Warwick	32	45	0
Westerly	11	5	0
Woonsocket	118	160	12
Undetermined	2	4	0
<b>Total</b>	<b>1,178</b>	<b>1,549</b>	<b>64</b>

**Question:** How many child-only cases are included in the estimate for FY 2021 and FY 2022? How many families receive the payment(s)?

**Answer:** 35 percent of the caseload is projected to be child only cases for FY2021 and FY 2022. The percentage of child only cases prior to COVID had have been stable at 39 percent. The child only cases since COVID have varied from 26 percent to 29 percent. The projection was created using a weighted average of the past 18 month encompassing both before





**Question:** How many parents are currently without a plan due to:

- a. exemption from employment planning

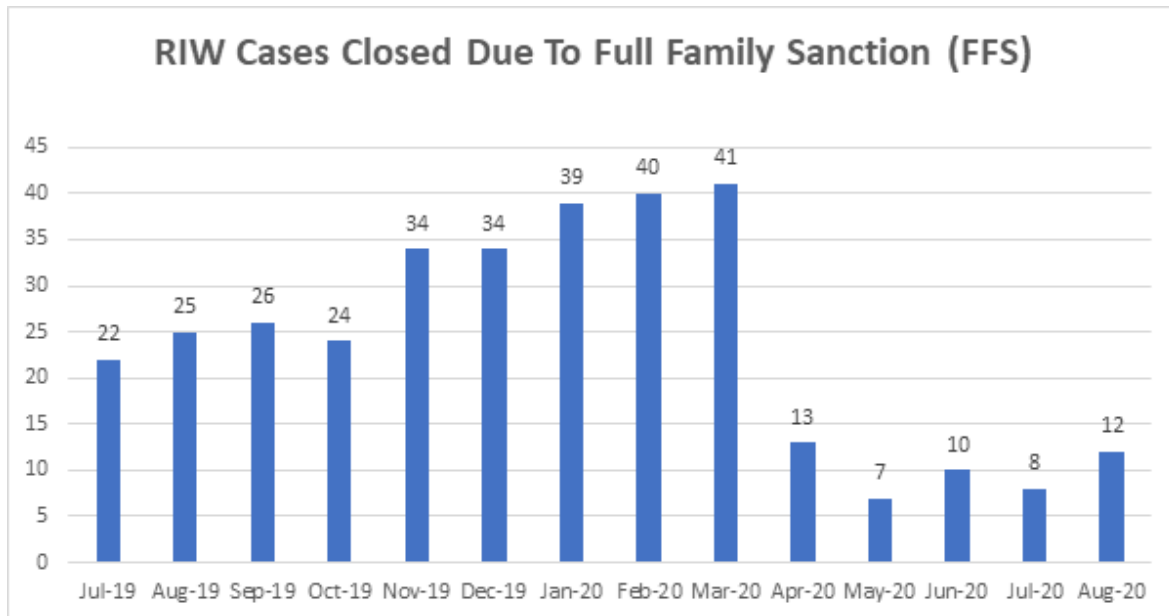
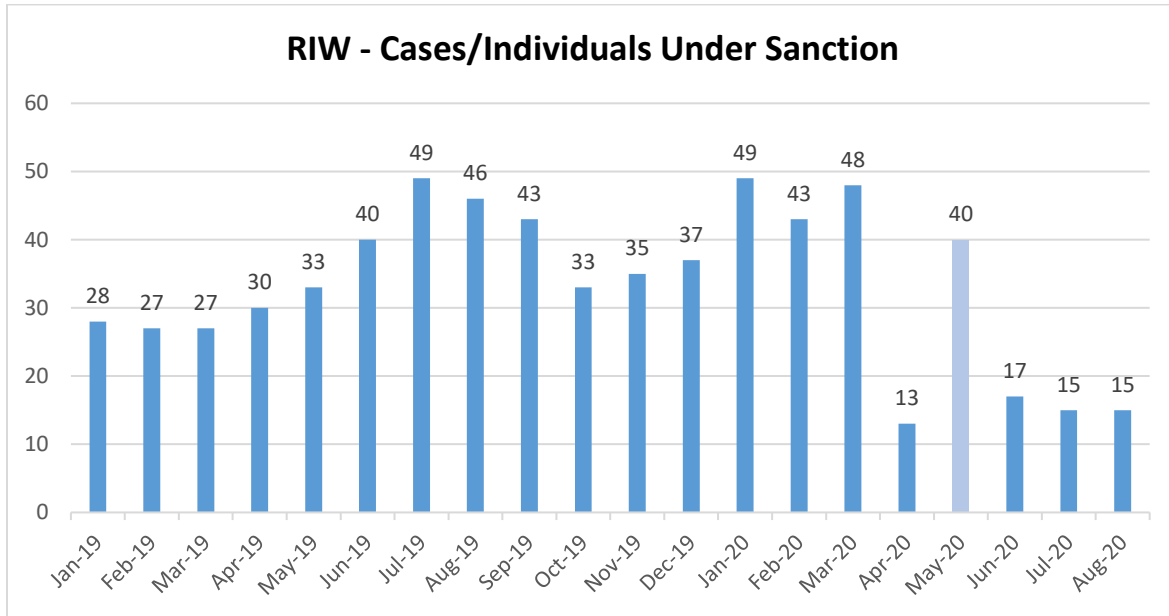
**Answer:** 123 cases are currently active with exemptions

- b. being between plans

**Answer:** 149 cases are currently active without a plan

- c. sanction—by month, the number of parents sanctioned for not complying with work requirements in FY 2021 –

**Answer:** Please see graphs below



*This chart does not represent the number of cases actively participating in RI Works while receiving a FFS, but rather the number of non-compliant cases who closed due to a FFS.*

### ***RI Works Trends***

From 2008 until recently, the RI Works program tended to shrink as the economy improved and more Rhode Islanders went back to work. During the COVID-19 pandemic the RI Works caseload has greatly reduced due to opportunities for the RI Works families, specifically through Pandemic Unemployment Assistance (PUA). As measures like PUA come to an end the RI Works caseload is expected to increase.

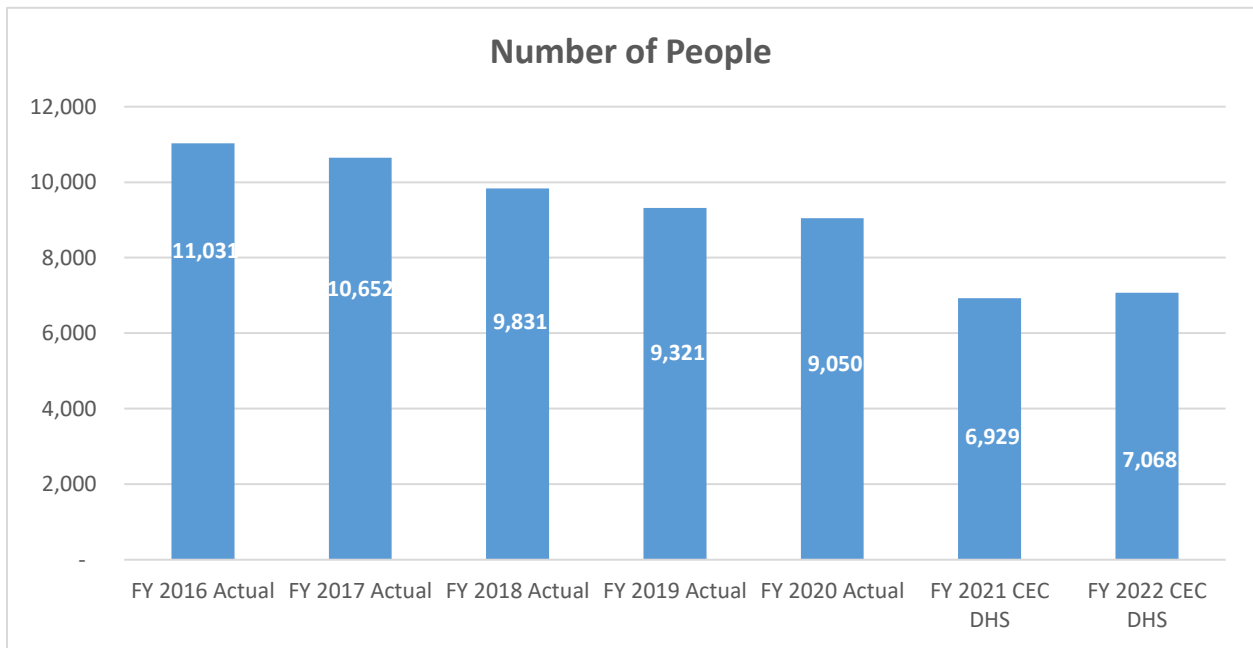
The Department estimates that in FY2021, the RI Works population will remain constant through December 2020 with an initial increase in January 2021; then a gradual 2 percent increase through 2021 Q3 and Q4. In FY2022, the caseload is projected to increase by 2 percent over time.

The initial increase in January 2020 is due to PUA, which is the temporary Unemployment COVID relief mechanism provided by the Federal Government. PUA has made individuals who would not otherwise qualify for Unemployment Insurance (UI) eligible to receive unemployed assistance due to the COVID health crisis. PUA is available for 46 weeks or until December 26, 2020. Under current law, adults who currently receive PUA will no longer be eligible in January 2021. For RI Works, it is critical to separate out the PUA from a generalized use of the term “unemployment.” The term “unemployment” often used to describe the jobless rate, Gross Domestic Product, and/or Job Market for economic analysis. The term should not be used as direct reflection of the amount of time an individual may receive unemployment insurance or more specifically PUA.

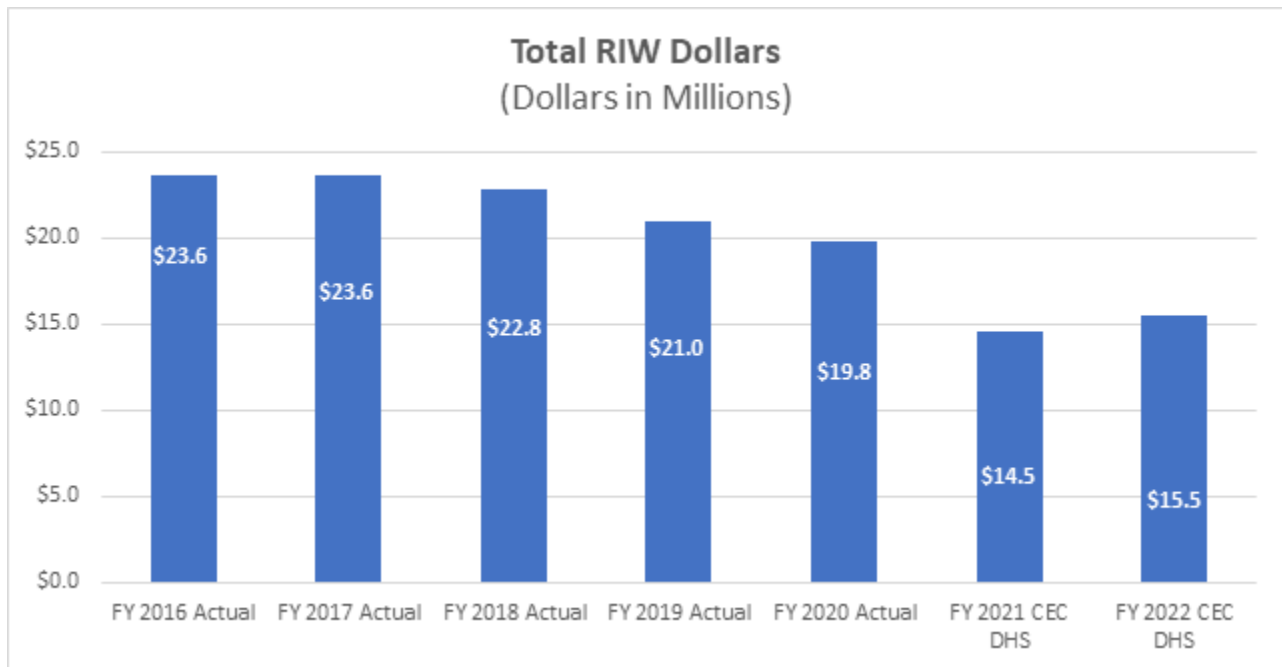
Cash assistance applications during the past six months have varied from 500 to 900 applications received in a month. August’s applications were the highest due to the expiration of the \$600 per week unemployment stimulus. September 2020, the Department has received over 700 cash applications. In September 2020, about 26 percent of cash applications are eligible for RIW.

According to the 2020 Rhode Island Kids Count Factbook, over 18 percent of children in RI are living in poverty, and over 8 percent of children are living in extreme poverty, equaling over 16,500 children. The RI Works program is providing benefits to only 0.88percent of the RI population.

RI Works families often require additional wraparound services, above and beyond the typical job seeker, to secure long-term employment. Families often face many barriers including: unstable housing, mental health and substance abuse challenges, low literacy levels and other challenges associated with living in poverty. DHS and RI Works providers take the necessary time to develop stabilization services and help residents access long term employment on their pathway out of poverty.



Total expenditures in FY2020 reflect the overall trend of gradually decreasing RI Works cases. The drastic reduction in caseload for FY2021 is due to the COVID-19 pandemic and the availability of other programs making families no longer eligible for RI Works. FY2022 has an expected increase in due to the reduction of COVID-19 pandemic programs and the resulting slowed economic recovery.



## COVID-19 Expenses

The COVID-19 pandemic has created a drastic reduction in the RI Works caseload. The FY2021 caseload projections for RI Works project an increase of recipients by January 2021, after PUA is no longer active; then an expected monthly growth of 2 percent starting in February 2021 that will continue through FY2022.

During the first 6 months of COVID, the Department protected RI Works families from losing their benefits by keeping cases open to ensure parents may continue to receive the essential RI Works benefits through August 2020. Sanctions were not applied until September 2020, effecting October's benefits. Most remedial measures to preserve the RI Works population and caseload have been lifted. This included closing cases due to failure to return a recertification or interim report, closure for reaching the time limit, and applying sanctions to cases for non-compliance. Throughout COVID, RI Works benefits continued to close for reasons like families being over income or not returning required documentation.

**Question:** Within each program, please include DHS assumptions regarding the following COVID-19 impacts and how each assumption is factored into FY 2021 and FY 2022 estimates. Please note any changes in such assumptions since the May conference.

- a. Impact on enrollment and program costs:

**Answer:** There has been a 36.6 percent decrease in spending on RI Works due to the decreased caseload. The May 2020 projections were for 9,300 individuals and \$20.4 M. The assumptions were made prior to PUA's disbursement.

- b. Impact due to regulatory changes:

**Answer:** Regulation changes that were largely phased out in either September or October 2020 cost the Department \$72,400, this is accounted for in the net negative spending. Regulation Cost for FY2020 were \$42,200 and FY2021 \$30,200.

- c. Potential COVID surge in winter:

**Answer:** The effect of a potential surge during the winter months would potentially create a cost similar to the FY2021 impact for regulatory changes as stated above. The emergency regulations would be reapplied, and these relaxations of the rules would have a nominal fiscal impact, about \$14,000 per month or 0.015 percent of the TANF block grant.

- d. Potential federal aid (unemployment benefits, aid to states or businesses, etc.):

**Answer:** If PUA is extended, or is a similar program is established to provide additional temporary relief, the RI Works caseload would maintain the current numbers seen in September 2020. The HEROS Act would allow for a waiver from WPR as well as sanctions and time limits. The HEALS Act would provide additional TANF funds to States but is capped at \$2 Billion and would provide a percentage to states.

**Question:** Within each program, please include DHS assumptions regarding the following COVID-19 impacts and how each assumption is factored into FY 2021 and FY 2022 estimates. Please note any changes in such assumptions since the May conference. CONTINUED

- e. Anticipation of a COVID-19 vaccine:

**Answer:** The projections are completed with the expectation that the vaccine is developed for the spring of 2021 with a delay in administering the vaccine countrywide. While the vaccine will allow for more work activities and opportunities for self-sustaining employment, it will not create a quick fix for the RI Works population. The expectation is that a gradual increase in RI Works applications will continue as long-term reengagement and stabilization is required for RI Works families.

- f. Limitation or closure of in-person learning:

**Answer:** RI Works families have been participating in remote training and adult learning since March 2020. Vendors providing services were able to quickly transfer their populations to a remote model. Today there are both in person and remote options for Vocational Training.

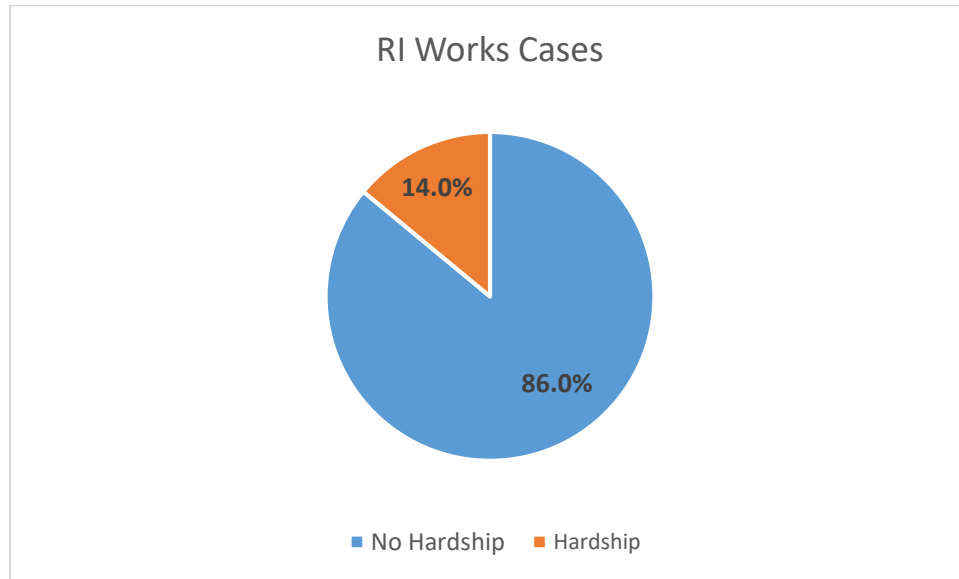
Parents engaged in an education or training program may be impacted by school closures. The impact is typically related to the age of the children in the home. When parents cannot engage in these activities, they are often transferred to family sustaining activities to prevent further barriers and regressions for that family.

- g. Economic recovery/relationship to unemployment trends in current and out years:

**Answer:** Due to the expected recovery being slow, until at least 2022; the RI Works caseload is expected to gradually increase as more and more families are pushed into the depth of poverty due to the economic decline. In order to be eligible for RI Works, families must have under \$1,000 in assets, little to no earnings. This means that families are only eligible once the family is in a dire economic situation. The longer it takes the economy to recover, the more families will need to apply for RI Works. This explains the gradual 2 percent increase to the RI Works program from February 2021 through June 2022.

### **Hardships Extensions**

Hardship extensions are available for various reasons to families reaching time limits. Currently, hardship extensions are granted for an initial six months followed by additional six-month increments. Cases classified as “hardship” cannot have employment plan exemptions, cannot be “between plans,” and cannot be under sanction.



The number of hardships as a percent of total caseload remains below the federal statutory ceiling of 20 percent. Rhode Island’s hardship cases constitute approximately 14 percent of the current caseload.

**Question:** As of January 1, 2020, the constraint that only allows beneficiaries to receive cash assistance for 24 months within 60 continuous months was eliminated. How has this impacted the number of hardship extensions?

**Answer:** DHS has seen a decrease in the number of hardship cases since the 24 month timeclock was eliminated. In September of 2020, there were 356 cases receiving a hardship extension, representing 14.0 percent of all cases.

- a. Please provide the profile and number of cases that were granted hardship extensions.

**Answer:** See chart on page 3.

- b. How many individuals will cycle off because of the 24-month time limit?

**Answer:** In FY2020, 100 Cases cycled off hardship due to the change in time limits, about 228 individuals.

### **Work Participation Rate Overview**

RI Works parents are required to participate in employment preparation activities and must do so for a minimum number of hours per week on average for the month, per Federal TANF regulations. Those required minimum hours differ based on the age of the youngest child and whether there is a second parent in the household.

- Parents whose youngest child is under the age of 6 must participate for a minimum of 20 hours per week.
- Parents whose youngest child is the age of 6 or older must participate for a minimum of 30 hours per week.
- Two-parent families must participate for a minimum of 35 hours per week.

Not all RI Works parents are required to participate in employment-related activities. Some are exempt for reasons including being disabled, caring for a child under one year old, caring for a disabled child or family member or are in the third trimester of pregnancy and medically unable to work. Others are exempt because they are “child-only” cases in which the parents or caretaker relatives do not receive a cash payment for themselves (i.e. parent on SSI or children in kinship care).

Unless exempt, parents receiving a cash payment are required to comply with an employment plan. Parents can be sanctioned or closed if they are not meeting the minimum required employment plan hours without good cause. If parents can provide good cause for a failure to comply with their employment plans, then their case will not be sanctioned or closed. Occasionally parents have ended their planned activities without new employment plans, also referred to as “between plans.”

**Question:** Please provide the “all families” and “two-parent families” work participation rate for FY2019 and FY2020, along with a work participation rate target.

Answer: WPR for 2014, 2015, 2016, 2017, 2018 and 2019.

- 2014: Required all families: Required 0.0 percent (met 12.1 percent)  
Required 2-parent families: Required 39.8 percent (not met 8.7 percent)
- 2015: Required all families: Required 0.9 percent (met 14.9 percent)  
Required 2-parent families: Required 40.9 percent (not met 11 percent)
- 2016: Required all families: Required 0.0 percent (met 14.9 percent)  
Required 2-parent families: Required 34.8 percent (not met 12.0 percent)
- 2017 Required all families: Required 0.0 percent (met 8.5 percent)  
Required 2-parent families: Required 29.5 percent (not met 5.8 percent)
- 2018 Required all families: Required 0.0 percent (met 8.2 percent)  
Required 2-parent families: Required 30.2 percent (not met 7.1 percent)
- 2019 Required all families: Required 0.0 percent (met 8.9 percent)  
Required 2-parent families: Required 31.2 percent (not met 11.8 percent)
- FY 2020 is not yet available.

Federal Work Participation Rate (WPR) data is derived from a quarterly data interface that is reviewed by the Administration for Children and Families (ACF). The State cannot currently calculate WPR, instead, ACF provides the State with feedback based on data submissions.

**Question:** Please provide an update on the status of current or potential federal penalties associated with the work participation rate.

**Answer:**

<u>Penalty Year</u>	<u>Reason</u>	<u>Status</u>	<u>Amount</u>
2013	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 258,715.00
2014	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 129,635.00
2015	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 98,545.00
2016	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 29,587.00
2017	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 80,264.00
2018	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 69,094.00
2019	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 64,231.00



**TANF Balances By Quarter with Cumulative Unspent Amounts in column 4**

		col 1	col 2	col 3	col 4
Fiscal Year	TANF - by quarter	block grant award by quarter	Expended by quarter per RIFANS	Variance between block quarterly award and RIFANS quarterly expended: col (1) + col (2)	Cumulative Balance of TANF Block Grant: col (4) from prior quarter + col (3)
SFY 2012	Jul 11 - Sep 11	\$23,021,587	(\$16,209,467)	\$6,801,706	\$14,072,944
	Oct 11 - Dec 11	\$24,000,000	(\$22,359,051)	\$1,640,949	\$15,713,893
	Jan 12 - Mar 12	\$24,000,000	(\$24,635,879)	(\$635,879)	\$15,078,014
	Apr 12 - Jun 12	\$24,000,000	(\$32,211,321)	(\$8,211,321)	\$6,866,693
SFY 2013	Jul 12 - Sep 12	\$23,021,587	(\$15,951,471)	\$7,070,116	\$13,936,809
	Oct 12 - Dec 12	\$24,000,000	(\$24,834,236)	(\$834,236)	\$13,102,573
	Jan 13 - Mar 13	\$24,000,000	(\$23,902,931)	\$97,069	\$13,199,642
	Apr 13 - Jun 13	\$24,000,000	(\$31,767,812)	(\$7,767,812)	\$5,431,830
SFY 2014	Jul 13 - Sep 13	\$23,021,587	(\$15,596,110)	\$7,425,477	\$12,857,307
	Oct 13 - Dec 13	\$24,000,000	(\$22,040,670)	\$1,959,330	\$14,816,637
	Jan 14 - Mar 14	\$24,000,000	(\$23,065,806)	\$934,194	\$15,750,831
	Apr 14 - Jun 14	\$24,000,000	(\$36,913,927)	(\$12,913,927)	\$2,836,904
SFY 2015	Jul 14 - Sep 14	\$23,021,587	(\$11,556,481)	\$11,465,106	\$14,302,010
	Oct 14 - Dec 14	\$24,000,000	(\$20,357,905)	\$3,642,095	\$17,944,105
	Jan 15 - Mar 15	\$24,000,000	(\$27,997,206)	(\$3,997,206)	\$13,946,899
	Apr 15 - Jun 15	\$24,000,000	(\$32,428,839)	(\$8,428,839)	\$5,518,060
SFY 2016	Jul 15 - Sep 15	\$23,021,587	(\$11,905,861)	\$11,115,726	\$16,633,786
	Oct 15 - Dec 15	\$24,000,000	(\$21,551,457)	\$2,448,543	\$19,082,329
	Jan 16 - Mar 16	\$24,000,000	(\$23,992,811)	\$7,189	\$19,089,518
	Apr 16 - Jun 16	\$24,000,000	(\$36,570,789)	(\$12,570,789)	\$6,518,729
SFY 2017	Jul 16 - Sep 16 **	\$22,708,016	(\$11,717,901)	\$10,990,115	\$17,508,844
	Oct 16 - Dec 16	\$24,000,000	(\$20,373,670)	\$3,626,330	\$21,135,174
	Jan 17 - Mar 17	\$24,000,000	(\$25,003,535)	(\$1,003,535)	\$20,131,639
	Apr 17 - Jun 17 *	\$22,177,532	(\$35,539,958)	(\$13,362,426)	\$6,769,213
SFY 2018	Jul 17 - Sep 17 **	\$22,708,016	(\$13,109,314)	\$9,598,702	\$16,367,915
	Oct 17 - Dec 17	\$24,000,000	(\$22,426,027)	\$1,573,973	\$17,941,888
	Jan 18 - Mar 18	\$24,000,000	(\$25,923,996)	(\$1,923,996)	\$16,017,892
	Apr 18 - Jun 18	\$24,000,000	(\$31,597,343)	(\$7,597,343)	\$8,420,549
SFY 2019	Jul 18 - Sep 18 ***	\$22,291,836	(\$13,034,617)	\$9,257,219	\$17,677,768
	Oct 18 - Dec 18	\$24,000,000	(\$27,560,602)	(\$3,560,602)	\$14,117,166
	Jan 19 - Mar 19	\$24,000,000	(\$19,323,440)	\$4,676,560	\$18,793,726
	Apr 19 - Jun 19	\$24,000,000	(\$33,031,439)	(\$9,031,439)	\$9,762,287
SFY 2020	Jul 19 - Sep 19**	\$22,708,016	(\$11,942,662)	\$10,765,354	\$20,527,641
	Oct 19 - Dec 19	\$24,000,000	(\$21,512,479)	\$2,487,521	\$23,015,162
	Jan 20 - Mar 20	\$24,000,000	(\$20,205,333)	\$3,794,667	\$26,809,829
	Apr 20 - Jun 20	\$24,000,000	(\$31,986,882)	(\$7,986,882)	\$18,822,947
SFY 2021	Jul 20 - Sep 20 **	\$22,708,016	(\$11,333,371)	\$11,374,645	\$30,197,592
	Oct 20 - Dec 20 (est)	\$24,000,000	(\$22,557,344)	\$1,442,656	\$31,640,248
	Jan 21 - Mar 21 (est)	\$24,000,000	(\$23,783,437)	\$216,563	\$31,856,811
	Apr 21 - Jun 21 (est)	\$24,000,000	(\$40,825,848)	(\$16,825,848)	\$15,030,963
SFY 2022	Jul 21 - Sep 21 (est) **	\$22,708,016	(\$13,235,725)	\$9,472,291	\$24,503,254
	Oct 21 - Dec 21 (est)	\$24,000,000	(\$22,557,344)	\$1,442,656	\$25,945,909
	Jan 22 - Mar 22 (est)	\$24,000,000	(\$23,783,437)	\$216,563	\$26,162,472
	Apr 22 - Jun 22 (est)	\$24,000,000	(\$38,923,493)	(\$14,923,493)	\$11,238,979
FY 2012		\$95,021,587	(\$95,415,718)	(\$394,131)	
FY 2013		\$95,021,587	(\$96,456,450)	(\$1,434,863)	
FY 2014		\$95,021,587	(\$97,616,513)	(\$2,594,926)	
FY 2015		\$95,021,587	(\$92,340,431)	\$2,681,156	
FY 2016		\$95,021,587	(\$94,020,918)	\$1,000,669	
FY 2017		\$92,885,548	(\$92,635,064)	\$250,484	
FY 2018		\$94,708,016	(\$93,056,680)	\$1,651,336	
FY 2019		\$94,291,836	(\$92,950,098)	\$1,341,738	
FY 2020		\$94,708,016	(\$85,647,356)	\$9,060,660	
FY 2021		\$94,708,016	(\$98,500,000)	(\$3,791,984)	
FY 2022		\$94,708,016	(\$98,500,000)	(\$3,791,984)	

2021 TANF Budget					
Line seq	Agency	Description	FY20 Actual	FY21 Budget Governor's Recommended	Description of the Services Funded by TANF
2018109	028	TANF-Child Care	\$52,426.00	\$0	EOHHS salary expenses thru ALLOCAP supporting DHS
2725162	072	Project Opportunity	\$991,699.00	\$1,000,000	Adult Education (ABE, ESL, GED)
1710125	073	RI Works-TANF	-\$7,681.00	\$516,332	DLT workforce board to support RIW families
2170182	075	DHS Home Visiting Coop	\$134,037.00	\$164,000	RIDOH for RIW parents in the Family Visiting
2025105	079	TANF/EA-CM Program-Federal Share	\$818,647.00	\$1,354,916	DCYF for TANF eligible youth to be served
2075106	079	TANF/EA-CW Program-Federal Share	\$7,139,309.00	\$7,468,176	DCYF for TANF eligible youth to be served
2075145	079	TANF/SSBG Grant	\$2,226,576.00	\$2,500,000	DCYF for TANF eligible youth to be served
2275116	069	C-Job Opport & Basic Skills Jobs	\$6,874,286.00	\$6,965,000	Contracted vendors engaging in direct services for RIW parents
2275121	069	Assistance Payments Admn	\$6,972,990.00	\$8,106,532	Administrative funds for DHS
2275177	069	TANF- SUBSIDIZED EMPLOYMENT ENHANCEMENT	\$210,245.00	\$200,000	Crossroads contract to provide services to homeless families
2275186	069	UHIP - TANF FEDERAL ALLOCATION	\$556,085.00	\$492,743	Administrative funds for UHIP
2275202	069	UHIP-Non lapd TANF Federal	\$4,171.00	\$640	Administrative funds for UHIP
2400101	069	Fip/TANF- Regular	\$20,407,484.00	\$21,687,365	Cost for TANF/RIW benefits to families
2400107	069	Afdc Catastrophic Aid	\$6,916.00	\$10,000	Costs for families who have experienced a catastrophic event like fire or flood
2400110	069	Child Care- Ssbg Reallocation	\$5,333,443.00	\$7,560,000	Funding of low income child care with TANF funds
2400112	069	Child Care - TANF Funds	\$31,597,034.00	\$39,488,110	Funding of low income child care with TANF funds
2400114	069	RIPTA Transportation Benefit	\$1,262,121.00	\$1,636,110	Funding of bus passes for RIW parents
2400115	069	CHILD CARE ASSISTANCE ENHANCEMENT	\$936,583.00	\$936,544	Funding of low income child care with TANF funds
2400116	069	Governor's Workforce Training	\$0.00	\$411,586	DLT workforce board to support RIW families
<b>Total</b>			<b>85,516,371</b>	<b>\$100,498,054</b>	

**Question:** Please update FY 2021 and FY 2022 TANF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use. Please include FY 2020 expenses and identify the other Departments that received funding and the amount.

**Answer:** See above

How much of the TANF funding is being used for UHIP in FY2021 and FY2022?

**Answer:** The total federal UHIP TANF funding for FY 2021 and FY 2022 is \$670,406 and \$792,697.

**Question:** On a sheet corresponding to the block grant estimates, by Department, please list the services being provided and the caseload figures for each of the programs TANF funding is utilized for.

**Answer:** See above

### ***TANF Maintenance-of-Effort (MOE)***

The TANF Maintenance-of-Effort (MOE) is a requirement that a state must spend at least a specified amount of state funds for benefits and services for families in need each year. A broad array of benefits and services for low-income families with children can count toward satisfying a state's MOE obligation. A state may count any state funds used for TANF program services or any funds that meet the federal TANF purposes as TANF MOE toward the required \$64M benchmark.

Federal Law allows six types of expenditures that can be counted toward MOE requirements:

1. Cash assistance;

2. Child care assistance;
3. Educational activities designed to increase self-sufficiency;
4. Job training and work;
5. Any other use of funds reasonably calculated to accomplish a TANF purpose; and
6. Administrative costs in connection with other allowable purposes.

The consequences for not meeting the MOE is that the TANF grant will be reduced the following year on a dollar-for-dollar basis, and the state will be required to expend additional state funds in its TANF program to the amount by which the state fell short of meeting the MOE.

The tables below show MOE expenditures by category and community organizations that receive TANF funding:

	FFY 2016 Reported to ACF	FFY 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Projected to ACF
RIW Admin - DHS	\$1,095,485	\$1,634,276	\$941,339	\$1,656,013	\$1,500,000
Child Care MOE DHS	\$5,321,031	\$5,320,519	\$5,351,046	\$5,351,126	\$5,300,000
Emergency Assistance - DCYF Other (a)	\$23,957,763	see note (a)	see note (a)	see note (a)	\$0
Emergency Assistance - DCYF (a)	N/A	\$7,758,887	\$18,580,236	\$20,734,069	\$6,000,000
DCYF Other (a)	N/A	\$14,400,899	\$655,238	\$621,757	\$6,600,000
DEFRA (Child Support Pass-Thru)	\$357,368	\$376,985	\$305,986	\$277,647	\$275,000
RIDE Adult Ed	\$1,000,000	\$1,000,000	\$1,050,000	\$1,050,000	\$1,000,000
CAP Agencies (leg grants)	\$179,897	\$179,897	\$213,614	\$229,260	\$215,000
Head Start	\$800,000	\$800,000	\$1,190,000	\$1,190,000	\$1,190,000
SSI	\$4,026,125	-	\$2,758,468	\$2,654,551	\$2,500,000
GWB-DLT Youth Work Readiness	\$524,279	\$631,173	\$553,620	\$739,689	\$650,000
Earned Income Tax Credit	\$18,277,378	\$19,128,523	\$22,515,504	\$22,577,639	\$22,500,000
Property Tax Relief Program (Circuit Breaker)	\$223,704	-	\$189,099	\$137,718	\$130,000
DCYF Residential	\$23,911,202	\$17,745,797	\$13,688,409	\$12,694,648	\$6,000,000
Weatherization	\$2,692,750	\$2,585,750	\$6,320,988	\$7,835,733	\$7,300,000
Rhode Island Food Bank	\$3,401,525	\$3,042,643	\$3,401,525	\$3,523,303	\$3,400,000
Community Organizztions (Listed Below)	\$2,289,785	\$2,686,604	\$890,269	\$2,908,915	\$2,500,000
<b>Total</b>	<b>\$88,058,292</b>	<b>\$77,291,953</b>	<b>\$78,605,341</b>	<b>\$84,182,068</b>	<b>\$67,060,000</b>

(a) DCYF Other and EA DCYF are combined for FY15 and FY16

	FFY 2016 Reported to ACF	FFY 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Projected to ACF
Roman Catholic Diocese of Providence	\$238,267	\$272,826	\$90,269	\$40,884	\$40,000
The Salvation Army	\$0	\$0	\$0	\$324,545	\$300,000
United Way of Rhode Island	\$814,598	\$1,055,928	\$0	\$1,355,336	\$1,000,000
Rhode Island Mentoring Partnership	\$236,920	\$455,066	\$0	\$0	\$0
Boys and Girls Club	\$1,000,000	\$800,000	\$800,000	\$800,000	\$800,000
Rhode Island Foundation	\$0	\$102,784	\$0	\$103,074	\$100,000
Sstarbirth	\$0	\$0	\$0	\$44,087	\$35,000
Crossroads	\$0	\$0	\$0	\$136,154	\$125,000
Dorcas International Institute	\$0	\$0	\$0	\$104,835	\$100,000
<b>Total</b>	<b>\$2,289,785</b>	<b>\$2,686,604</b>	<b>\$890,269</b>	<b>\$2,908,915</b>	<b>\$2,500,000</b>

**Question:** Please indicate how the State will meet its maintenance of effort (MOE) requirement and identify which MOE items are State costs and which are in-kind contributions.

**Answer:** DHS seeks MOE from both state agencies and other philanthropic agencies state wide. MOE is calculated using the methods provided by a previous vendor. DHS exceed the MOE requirement by \$19.8M in 2019.

State Costs: \$69,914,117

In-kind: \$14,267,951

For FY2020 the Department has been instructed by ACF to calculate MOE differently, removing a provision previously allowed due to a prior law grandfathering. The grandfathering has been ended. This will significantly reduce the amount of MOE allowed from DCYF. The Department is working on utilizing other avenues to collect the MOE from all sources. The Department feels confident that the MOE minimum will be achieved.

### ***RI Works Redesign***

A Request for Proposals (RFP) was issued for Rhode Island Works services in June 2017. The RFP sought proposals from entities that would provide individualized and family support services, job readiness, job placement, employment and training and retention services, as well as integrated social and employment, childcare, transportation, and training services. The RFP looked for innovative and collaborative approaches that would improve the outcomes for families by developing new solutions to increase living-wage employment, providing a seamless customer experience, and strengthening performance strategies. The solicitation sought proposals covering four program components: Supportive Services, Youth Services, Vocational Training, and Job Readiness, Employment & Retention.

The main purpose of issuing the RFP was to establish an innovative approach to services for RI Works families that would unify as well as streamline services and programs. These programs are expected to result in more parents being engaged in work activities that would be reflected in higher wage and assist those parents in obtaining successful employment outcomes.

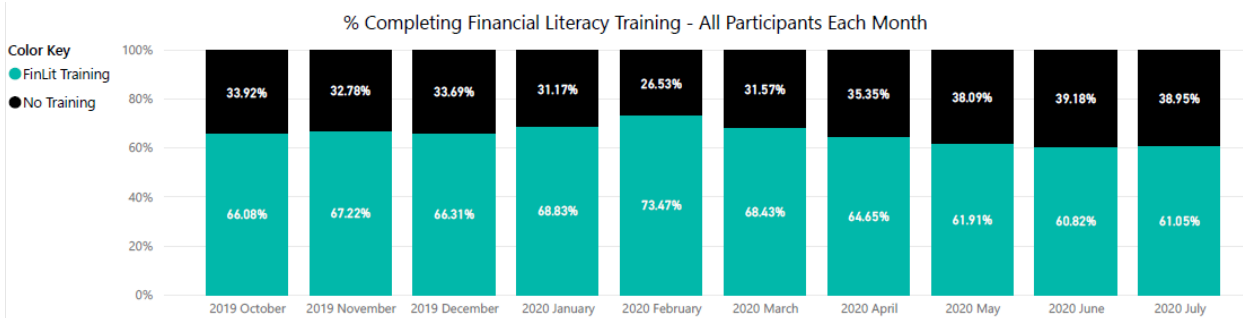
As a result of the RFP, four prime vendors were contracted to service RI Works families starting in March 2018. These contracts are based on Performance Metrics that incentivize the vendors to assist parents in obtaining long-term employment at a living-wage. The contracts are managed differently from prior years, with regular communication with vendors and analysis of program data that enables vendors to adjust and refine approaches to yield ongoing positive results.

October 1, 2020 vendors entered their third contract period under “active contract management.” Active contract management uses data to analyze vendor services for RI Works families, DHS requested our vendors provide extensive data to DHS on a monthly basis, so our progress and trends could be tracked, and changes could be put into effect as needed.

The structure of the new contracts is focused on long-term improvement to the work participation rate and a strict focus of effective services for families. An increased focus on supportive services to address barriers before parents look for employment, this ensures that once parents attain employment, they will be better-prepared and more likely to sustain long-term employment. In general, hours spent in “supportive services” may not immediately increase the work participation rate, however, all hours engaging the families are received by ACF. Also, employment hours do count for work participation, so, having the parents more prepared to attain and retain employment when they start their employment will boost the WPR in the long run.

Since the roll-out of these new contracts, two very important new services have been implemented:

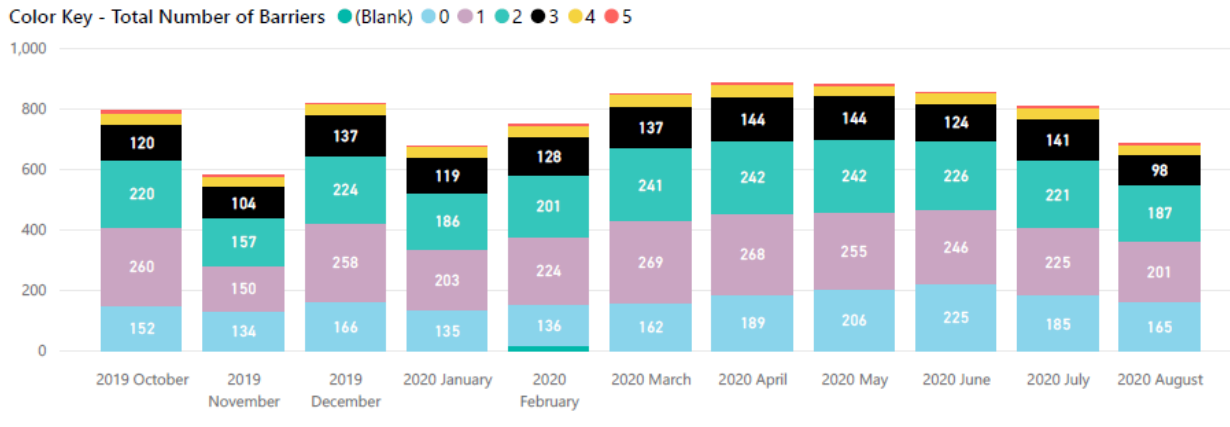
- **Financial Literacy to ensure that** RI Works families become more aware of financial issues on their path to self-sufficiency. DHS has required all our service vendors to integrate Financial Literacy into their curriculums. As of July 2020, approximately 61 percent of the RI Works population attending one of our four providers’ programs has started or received Financial Literacy Training.



- **Supportive Services to assist** RI Works families in resolving barriers and issues that may be hindering them from becoming employed and on a path to self-sufficiency. The most common problems faced by RI Works customers include:
  - Mental Health Challenges
  - Unstable Housing/Homelessness
  - Domestic Violence/Intimate Partner Violence

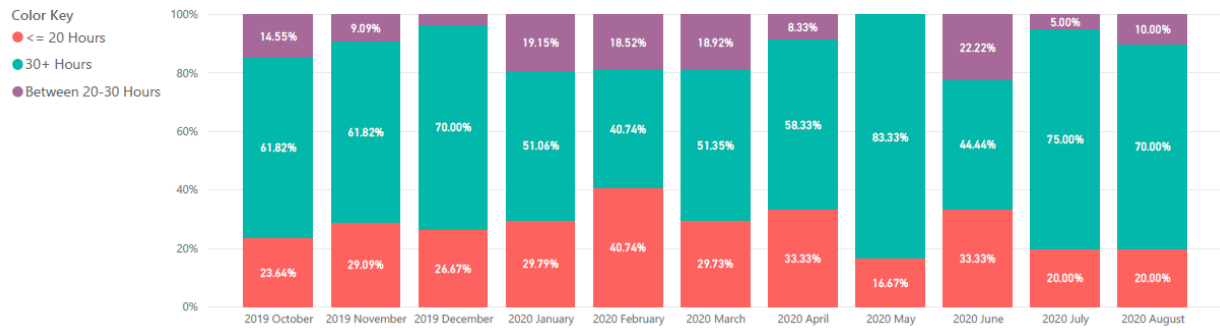
- Low Education Attainment
- Unaddressed Disabilities
- Substance Use Disorder

Supportive Services Component: # of Distinct Clients w Barriers



RI Works staff analyze vendor data monthly and can provide immediate feedback to vendors who are either struggling or being highly effective with working with RI Works families. A significant role in obtaining long-term, sustainable employment is the completion of vocational training programs. Since January, more than 550 RI Works parents have been referred to vocational training programs. Since the beginning of the pandemic more than 30 participants have completed their Vocational Training Program. In the past year, independently of the trainings, RI Works prime vendors have placed over 200 parents into employment. Their wages vary from \$11 per hour to \$25 per hour. Of the jobs obtained, an average of 52 percent are employed for more than 30 hours per week.

Hours Breakdown of New Jobs Each Month - Stacked Column Chart



**Question:** Please provide an update on the innovative proposals to test new approaches to improving work participation through the four vendors (Comprehensive Community Action, ResCare, Gateway, and SSTARbirth). Please See Above.

a. Please provide the metrics, data collected for FY 2018 and FY 2019, targets set for each of the four vendors.

**Answer:** DHS receives over 50 data elements for each parent engaged in services. Each component has a separate set of metrics. If these metrics are met, then performance payments are paid to the vendors. If they are not met, vendors are placed under a Corrective Action Plan.

- Supportive Services requires 90percent active attendance
- Teen & Family Development requires GED or High School Credential obtainment
- Vocational Training requires completed training where the parent earned a credential for employment
- Work Readiness requires employment within 6 months of enrollment

b. Specifically, please include how many Rhode Island Works participants entered and retained employment and, if available, provide wage/salary information.

**Answer:** Over 200 parents entered employment in the past year. Their wages vary from \$11 per hour to \$25 per hour. Of the jobs obtained, an average of 52 percent are employed for more than 30 hours per week.

c. Please report the amount of TANF funding provided to each vendor.

**Answer:** Within FY2021 the following funding has been provided to the RI Works Vendors.

Vendor	SFY21 Payments	Total Payments Since 3/18/20
ComCAP	\$542,574.62	\$6,024,141.39
ResCare/Arbor	\$515,441.19	\$2,882,530.00
Gateway *	\$480,415.18	\$2,106,609.99
Sstarbirth	\$58,559.17	\$391,659.56

\*Gateway is no longer a RI Works vendor as of October 1, 2020. The vendor was not able to provide services to the required levels described in the contract. Their opportunity to bill on performance remains open for 6 months.

### ***Potential Federal Law Changes***

TANF has again been temporarily authorized by a continuing resolution. There has been communication from federal partners that continuing resolutions will eventually lead to the replacement of the current TANF law. There are two bills that are attempting to gain approval, one bill each from the House and the Senate. These bills are still in draft form and no finalized language has been brought to either floor. Due to the climate in Washington D.C. and bipartisan disagreements, it is unlikely that either bill will pass the House and the Senate until after the 2020 election.

### ***State Law Changes***

In 2021 and 2022, DHS is increasing the RI Works Clothing Allowance from \$30 to \$100 per child. Other New England States provide far greater clothing allowances. For example, Massachusetts provides \$350 per child for clothing allowance in their TANF benefit, New Hampshire provides \$200 per child and Vermont provides \$150 in clothing benefits per year.

In 2021, DHS paid \$371,700 for 3,717 school aged children at \$100 a child. DHS is estimating the cost for 2022 to be \$382,500 in order to provide 3,825 school aged children \$100 for clothing per child (3,825 \*\$100). This is an increase of \$10,800 above the cost for FY2021 due to more individuals enrolled in the RI Works caseload.



## **Child Care Assistance Program (CCAP)**

The Starting Right Child Care Assistance Program (CCAP) supports the dual purpose of promoting children's healthy development and school success and supporting low-income families who need child care to work or attend approved training. Eligibility for CCAP is comprised of two components: categorical eligibility for recipients of RI Works and income-based eligibility for families working or enrolled in an approved training program.

Families receiving RIW benefits who need child care to comply with their employment and training plan receive child care with no co-payment requirements. Income-based eligibility for child care consists of a two-tiered eligibility structure, with initial eligibility available to families with incomes of up to 180 percent of the Federal Poverty Level (FPL), (48 percent of State Median Income (SMI), or \$41,496.00 for a family of 3). Families that are determined eligible at the first tier may then utilize Transitional Child Care to continue to access child care subsidies if their income rises above the initial eligibility threshold of 180 percent FPL, but remains under 225 percent of the federal poverty level, (60 percent of State Median Income (SMI), or \$52,120 for a family of 3). Income-eligible families are subject to a graduated co-payment based on family income, ranging between 0 (for those earning 100 percent FPL or less) to 14 percent of a family's income.

### ***DHS Office of Child Care's Response to COVID-19***

#### ***Mandated Closure Period (3/29-5/31):***

On March 29, 2020, Governor Gina Raimondo, in partnership with the RI Department of Human Services, mandated statewide closure of child care programs in response to concerns of potential COVID-19 community transmission. In anticipation of this closure, the State adopted a variety of CCAP payment practices to support child care programs in covering their operational costs during the closure period. DHS made the decision to modify its policies to ensure CCAP providers were well positioned to reopen their programs once deemed by the state safely to do so. DHS submitted three CCDF State Plan amendments on March 18, 2020, and one waiver to the Administration for Children and Families on April 3, 2020. The following payment practices were temporarily adopted to support CCAP providers during the mandated closure period:

- Reimburse CCAP services based on enrollment, not attendance (state froze the provider's ability to add "new" enrollments during the mandated closure period)
- Waive the allowable absence policy for families
- Waive family copays (DHS to cover the cost of those copays in CCAP provider payments)

**Question:** Please discuss the impact of COVID-19 on child care providers. Please note any changes since the May conference, including details on rates being paid, assumed capacity (including seats and staff lost), and any other impact on providers. a) How many providers have opened since June 1, 2020? Please provide the breakdown by category of provider (center, family, etc.). b) Please provide the disenrollment trends impacted by COVID-19. c) Please provide part-time and permanent closure trends for providers.

**Answer:** Please refer to the following narrative.

**RI's Child Care Reopening (6/1-9/30):**

In early May, DHS outlined its plan for supporting a safe, gradual reopening of child care providers under new, emergency COVID-19 regulations beginning June 1, 2020. DHS-licensed child care providers were required to submit a COVID-19 Control Plan to the DHS Child Care Licensing Unit outlining their plans for adhering to the new CDC guidelines and DHS COVID-19 Emergency Regulations. Each plan was reviewed and approved by the DHS Child Care Licensing Unit. Child care providers were required to attend two virtual trainings/webinars; a DHS Child Care Reopening Webinar and an Updated Health & Safety Webinar in order to resume services and safely serve children. CCAP Payment practices were again adopted to support child care providers in adhering to the enhanced regulations.

During the initial phase of reopening, child care providers were required to operate with group sizes smaller than what was previously allowable under the DHS Licensing Regulations (pre-COVID) for most age categories. Beginning in July 2020, DHS gradually increased providers' licensed capacity (group sizes) in accordance with RI Department of Health's public health guidance to minimize the economic burden felt by child care providers to serve fewer children than their pre-COVID licensed capacity allowed. As of October 15<sup>th</sup>, group sizes for child care classrooms have increased to 20 children (not including staff,) while still requiring providers to adhere to the required group size and staff:child ratios within the DHS Child Care Licensing Regulations. This reduced group size of 20 only impacts child care providers who are serving school-age children. Prior to COVID-19, school-age classrooms were licensed to serve 23 children, a difference of three children in each school-age classroom.

Providers have also had to operationalize new staffing plans to minimize contacts across stable groups (classrooms) within the program. Stable groups and the need for staff to support this methodology has proven to be the most costly and challenging component for providers in adhering to the COVID-19 regulations.

The reopening statistics for child care are represented in the charts below on a monthly interval as more programs submitted their COVID-19 Control Plan and received DHS approval. Important to note: DHS has not collected attendance from child care providers for CCAP children since early March 2020. The numbers reported below represent licensed slots for all child care (private pay and subsidized,) not actual enrollments.

Pre-COVID DHS-Licensed Child Care Provider Capacity as of March 1, 2020: 100 percent

Provider Type	Number of DHS-Licensed Providers	Number of Slots
Family Child Care	465	3,084
Center-Based Child Care	446	32,435
Total	911	35,519

COVID DHS-Licensed Child Care Provider Capacity as of June 30, 2020: **70 percent**

Provider Type	Number of DHS-Licensed Providers	Number of Slots
Family Child Care	374	2,433
Center-Based Child Care	257	15,752
<b>Total</b>	<b>631</b>	<b>18,185</b>

COVID DHS-Licensed Child Care Provider Capacity as of September 9, 2020: **87 percent**

Provider Type	Number of DHS-Licensed Providers	Number of Slots
Family Child Care	402	2,531
Center-Based Child Care	371	18,685
<b>Total</b>	<b>773</b>	<b>22,963</b>

Anticipated COVID DHS-Licensed Child Care Provider Capacity as of October 1, 2020: **97 percent**

Provider Type	Number of DHS-Licensed Providers	Number of Slots
Family Child Care	430	2,755 (approximately)
Center-Based Child Care	411	22,085 (approximately)
<b>Total</b>	<b>841</b>	<b>24,840</b>

As noted from the charts above, the RI child care system is currently operating at 97 percent capacity, with several programs awaiting clearance from LEAs to resume services in public school buildings. DHS has also processed a number of closures during COVID-19. Thirty-two (32) family child care providers have permanently closed and have reported doing so either due to retirement or having an underlying health condition which has increased the risks associated with offering group child care during the pandemic. Seventeen (17) licensed centers have permanently closed due to COVID-19. Important to note, seven of those centers reported closing due to LEAs being unwilling to allow operation in their school buildings. Four of those centers have already been purchased and have plans to reopen as licensed child care under new leadership.

As of October 9, 2020, DHS has 15 new child care applications for licensure pending; six are family child care and nine are centers. These programs (pending all inspections and approvals) will open in fall 2020.

The CCAP payment practices in effect for CCAP providers who have reopened are as follows:

- CCAP services are reimbursed based on enrollment and not attendance. Providers who have not reopened and are not serving CCAP children will not be reimbursed for CCAP services. Providers will temporarily be able to maintain their Pre-COVID enrollment capacity upon reopening and should only disenroll CCAP families who either lose their eligibility or decide to enroll with a new CCAP provider.
- CCAP Providers continue to receive a temporary rate enhancement to support reopening costs.

It is important to note that programs who remain closed will not receive CCAP payments. It is the Department's expectation that the additional funds from the temporary rate enhancement be used to support the following activities associated with reopening under the new, emergency child care regulations:

- Increased wages to incentivize educators and staff to return to the child care program
- Cleaning supplies for adherence to CDC protocols/guidelines
- New materials/equipment to accommodate the utilization of new, previously unused space for operating classrooms in "pods" due to social distancing requirements

The temporary CCAP rate enhancements have been approved by the Budget Office through December 31, 2020. DHS has made 30-day commitments to these enhanced rates for CCAP providers, in line with the Governor's Executive Order. It is the intention of the Department to preserve these temporary enhanced rates through the remainder of FY21 provided there is available funding.

These decisions (and their financial impact) are detailed in DHS' caseload narrative. Caseload projections and trends have been developed in consideration of these costs and are also represented in the narrative. Decisions regarding the longevity of these payment practices are being made by DHS, in close coordination with EOHS and the Governor's Office, on a weekly basis.

### ***Statistics***

**Question:** Please provide the cost, timeline, and funding source for each of the following COVID-related actions: a) covering child care copays b) expanding CCAP to cover emergency healthcare workers c) payments based on enrollment rather than attendance (including effective date assumptions) d) COVID rate increase e) Child Care Recovery Fund (include a summary of requests to date.)

**Question:** Please provide details regarding payment methodology. If payments are based on enrollment, what is the date of enrollment used?

**Answer:** The chart below includes original estimates submitted to the Budget Office. Actual costs for the payment practices established have come in far below costs projected due to declining enrollment. All costs related to adopted payment practices were absorbed with savings from current caseload accounts. The cost to expand CCAP to cover emergency healthcare workers using State CARES ACT funding is \$84,393.36. Please see attached appendices referencing the Childcare Recovery Fund and its anticipated awards, funded with CCDBG CARES ACT funding.

Initiative	Estimated Costs	Duration
Covering childcare co-pays	\$ 1,021,922.00	3/15/20 - 6/1/20
Expanding CCAP to cover emergency healthcare workers	\$ 1,100,245.00	4 weeks
Payments based on enrollment rather than attendance (including effective date assumptions)	\$ 609,000.00	3/8/20 - 8/31/20
COVID rate increase	\$ 3,610,632.00	6/1/20 - 12/31/20
Childcare Recovery Fund (include a summary of requests to date)	\$ 5,000,000.00	

As noted in the charts above, on June 30, 2020, 631 (70 percent) of DHS-licensed child care providers reopened under new, COVID-19 Emergency Child Care Licensing Regulations. CCAP Providers were asked to prioritize services for CCAP families upon reopening.

While the Department committed to reimbursing CCAP services based on enrollment, not attendance, CCAP 12-month eligibility periods were maintained for families. CCDF Reauthorization requires the Department to allow eligible individuals to remain in the Child Care Assistance Program for 12 months. CCDF Reauthorization also requires the Department to provide a three-month period of job search for families who lose eligibility due to employment. Since the start of the COVID-19 crisis, the Department has experienced an increase in eligibility terminations due to unreturned packets from CCAP families. This increase in eligibility termination resulted in children being disenrolled from their service provider, thus decreasing the number of children being paid as well as the number of providers being paid. The Department has reached out to families to remind them of the importance of timely recertification, especially for families who receive or could be eligible to receive CCAP Transitional Child Care and encouraged all families to recertify timely to avoid disruption or in some instances loss of CCAP benefits.

In FY2020, an average of 8,724 children were served/enrolled in the Child Care Assistance Program each week. This represents a 4.1 percent decrease from this time last year. Upon state mandated closure, April experienced almost a 6 percent decline in enrollment with May experiencing almost an 8 percent decline. Upon June's reopening, the decline in enrollment reached 18 percent. There was a 5 percent decrease in enrollment during the five pay periods prior to the June reopening compared to the previous five pay periods. All age categories experienced significant enrollment decline, with school age children experiencing a 33 percent by June and infant/toddlers experiencing a 30 percent decline. Preschool age kids, who have the highest enrollment, experienced the smallest decline at 29 percent. The Department also experienced a 5 percent decrease (816 in FY2019 to 778 in FY2020) in the number of providers who serve CCAP children. Even with the decrease in the number of providers, the number of CCAP children served by provider type remains consistent. 79 percent of CCAP children are served in centers while 21 percent of children are served in family homes.

Number of Children by Provider Type		
	# of Children	# of Providers
Family Based	1859	442
Center Based	6865	336
<b>Total</b>	<b>8724</b>	<b>778</b>

*Based on Average in SFY20*

In FY2020, the average number of children serviced by category is as follows:

Number of Children by Age Grouping		
Category	# of Children	% of Total
Infant	807	9.2%
Toddler	1540	17.7%
Preschool	3494	40.1%
School Age	2883	33.0%
<b>Total</b>	<b>8724</b>	<b>100.0%</b>

*Based on Average in SFY20*

**Question:** Please provide the number and type (family-based/center-based) of child care providers within each tier established through the quality rating system and how estimated costs reflect those tiers. If possible, please provide a list of the providers who have changed tiers. Please provide the number of children enrolled in CCAP by provider type, age group, and star rating in the below format.

**Answer:** Please see Appendix B. Since CCAP providers are being temporarily reimbursed at the 5-Star rate (and 5-Star providers are being reimbursed at the 90<sup>th</sup> percentile,) there is very little incentive for providers to pursue an increase in rating at this time. The department would expect fewer providers to apply to move up in Bright Stars until the temporary rate increase is over. Additionally, BrightStars is not currently conducting onsite quality observations but instead they are supporting the DHS Child Care Licensing Unit by conducting onsite COVID reviews (specific to the COVID-19 Emergency Regulations.)

**Question:** Please provide the percentage of children enrolled in CCAP (by age group, and star rating) that are full-time, half-time, quarter-time, and three-quarters time.

**Answer:** Please see attached Appendix B

**Office of Child Care/Office of Financial Management**

To ensure accurate payments are made to child care providers in a timely and efficient basis, the Department maintains a few key metrics to assess, track and report on potential payment discrepancies.

Key Performance Indicators of success include:

- Decrease in attendance records included in the off-cycle payments

- Reduction in Improper Payments through monthly reviews, weekly monitoring of CCAP recertifications and improved training across the field on obtaining proper documentation verifying eligibility
- Increase in portal usage by CCAP providers

As a result of COVID-19 and the impact on providers, families and payment practices, mitigation reports for reopening of CCAP providers are provided prior to every attendance run. The following reports are reviewed by the Office of Child Care and the Office of Financial Management prior to payment.

- Enrollment report on providers who didn't opt to reopen (new enrollments, and if any of those enrollments resulted in a disenrollment to a reopened provider): This report will capture all enrollments created by providers who did not opt to reopen including providers who disenrolled enrollments for reopened providers.
- Disenrollment report for reopened providers.
- Enrollment report for reopened providers.
- Provider report wherein school-age kids are enrolled with more than one provider.
- Reports on providers who were made payments based on the rate enhancements – This will be covered in batch breakdown report for every payroll.

In addition, the Office of Child Care and the Office of Financial Management meet with the State's technology vendor, Deloitte, prior to each payroll execution to review the current payroll results to ensure COVID-19 payment and mitigation practices are valid.

The Office of Child Care and the Office of Financial Management continue to meet each week with the State's technology vendor, Deloitte, to review metrics on recertification progress, enrollment data, supplemental payroll analysis and portal usage. These metrics provide the Department with information to adopt procedures to ensure CCAP is operating efficiently and effectively and measure performance to provide context for improvement. A metric is retired when the goal of the Department has been met and monitored for consistency for an appropriate period of time.

In FY2020, several adjustments were made to RI Bridges functionality and the batch payment schedule to ensure accurate, timely and efficient payment to CCAP Providers:

- 1- In June 2019, the Department launched functionality in RI Bridges that links a child's eligibility to their enrollment. This allows the system to automatically generate a notice to providers when there is a change in a child's CCAP eligibility, requiring them to disenroll the child within 10 business days. After 10 days, if the provider does not disenroll the child, the system does so automatically.
- 2- In September 2019, the Department launched functionality in RI Bridges to automate rate enhancements for providers who experience an increase (or decrease) in their quality rating. The DHS worker now updates the star rating of the providers on a monthly basis and the system automatically updates the rates associated with the star-rating shift.

- 3- On January 25, 2020, DHS adjusted the attendance generation date from a Monday to a Saturday to ensure all enrollments created during the attendance week are triggered for the batch payment. Prior to this adjustment, enrollments created after Monday were missed by the attendance generation process and required the DHS worker to manually create an attendance record for an off-cycle payment. This adjustment has reduced off-cycle payments dramatically. In December 2019, 1,807 attendance records were approved through an off-cycle payroll process. In March 2020, only 343 attendance records were approved through an off-cycle payroll process.
- 4- Effective March 1, 2020, the Department stopped mailing paper attendance sheets to center-based providers, requiring portal submission as the only option for CCAP reimbursement. The Department planned to stop mailing paper attendance sheets for family child care providers on May 1, 2020. Since COVID-19, this timeline is currently under redetermination.

To ensure accurate and timely payment to child care providers, the CCAP financial management team also conducts pre-payroll analysis of the data generated for biweekly payment. This information includes status of eligibility, number of records processed, and amounts for union, PAC, copay and net benefit. This information is validated across an average of the last ten batches and provides the Department with additional information to ensure payment integrity.

A summarized version of this report is shown below.

	<b>Trial Run – Batch 09</b>	<b>Average from Last 10 Batches</b>
<i>Total Number Of Providers</i>	659	676
<i>Total Amount</i>	\$2,584,681.17	\$2,567,169.28
<i>Total Copay</i>	\$164,632.29	\$168,464.99
<i>Total Union amount</i>	\$8,339.05	\$8,535.23
<i>Total PAC amount</i>	\$1,041.10	\$983.01
<i>Total Recoupment amount</i>	\$0.00	0
<i>Total number of the provider paid with \$0 payments</i>	2	0
<i>Total amount paid to DCYF children</i>	\$217,555.10	\$226,746.17
<i>Total number of DCYF kids</i>	673	698
<i>Number of providers who have been paid with Checks</i>	136	130
<i>Number of providers who have been paid with Direct Deposits</i>	522	536
<i>Total Number of records processed</i>	18728	19216

Since March 2020, DHS has not required attendance submission from CCAP providers. Even though DHS has made the commitment to reimburse CCAP providers based on enrollment and not attendance through December 2020, it is important for data-collection purposes that CCAP providers resume the practice of submitting attendance for DHS review and approval. Beginning with Batch 10 (set to pay 10/22) CCAP providers will be required to submit attendance in order to receive CCAP payment. Their payment will not be based upon this attendance, but rather will provide the state with more accurate data on utilization of child care (particularly for subsidized slots) during the pandemic.



Additionally, DHS has contracted with the Public Consulting Group (PCG) to conduct a series of three monthly, statistically valid surveys to assess the utilization and overall health of RI's child care system. These surveys will set the foundation for RI's federally required triennial Market Rate Survey due in 2021 to the Administration for Children & Families. It will also aim to better understand costs associated with the new regulations for child care during the COVID-19 pandemic.

**Question:** How many applications and/or attendance records are processed manually?

**Answer:** All CCAP applications are processed in RI Bridges

**Question:** Please indicate how many providers are being paid manually, including the percentage of total providers.

**Answer:** All CCAP providers are being paid through RI Bridges. 81 percent of providers receive payment through direct deposit.

**Question:** Please provide a monthly accounting of the offline payments.

**Answer:** Please see chart below:

SFY20	Family Home Provider	Licensed Child Care Center	Total
Jul	\$ 24,557.20	\$ 29,672.80	\$ 54,230.00
Aug	\$ 55,355.30	\$ 302,953.80	\$ 358,309.10
SEP	\$ 61,781.75	\$ 169,162.11	\$ 230,943.86
Oct	\$ 46,792.40	\$ 258,228.87	\$ 305,021.27
Nov	\$ 67,105.81	\$ 164,199.15	\$ 231,304.96
Dec	\$ 26,082.64	\$ 123,460.77	\$ 149,543.41
Jan	\$ 40,158.09	\$ 148,941.25	\$ 189,099.34
Feb	\$ 55,364.89	\$ 155,567.01	\$ 210,931.90
Mar	\$ 42,894.70	\$ 119,312.48	\$ 162,207.18
Apr	\$ 8,874.48	\$ 37,369.31	\$ 46,243.79
May	\$ 4,714.77	\$ 16,635.86	\$ 21,350.63
Jun	\$ 4,216.92	\$ 4,938.60	\$ 9,155.52
Total			\$ 1,968,340.96

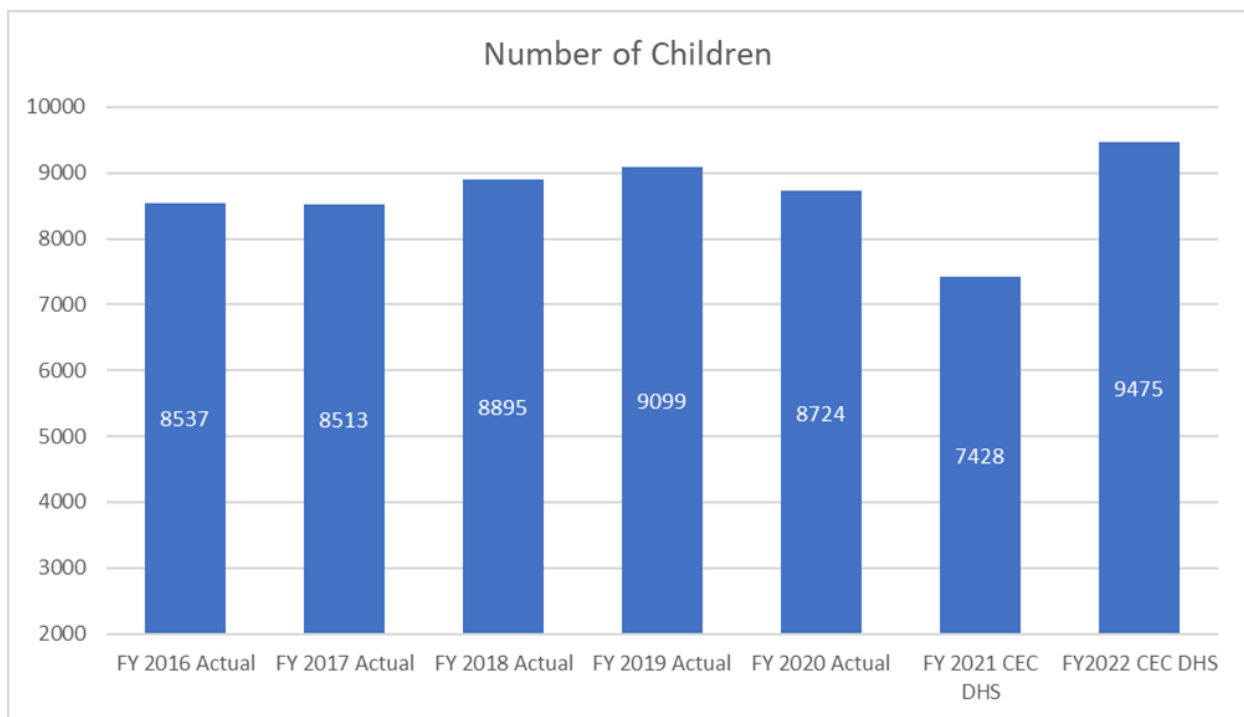
SFY21	Family Home Provider	Licensed Child Care Center	Total
Jul	\$ -	\$ 16,146.20	\$ 16,146.20
Aug	\$ 4,262.25	\$ 64,564.37	\$ 68,826.62
SEP	\$ 14,258.13	\$ 14,769.43	\$ 29,027.56
Total	\$ 18,520.38	\$ 95,480.00	\$ 114,000.38

### Child Care Trends

The Department experienced a 4.1 percent decrease in the number of children served in FY2020 compared to FY2019. The decline in caseload is directly related to the COVID-19 pandemic.

In recent years, child care caseloads have increased at slower rates than previous years. While caseloads have stabilized over the last few years, the Department had continued to experience annual growth. Recently, there has been an increase in terminations largely attributable to families not returning their CCAP eligibility packets, despite enhanced noticing from DHS to do so. The State's high unemployment rate, 12.8 percent as of August, may have resulted in a spike in eligibility termination, decreasing CCAP enrollment for providers.

The Department has reached out to CCAP families to remind them of the importance of timely recertification, especially for families who receive or could be eligible to receive CCAP Transitional Child Care and has encouraged all families to recertify timely to avoid disruption or in some instances loss of CCAP benefits.



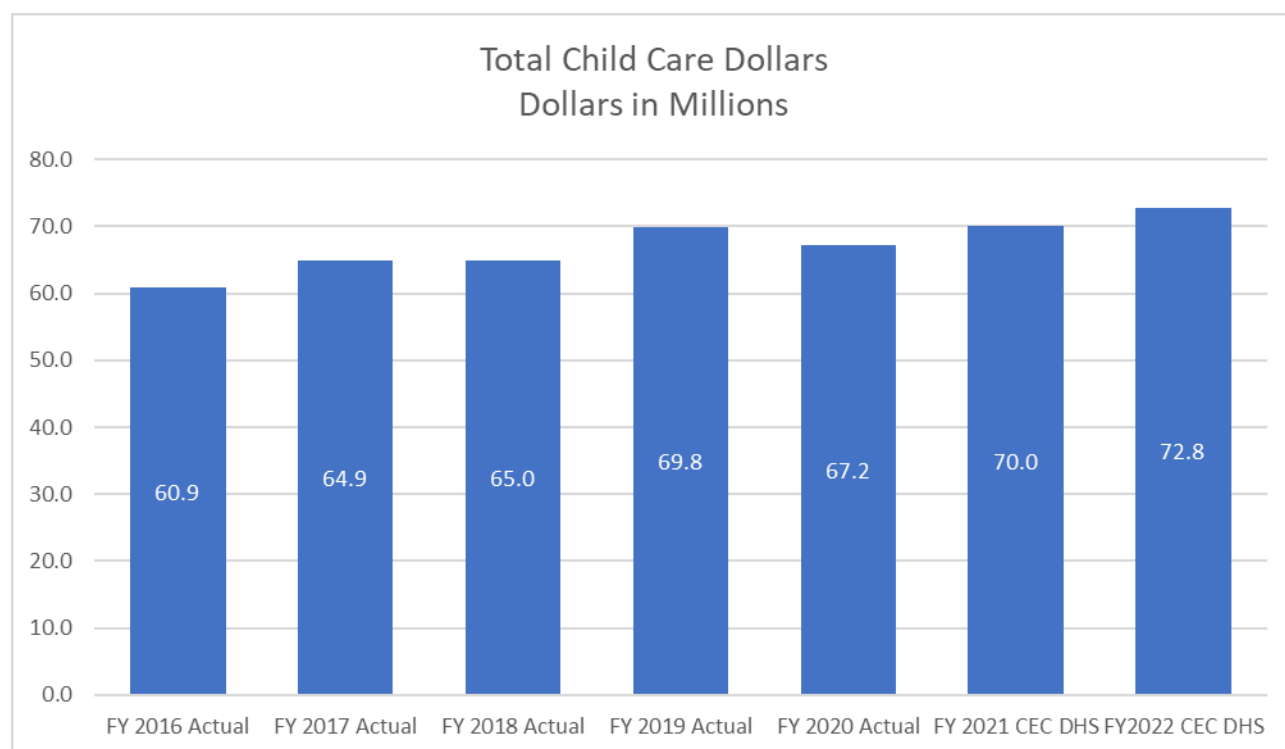
Temporary rate enhancements have increased the cost of biweekly payrolls by 17 percent. Although reduced enrollment has decreased the overall cost of child care by approximately 13 percent from the same time last year, the rate per child has increased significantly by 22.1 percent. The average annual rate per child through Batch 8 for FY20 was \$7,869. Temporary rate enhancements have increased this amount to \$9,610.

It is the intention of the Department to continue paying on enrollment and not attendance and preserving temporary enhanced rates through the remainder of FY21 provided there is available funding. The Department has not extended certification periods (at this time) for CCAP children.

During the period of May 2020 through September 30, 2020, seven programs increased their BrightStars rating and zero programs experienced a decrease. These programs include family child care providers, center-based providers (including school age programs), and public school programs. The below chart represents the program increases.

Provider Type	Number of Providers who Increased
Family Based Child Care Provider	3
Public School Program	1
Center Based Program	3

There is no fiscal impact projected related to the decrease in caseload due to the State’s commitment to the temporary CCAP COVID-19 rate enhancements through December 31, 2020.



**CCAP Caseload Projection**

Rhode Island experienced record-breaking employment in February 2020 and the state’s unemployment rate was at a 30-year low. In March, the COVID-19 pandemic came to RI and the state has experienced recession level job losses in just two months. Through August, 43 percent of the jobs lost during the pandemic have not been recovered.

In addition to job loss, the mandated closure of child care severely impacted the overall utilization of child care in RI. Families are opting to pursue in-home, alternative care arrangements even upon RI’s child care system reopening. The COVID-19 surveys being conducted by PCG will help DHS to further understand utilization and overall health of the child care system.

With the onset of the flu season, the epidemic could get worse and more complicated this fall, causing child care enrollment to remain at the lowest level the program has experienced in recent years. More robust screening protocols for excluding symptomatic, and potentially ill children will also impact enrollment in child care. Quarantine and isolation practices also have the potential to negatively impact child care enrollment and utilization. DHS is aware of these factors and is closely tracking the impact and potential consequences of each.

Prior to the State’s closure of child care in March, enrollment remained stable from FY2019 at .03 percent growth. However, by the end of FY2020, enrollment declined by 35 percent. While the state’s payment practice of reimbursing CCAP services based on enrollment, not attendance was intended to ensure the stability of its child care workforce, the State’s high unemployment rate, 12.8 percent as of August, has resulted in a spike in eligibility termination, decreasing enrollment. Upon reopening child care in June, the State continued to see declines in enrollment due to eligibility termination.

As previously stated, it is the intention of the Department to continue paying on enrollment and not attendance and preserving temporary COVID-19 enhanced rates through the remainder of FY21 provided there is available funding. Enrollment is expected to remain at 75 percent utilization through March of 2021. While the expectation is slow economic recovery, the Department estimates that by the end of June 2021 enrollment will reach 100 percent utilization. Although the Department anticipates the average number of children enrolled to fall below FY20 levels, the annual cost of providing CCAP will increase by 4.2 percent due to the rate enhancements. The annual rate per child is expected to increase 22 percent, from \$7,705 to \$9,427. The additional CCBDG CARES ACT funding and the increased FMAP rate can assist in preserving these temporary rate enhancements.

FY2021 projections include the Department’s response to the COVID-19 pandemic and the payment practices amended in the CCDF State Plan.

	FY 2021	
	Average # of Children	Amount
Base	7428	\$ 53,213,246
Rate Enhancements (12 months)	N/A	\$ 16,804,183
	7428	\$ 70,017,429

FY2022 restores the 4.1 percent loss of average number of children served lost during the FY2020 pandemic.

	FY 2022	
	Average # of Children	Amount
Base	9475	\$72,856,068
	9475	\$72,856,068

**Question:** Please provide FY 2021 and FY 2022 CCDF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use.

**Answer:** Please see chart below.

Fiscal Year	Mandatory	Matching	Discretionary
FY2020 Carryforward	\$ -	\$ -	\$ 6,632,288.00
FY2021 Based on President's Budget	\$ 6,633,774.00	\$ 5,388,226.00	\$ 13,066,079.00
FY2022 Estimated based on FY2021 President's Budget	\$ 6,633,774.00	\$ 5,388,226.00	\$ 13,066,079.00

In FY21, the State carried over \$6,632,288.00 in discretionary funding. This carryforward will fund the temporary rate increase for reopened providers. It is anticipated that the remainder of the \$8.1 CCDBG CARES ACT funding will contribute to any additional COVID-19 related direct service costs the state may incur as a result of policy changes made due to the pandemic. The State's FMAP rate increased 6.2 percent retroactive to January 1, 2020 and will continue through the last day of the calendar quarter in which the public health emergency ends.

**Question:** As part of the SEIU1199's Collective Bargaining Agreement, effective January 1, 2020, family home providers received a rate increase of 1.5 percent. The negotiations also produced new annual registration fees, orientation bonuses, direct deposit bonuses, bonuses for providers who became licensed through DCYF, etc. Please provide the full cost of the amendments to the CBA through the date of the conference, and the department's projections for the remainder of FY2021 and FY2022.

**Answer:** Please see charts below.

SFY21 Estimate	# of Providers	Rate	Cost
License Exempt Bonus	1	\$ 500.00	\$ 500.00
Orientation Bonus	7	\$ 75.00	\$ 506.25
Direct Deposit Bonus	5	\$ 100.00	\$ 500.00
Registration Fee (# of Children)	100	\$ 50.00	\$ 5,000.00
Sick Leave	14		\$ 9,000.00
<b>Total Cost</b>			<b>\$15,506.25</b>

SFY22 Estimate	# of Providers	Rate	Cost
License Exempt Bonus	1	\$ 500.00	\$ 500.00
Orientation Bonus	10	\$ 75.00	\$ 750.00
Direct Deposit Bonus	10	\$ 100.00	\$ 1,000.00
Registration Fee (# of Children)	268	\$ 50.00	\$13,400.00
Sick Leave	20		\$18,000.00
<b>Total Cost</b>			<b>\$33,650.00</b>

The SEIU 1199 Collective Bargaining Agreement expired on June 30, 2020. The State and Union have been operating under an evergreen clause as negotiations begin. SEIU 1199 has submitted their first set of requests in September 2020. The Department, in coordination with DOA, plans to follow-up by end of October with its proposed terms for the new contract.

**Question:** The Governor’s FY 2021 budget recommendation included additional funding to expand childcare assistance to include families who require childcare in order to pursue an educational degree or professional certificate. Please identify the number of children that would be impacted by this proposal. Is this initiative still possible in FY 2021 considering the budget delay?

**Answer:** With an estimated annual cost for FT CCAP being \$7,000/child, we estimate the \$200,000 in pilot funding for CCAP for college will serve 28 families in FY21. Upon the Budget Article passing, the Department will promulgate Rules and Regulations to establish more detailed criteria for eligibility.

### ***Family Based Union Increase***

There are no scheduled rate increases for family child care providers at this time. The State of RI’s Collective Bargaining Agreement (CBA) expired on June 30, 2020. DHS is currently in discussion with SEIU1199 about the next CBA.

### ***Union Sick Time***

With the passage of S0290 subB, all CCAP family child care providers were granted earned sick time, effective July 1, 2018. This law requires sick time to be issued at no less than the state minimum wage. Over the past three years, family child care providers will gradually earn more sick time as negotiated in their SEIU1199 Collective Bargaining Agreement. Earned sick leave will accrue at the following rates, on the specified dates:

<b>Sick Leave</b>	<b>Hours</b>	<b>Hourly Rate</b>
July 1, 2018	24.0 hrs	\$13.00
January 1, 2019	32.0 hrs	\$14.00
January 1, 2020	40.0 hrs	\$15.00

On July 1, 2018, (with the passage of S0290 subB,) the Department operationalized a process for family child care providers to access paid sick time. Since its passage, 34 CCAP family child care providers have requested, and received payment for, paid sick time. The Department has 158 DHS-approved assistants in the RIFANS system who are authorized to provide sick-time coverage.

### ***Tiered Reimbursement***

The CCDF Reauthorization Act of 2014 requires states to consider quality when setting its payment rates for child care assistance. Additionally, states must set their payment rates based upon its most recent Market Rate Survey. In July of 2018, the Department, in partnership with University of Rhode Island, conducted a state-wide Market Rate Survey to assess the market-rate costs of child care. The survey had a 58.9 percent response rate, representing 57.2 percent of home care providers and 60.8 percent of center-based providers.

The ACF Office of Child Care placed Rhode Island on Corrective Action in February of 2019 for its CCAP base rates. For the provision of not meeting the equal access requirement of having sufficient rates, RI may be subject to penalty of up to 4 percent of the discretionary funding in

FY2020. ACF Office of Child Care requires states to have base rates at the 75<sup>th</sup> percentile of the most recent Market Rate Survey. DHS has introduced legislation to raise the infant/toddler base rates to the 25<sup>th</sup> percentile and move preschool CCAP base rates halfway to the 25<sup>th</sup> percentile in FY2021 to demonstrate Rhode Island's commitment to meeting ACF's requirement over a multi-year approach. The FY2022 budget will move the preschool base rates fully to the 25<sup>th</sup> percentile to meet the ACF requirement.

On July 1, 2018, DHS implemented a tiered reimbursement rate system for all center-based child care programs to ensure high quality programs (rated at a 5-Star) who serve infants and toddlers, receive payment rates at the 75<sup>th</sup> percentile of the most recent Market Rate Survey. A tiered reimbursement rate system is utilized in 38 states across the country and reflects evidence-based practice to reimburse child care providers according to their quality rating. Rates are differentiated based upon the program's quality, as evidenced by the State's Quality Rating Improvement System (QRIS,) BrightStars. BrightStars uses a combination of standardized assessment tools and a formalized review of staff qualifications and credentials to award programs with a quality rating. Child care licensing (health and safety regulatory requirements as governed by the DHS) represent the first, foundational, building block of the state's QRIS.

This incentivizes providers to improve the quality of their program to better support children at a time when brain research indicates child development is at its most important, the first four years of life. Low rates of reimbursement (or rates that do not take quality into account) limits families' access to high quality care and limits the resources available to providers to maintain higher quality programming and employ highly qualified staff.

Attached is a complete listing of all programs (since May 2020) who have seen a shift in their BrightStars' rating and the reason. Important to note, not all programs represented necessarily serve children in the CCAP.

### ***Quality Investments***

The Administration of Children and Families requires states to allocate 12 percent of its funding to quality initiatives designed to support and advance the quality of early learning programs serving families in the Child Care Assistance Program.

To support providers in achieving a higher quality rating, the Department prioritized a complete redesign of the professional development and higher education coursework it funds through its quality set-aside dollars. These contracts fund community-based organizations and state institutions of higher education to deliver evidence-based professional development and coursework to the early learning workforce to improve their quality rating. All professional development and coursework are aligned to the QRIS, with 70 percent of offerings geared to 1- and 2-Star providers.

**Question:** Please provide an update on the \$250,000 Family Child Care Training and Supports Benefit Fund that is jointly administered by the Department and the Union. What expenses have been made since FY2016 when the fund was established? Please provide the plan to use the funds and balance of the fund carry forward for FY2021.

**Answer:** To date, SEIU 1199 has spent \$268,770.65 of the training fund. \$241,990.37 has been spent since the execution of the Service Agreement on July 1, 2019 (see explanation below.) The table below details the expenditures (to date) of the Training Fund.

The Department approved a three-month no-cost extension to the Training Fund on July 1, 2020. On October 1, 2020, the Training Fund was depleted. Since the State and SEIU 1199 are actively in negotiations, the Department, in consultation with DOA, approved an additional three-month extension for SEIU 1199 through December 2020.

The State entered into a Service Agreement with SEIU 1199 on July 1, 2019 for the joint Training Fund for family child care providers. A requirement of this service agreement is for SEIU to propose a quarterly professional development calendar with coursework aligned to the state's QRIS, RIELDS and ECE Workforce, Knowledge and Competencies for state review and approval. SEIU is required to offer 5 professional development course offerings per quarter. Below is a breakdown of the monthly invoices processed by DHS under SEIU's Service Agreement:

Document Id	Amount
300	\$2,166.13
3639846-1-JUL19	\$8,151.33
3639846-1-AUG19	\$11,665.50
3639846-1-SEP19	\$13,123.45
3639846-1-OCT19	\$12,940.31
3639846-1-NOV19	\$22,715.33
3639846-1-DEC19	\$14,866.16
3639846-1-JAN20	\$25,047.12
3639846-1-FEB20	\$31,020.62
3639846-1-MAR20	\$23,126.77
3639846-1-APR20	\$18,276.24
3639846-1-MAY20	\$26,111.87
3639846-2-JUN20	\$32,779.54
<b>Total</b>	<b>\$ 241,990.37</b>

Attached to this testimony is the Training Fund's most recent Quarterly Report, detailing the deliverables achieved under the Service Agreement.



## Supplemental Security Income (SSI) Program

Supplemental Security Income (SSI) is a Federal program that provides monthly cash payments to individuals in need. SSI is for people who are 65 or older as well as blind or individuals with a disability of any age, including children. To qualify for SSI, you must also have little or no income and few resources.

### **SSI Payments**

In FY2018, the SSI participation grew by four percent from FY2017 but from FY2018 to FY2019, SSI participants dropped by 1,312 people - a four percent decline. For the first 6 months of FY2020 the number of SSI participants were growing steadily each month for a total of 703 persons and a two percent increase. This growth stopped by February 2020 and the total FY2020 actuals was 33,983 persons, which was less than the FY2021 May adopted number of 34,500 persons. For FY2021, the projection of SSI persons is 33,531 - slightly lower than FY2020 but include a projected increase in cases as disability reviews resume.

### **Impact of COVID-19**

Although the SSI program was growing at the start of FY2020, the last six months of FY2020 show a decline due to the pandemic. The federal Social Security Administration (SSA) decided to suspend processing of Continued Disability Reviews thus allowing current SSI cases to remain on SSI. Yet the Office of Rehabilitation Services (ORS) was not accepting intakes and there were no consultant exams scheduled. Because unemployment has risen drastically due to COVID-19 and unemployment is linked to increase SSI claims historically, our estimates project the SSI program will grow in FY2021. ORS has begun to process applications and completed some cases this September. Since on average, it takes 90-120 days to process a claim, DHS anticipates it will be December 2020 when the impact on SSI cases will increase. For December 2020– March 2021, projections include 100 new cases each month with a drop in total cases by April 2021. The number of cases will flatten by the start of FY2022 as employment levels stabilize. The overall projections for FY2021 are 33,531 slightly below FY2020. The FY2022 projections show the stabilization of the program to pre-COVID-19 levels and a growth of one percent to 33,866. The administrative rate decreased slightly from \$69,000 to \$65,000 from FY 2019 to FY 2020. Based on notification from the Office of Social Security, the administrative fee will increase by one percent in FY2021 to \$65,650 but remain at this level for FY2022. The cost per person is calculated to include transaction fees.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted May	FY 2021 November CEC DHS	FY 2022 November CEC DHS
<b>SSI</b>							
Persons	33,610	35,118	33,806	33,983	34,500	33,531	33,866
Cost / Person	\$ 46	\$ 48	\$ 47	\$ 46	\$ 46	\$ 46	\$ 46
Cash Payments	\$ 18,671,400	\$ 20,092,846	\$ 19,017,258	\$ 18,798,746	\$ 19,209,600	\$ 18,441,218	\$ 18,627,132
Transaction Fees	\$ 63,000	\$ 70,000	\$ 69,000	\$ 65,000	\$ 70,000	\$ 65,650	\$ 65,650
<b>Total Dollars</b>	<b>\$18,734,400</b>	<b>\$20,162,846</b>	<b>\$19,086,258</b>	<b>\$18,863,746</b>	<b>\$19,279,600</b>	<b>\$18,506,868</b>	<b>\$18,692,782</b>

The number of SSI recipients receiving their checks by mail continues to drop. For FY2020, the Department issued 21,462 checks by mail, a decline of 874 checks from FY2019 and a \$481 savings for the cost per check. The FY2021 projection of 20,980 checks is based on the last three quarters of FY2020 and the first quarter of FY2021. Using the first three months of FY2021 to project for FY2022, the number of checks show another decrease to 19,084.

Month	# of Checks	Amount of Checks	# of Direct Deposits	Amount of Direct Deposits	Total # of Payments	Total Amount of Payments
Jul-19	1,780	\$67,269	92,946	\$1,319,311	94,726	\$1,386,581
Aug-19	1,763	\$37,361	33,084	\$1,324,020	34,847	\$1,361,381
Sep-19	1,710	\$65,271	33,245	\$1,330,090	34,955	\$1,395,361
Oct-19	1,816	\$69,516	33,035	\$1,322,741	34,851	\$1,392,257
Nov-19	1,698	\$64,407	33,118	\$1,325,995	34,816	\$1,390,402
Dec-19	1,962	\$76,227	33,578	\$1,345,672	35,540	\$1,421,899
Jan-20	1,842	\$71,345	32,988	\$1,320,800	34,830	\$1,392,145
Feb-20	1,945	\$76,052	33,225	\$1,330,716	35,170	\$1,406,768
Mar-20	1,690	\$64,802	33,207	\$1,331,167	34,897	\$1,395,969
Apr-20	1,807	\$69,963	33,184	\$1,329,722	34,991	\$1,399,684
May-20	1,838	\$71,231	32,636	\$1,306,650	34,474	\$1,377,880
Jun-20	1,611	\$61,635	32,276	\$1,292,990	33,887	\$1,354,624
Jul-20	1,497	\$57,104	32,241	\$1,291,201	33,738	\$1,348,305
Aug-20	1,577	\$61,148	32,531	\$1,301,241	34,108	\$1,362,388
Sep-20	1,697	\$64,145	32,498	\$1,301,711	34,195	\$1,365,857
<b>Total</b>	<b>26,233</b>	<b>\$977,476</b>	<b>553,792</b>	<b>\$19,774,025</b>	<b>580,025</b>	<b>20,751,501</b>
<i>% of Total</i>	4.5%	4.7%	95.5%	95.3%	100%	100%

	# of Checks	Cost per Check	Amount
SFY18	28,260	\$0.55	\$15,543
SFY19	22,336	\$0.55	\$12,285
SFY20	21,462	\$0.55	\$11,804
SFY21 Estimate	20,980	\$0.55	\$11,539
SFY22 Estimate	19,084	\$0.55	\$10,496

### **Individuals receiving Assisted Living Payments**

Each month the Department issues cash payments of \$206 for individuals in assisted living facilities. The table below shows the projected FY2021 cash payment of \$197,751 using actual quarterly payments paid to each facility for the last three quarters of FY2020 and the first quarter of FY2021. The total payments for FY2019 were \$313,120 and the total for FY2020 was \$201,047. The FY2022 projection of \$190,344 shows a continued drop in payment and is based on extrapolating from the first quarter of FY2021. There has been a significant drop in the number of residents at assistant living facilities receiving this supplemental payment because some facilities closed, individuals moved to other living arrangements and others became Medicaid LTSS eligible.

	FY 20 Q1	FY 20 Q2	FY 20 Q3	FY 20 Q4	FY 20 Total	FY 21 Q1	FY 21 DHS Projected	FY 22 DHS Projected
A Better Day	\$8,034	\$8,034	\$7,210	\$7,004	\$30,282	\$7,622	\$29,870	\$30,488
Bristol Assisted Living	\$3,708	\$3,708	\$3,708	\$3,708	\$14,832	\$3,502	\$14,626	\$14,008
Charlesgate	\$7,828	\$6,180	\$4,326	\$4,326	\$22,660	\$4,326	\$19,158	\$17,304
Community Care Alliance	\$9,888	\$9,888	\$9,682	\$9,270	\$38,728	\$8,858	\$37,698	\$35,432
Forest Farm	\$5,562	\$6,180	\$7,004	\$7,210	\$25,956	\$6,386	\$26,780	\$25,544
Franciscan Missionaries	\$10,506	\$10,908	\$11,536	\$11,742	\$44,692	\$11,742	\$45,928	\$46,968
St. Elizabeth	\$5,356	\$6,386	\$6,592	\$5,563	\$23,897	\$5,150	\$23,691	\$20,600
<b>Total</b>	<b>\$50,882</b>	<b>\$51,284</b>	<b>\$50,058</b>	<b>\$48,823</b>	<b>\$201,047</b>	<b>\$47,586</b>	<b>\$197,751</b>	<b>\$190,344</b>

The number of quarterly cases in each facility is shown below. Our projections align with our methodology for the cash payments in both FY2021 and FY2022.

	FY 20 Q1	FY 20 Q2	FY 20 Q3	FY 20 Q4	FY 20 Average	FY 21 Q1	FY 21 Average DHS Projected	FY 22 Average DHS Projected
A Better Day	13	13	12	11	12	12	12	12
Bristol Assisted Living	6	6	6	6	6	6	6	6
Charlesgate	13	10	7	7	9	7	8	7
Community Care Alliance	16	16	16	15	15	14	15	14
Forest Farm	9	10	11	12	11	10	11	10
Franciscan Missionaries	17	18	19	19	18	19	19	19
St. Elizabeth	9	10	11	9	10	8	10	8
<b>Total</b>	<b>83</b>	<b>83</b>	<b>82</b>	<b>79</b>	<b>81</b>	<b>76</b>	<b>80</b>	<b>76</b>

## SSI Questions

**Question:** Please provide the number of SSI recipients in each category (persons, personal needs allowance, assisted living).

**Answer:** See Appendix A

a. Please provide a breakout by category. For category F, please break out the number of individuals in each cohort.

**Answer:** Category F – 189 up from 172 in May Caseload. There are currently 189 beneficiaries receiving Category F for SSP. This is an increase of 17 beneficiaries since the May caseload report. The increase in Category F beneficiaries is consistent with the overall rise in ALR utilization due in large part to two factors: 1) more Rhode Islanders have been opting for home and community-based alternatives to nursing facility care which have been experiencing significant COVID-19 outbreaks; and 2) the slight increase in the number of ALRs attaining Category F certification. The average monthly SSP payment for Category F beneficiaries=\$533. The breakdown of Category F beneficiaries is as follows:

- There are 102 beneficiaries receiving both SSI and Category F SSP. Average monthly SSP payment for these beneficiaries is \$766.

- There are 87 beneficiaries receiving SSP Category F with no SSI payment. This is the so-called SSI lookalike category in which the beneficiary is ineligible for SSI cash assistance but has income at or below the limit for Category F. Average monthly SSP payment for members of this group is \$286. 15/87 receiving \$25 SPP per month or LESS (10 receiving \$0), 38/87 receiving \$26 to \$200, and remainder the average is \$433 and varies from \$207 to \$604.

b. Please also include the number of individuals receiving the State-only payment in each category.

**Answer:** See Appendix A

c. Please provide the number of individuals receiving the additional \$206 payment for residing in a non-Medicaid funded assisted living facility along with a list of the facilities.

**Answer:** Please see page 41

**Question:** What were the moving expenses paid in FY2020? What is the estimate for FY2021 and FY2022?

**Answer:** The moving costs were \$236,841 and \$233,192 for FY2019 and FY 2020. Our estimates are \$230,514 for FY2021 and FY2022. We did anticipate a slight increase in moving costs in FY2021 due to COVID-19 and the economic impact however possibly due to the pandemic restrictions, the population has not been transient or unable to find reasonable rent costs.

## General Public Assistance (GPA) Program

The General Public Assistance (GPA) program is intended as a program of last resort for the neediest individuals in the state. GPA provides a small cash benefit to adults age 18 and over who have very limited income and resources and have an illness or medical condition that keeps them from working while they await an SSI determination. To qualify, an individual must earn less than \$327 a month and cannot qualify for other federal assistance programs other than Supplemental Nutrition Assistance Program (SNAP). In addition, the program provides supplemental assistance for funerals and burials. The GPA Bridge and Burial program will both be impacted by COVID-19 because of the rise in unemployment and the increase in COVID-19 related deaths.

### ***GPA Projection***

The GPA Bridge numbers declined from 256 individuals in FY2018 to 159 in FY2019 to 103 in FY2020, a decrease of 35 percent from FY 2019. The Department has instituted improved eligibility review standards for the GPA Bridge program, thus reducing the number of applicants and the monthly Bridge payment. The totals for FY 2020 of 103 align with the May 2020 and May 2021 adopted number of 105 individuals. The projections for FY2021 and FY2022 are 88 and 100 and show a continued Bridge decline.

### ***Impact of COVID-19***

GPA Bridge projections for FY2021 show a seventeen percent decrease from FY2020 actuals to 88 individuals. The drop in Bridge is due to COVID-19 as it is more difficult for applicants to complete the forms and obtain necessary medical reviews. For FY2022 though, DHS' projections align with pre-COVID-19 actual numbers. In the May 2020 Caseload, the FY2020 burial expenses were projected to increase by \$420,000 due to COVID-19 impacts on the economy as well as the impact on the death rate. Projections in May FY2020 of 300 additional COVID-19 GPA burials was much higher than the 54 actual COVID-19 GPA deaths in FY2020. The FY2020 projections also included an additional GPA burial cost of \$200 for the transportation of bodies to funeral homes; this cost was also not necessary. Based on COVID-19 deaths projected for FY2021, and the need to provide burial assistance, projections for FY2021 are \$650,000 slightly higher than the average annual burial cost of \$600,000. The cost for FY2022 are based on historical costs and remain at \$600,000 annually.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted May	FY 2021 November CEC DHS	FY 2022 November CEC DHS
<b>GPA</b>						
Persons - Bridge	256	159	103	105	88	100
Cost / Person	\$ 153	\$ 145	\$ 160	\$ 150	\$ 160	\$ 160
Cash Payments - Bridge	\$ 470,348	\$ 276,356	\$ 197,568	\$ 189,000	\$ 168,760	\$ 192,000
Burials	\$ 611,169	\$ 595,863	\$ 679,746	\$ 770,000	\$ 650,000	\$ 600,000
<b>Total Dollars</b>	<b>\$1,081,517</b>	<b>\$872,219</b>	<b>\$877,314</b>	<b>\$959,000</b>	<b>\$818,760</b>	<b>\$792,000</b>

### **General Public Assistance Questions**

**Question:** Please provide the number of burials and the average cost per burial for FY2020. What is the estimate for FY2021 and FY2022? How did COVID-19 impact burials in FY 2020? What is the updated estimate for FY2021 and FY2022?

**Answer:** There were 672 GPA burial cases in FY2020 totaling \$698,606 for an average cost of \$1,040. Although there were 54 COVID-19 related burials at a cost of \$59,400, the average cost per burial remained the same as FY2019. The costs for FY2021 and FY2022 are projected to be \$650,000 and \$600,000.

Although the Agency projected an increase of 1,000 additional COVID-19 deaths with 30 percent eligible for GPA burial, the total increase in GPA burials due to COVID-19 were only 54 with a total cost of \$59,400. The original estimates of costs included transportation; these costs did not materialize. For FY2021, the projected number of GPA burials would be 625, including approximately 30 additional COVID-19 GPA burials. The additional GPA COVID-19 costs may be eligible for reimbursement under stimulus funds.