



May 2021 Caseload Estimating Conference
RI Department of Human Services
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Caseload Testimony

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May 2021 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

RI WORKS OVERVIEW	1
PROFILE OF RI WORKS	2
RI WORKS CASES BY CITY/TOWN	4
RI WORKS TRENDS	8
COVID-19 EXPENSES	11
HARDSHIP EXTENSIONS.....	14
WORK PARTICIPATION RATE (WPR) OVERVIEW	14
TANF BALANCES BY QUARTER	17
2021 TANF BUDGET.....	18
TANF MAINTENANCE OF EFFORT (MOE)	18
RI WORKS CONTRACTED VENDORS.....	20
POTENTIAL FEDERAL LAW CHANGES.....	23
STATE LAW CHANGES.....	23
CHILD CARE ASSISTANCE PROGRAM OVERVIEW	24
OFFICE OF CHILD CARE RESPONSE TO COVID-19 AND STATE OF THE SECTOR	24
CHILD CARE STATISTICS	28
OFFICE OF CHILD CARE/OFFICE OF FINANCIAL MANAGEMENT.....	33
CHILD CARE TRENDS.....	34
CCAP CASELOAD PROJECTION.	36
FAMILY BASED UNION INCREASE	38
UNION SICK TIME.....	38
TIERED REIMBURSEMENT.....	38
QUALITY INVESTMENTS	39
SUPPLEMENTAL SECURITY INCOME (SSI).....	41
GENERAL PUBLIC ASSISTANCE (GPA).....	47
CASELOAD PROJECTIONS.....	APPENDIX A
CCAP ADDITIONAL DOCUMENTS	APPENDIX 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	50.06percent
	Households with 2 parents	1.65percent
	Households with child-only cases	48.29percent

Race and Ethnicity	Race and Ethnicity	
	American Indian or Alaskan Native, Non-Hispanic	0.87percent
	Asian, Non-Hispanic	0.72percent
	Black or African American, Non-Hispanic	11.47percent
	Native Hawaiian or Other Pacific Islander, Non-Hispanic	0.06percent
	White, Non-Hispanic	22.63percent
	Hispanic, including Mexican, Puerto Rican, and Cuban	21.61percent
	Unable to Determine the Ethnicity or Race	42.64percent

Age	Age	
	Adults ages 18 and older	24.98percent
	Children under age 18	75.02percent

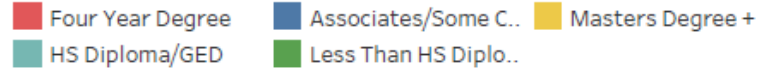
Recipients per Household	Recipients per Household	
	1 individual	31.5percent
	2 individuals	33.5percent
	3 individuals	19.5percent
	4+ individuals	15.5percent

Profile of RI Works (Continued)

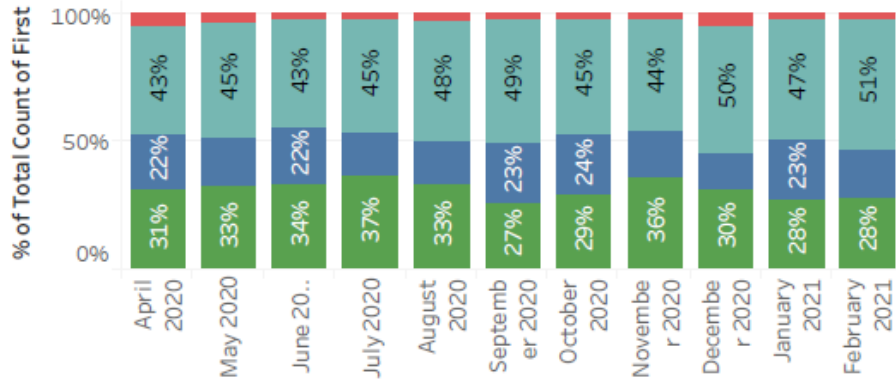
Education Achieved	English Speaking Adults		
	1st Grade & Below	0.3percent	
	2nd-3rd Grade	0.0percent	
	4th-5th Grade	0.0percent	
	6th-7th Grade	0.6percent	
	8th-9th Grade	7.9percent	
	10th-11th Grade	23.2percent	
	12 th Grade & Above	65.3percent	
	Unknown	2.7percent	

Education Achieved	Spanish Speaking Adults		
	1st Grade & Below	1.7percent	
	2nd-3rd Grade	0.0percent	
	4th-5th Grade	1.7percent	
	6th-7th Grade	5.2percent	
	8th-9th Grade	15.5percent	
	10th-11th Grade	31.0percent	
	12 th Grade & Above	43.1percent	
	Unknown	1.7percent	

Color Key



Education Level



RI Works Cases by City/Town

City/Town	City/Town	Cases	Individuals
	Barrington	5	12
	Bristol	19	37
	Burrillville	14	31
	Central Falls	110	267
	Charlestown	2	5
	Coventry	35	86
	Cranston	95	246
	Cumberland	18	38
	East Greenwich	9	20
	East Providence	91	206
	Exeter	2	3
	Foster	4	7
	Glocester	2	9
	Hopkinton	6	15
	Jamestown	3	8
	Johnston	54	107
	Lincoln	14	33
	Little Compton	4	9
	Middletown	23	54
	Narragansett	6	15
	New Shoreham		

Newport	97	246
North Kingstown	29	82
North Providence	61	155
North Smithfield	3	6
Pawtucket	253	593
Portsmouth	3	4
Providence	821	1845
Richmond	0	0
Scituate	2	3
Smithfield	11	21
South Kingstown	16	30
Tiverton	18	30
Warren	7	17
Warwick	65	120
West Greenwich	10	20
West Warwick	63	156
Westerly	15	27
Woonsocket	258	585
Undetermined	10	8
Total	2258	5154

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 RI Works				
	0-24	25-48	49-60	>60	Total
Single-Parent	300	615	126	91	1,132
Two-Parent	18	13	3	2	36
Total	318	628	129	93	1,168

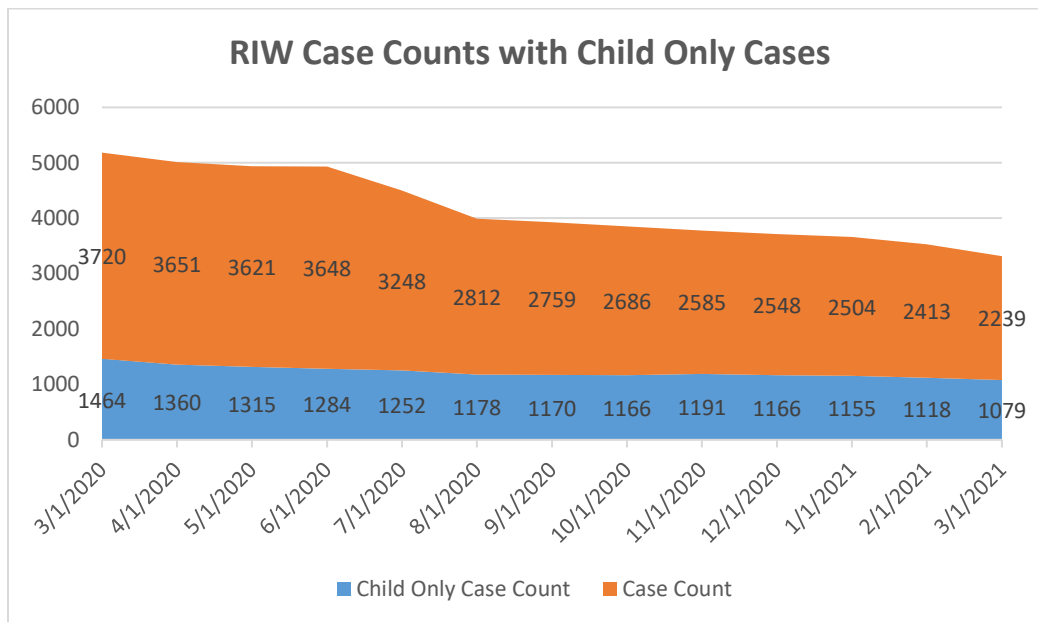
		Cases		
City/Town	City/Town	Child-Only	Single-Parent	Two-Parent
	Barrington	3	2	0
	Bristol	11	8	0
	Burrillville	10	4	0
	Central Falls	69	40	2
	Charlestown	0	2	0

Coventry	12	22	1
Cranston	35	56	2
Cumberland	11	6	0
East Greenwich	5	4	0
East Providence	38	53	2
Exeter	1	1	0
Foster	3	1	0
Glocester	0	2	0
Hopkinton	0	6	0
Jamestown	0	3	0
Johnston	27	27	0
Lincoln	9	5	0
Little Compton	1	3	0
Middletown	8	14	1
Narragansett	3	3	0
New Shoreham	0	0	0
Newport	38	57	2
North Kingstown	9	19	2
North Providence	22	39	0
North Smithfield	1	2	0
Pawtucket	105	144	8
Portsmouth	1	2	0
Providence	417	400	8
Richmond	0	0	0
Scituate	2	0	0
Smithfield	6	5	0
South Kingstown	10	5	0
Tiverton	10	7	0
Warren	2	5	0
Warwick	37	26	2
West Greenwich	6	3	1
West Warwick	28	33	2
Westerly	10	5	0
Woonsocket	136	115	5
Undetermined	4	1	0
Total	1,090	1,130	38

Note: 19 families had more than one family type for the reporting month due to re-running of eligibility.

Question: How many child-only cases are included in the estimate for FY2021 and FY2022? How many families receive the payment(s)?

Answer: 41 percent of the caseload is projected to be child only cases for FY2021 and FY2022. 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 35 percent to 48 percent. The projection was created using a weighted average of the past 18 month encompassing both before COVID and during COVID.



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

- a. exemption from employment planning

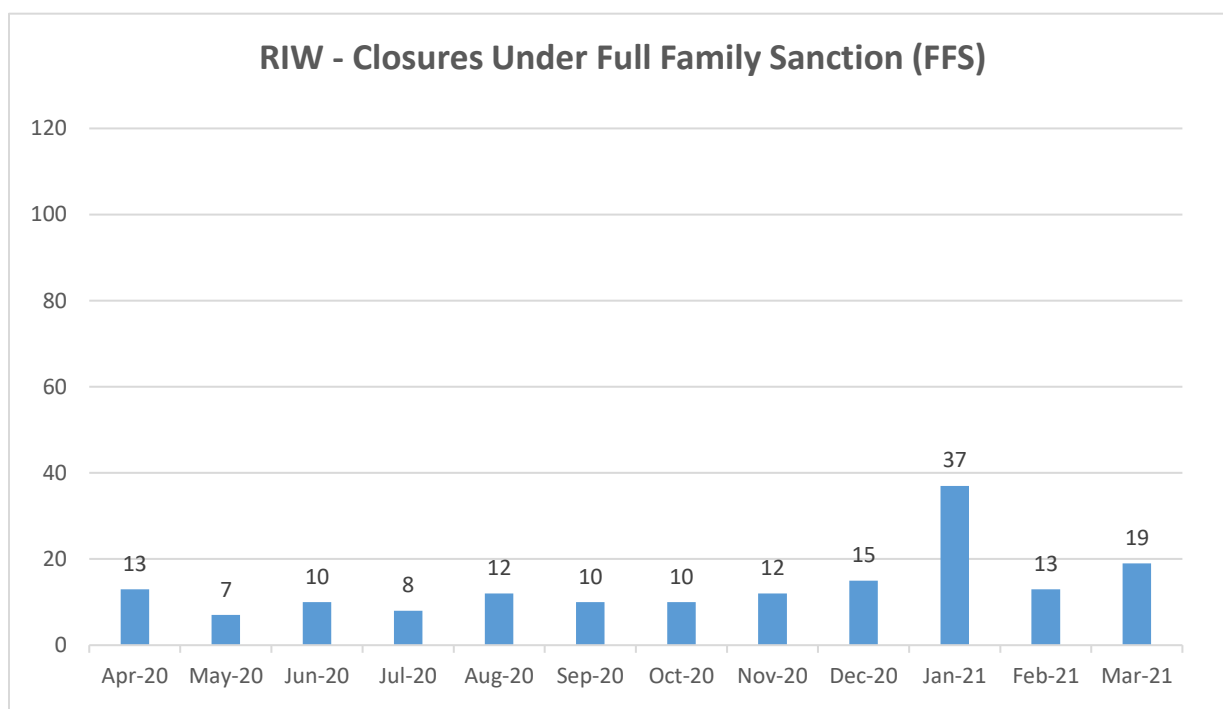
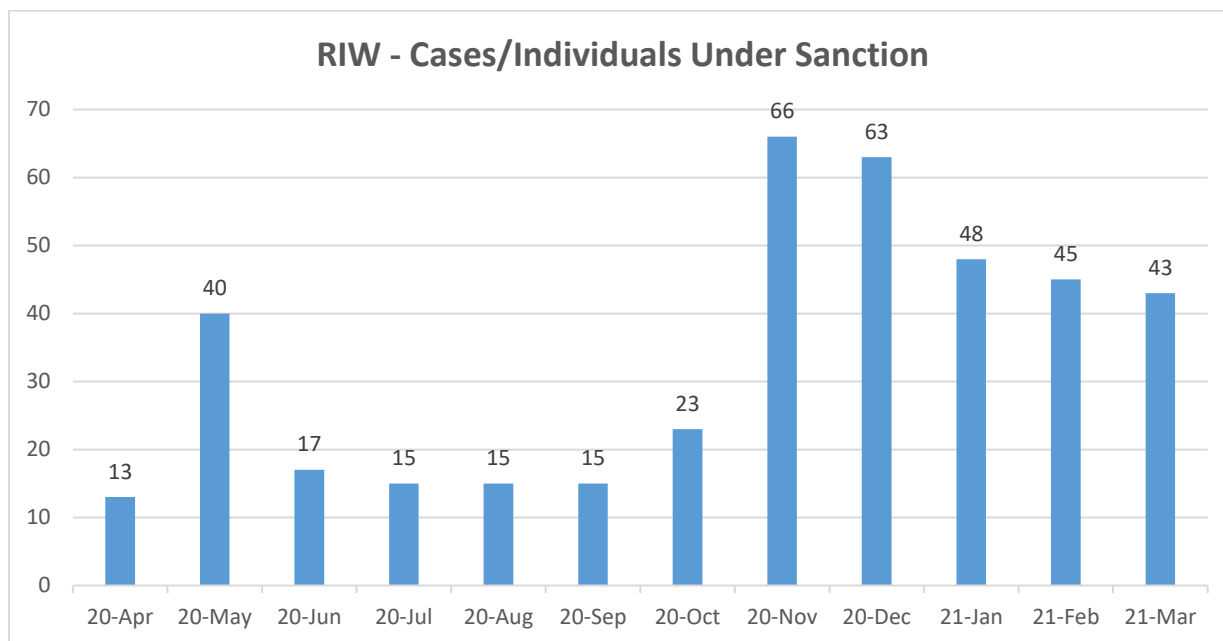
Answer: 121 cases are currently active with exemptions

- b. being between plans

Answer: 95 cases are currently active without a plan

- c. sanction—by month, the number of parents sanctioned for not complying with work requirements in FY2021 –

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) and the DHS office closures. Surrounding states have seen similar caseload reductions in the past six months due to both PUA and closed offices that have

resulted in application or access difficulties. As measures like PUA come to an end and as DHS offices reopen to the public, the RI Works caseload is expected to increase.

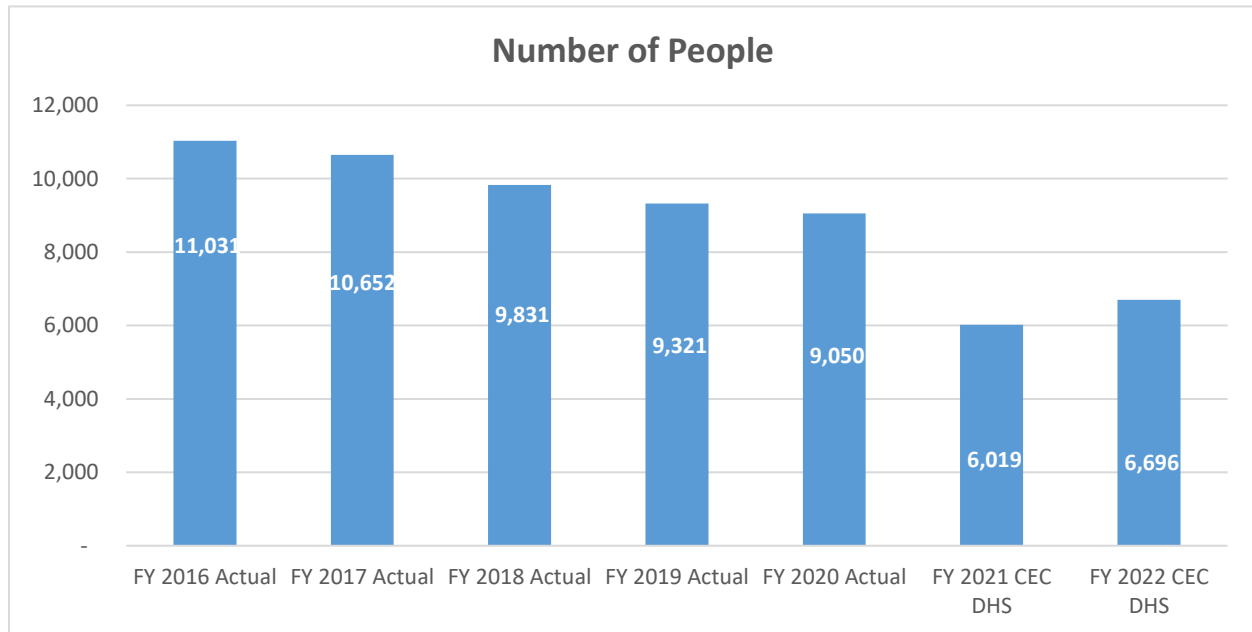
The Department estimates that in FY2021, the population will remain constant through September 2021 with an initial increase in both October and November; then a gradual two percent increase through FY2022. In FY2022, the caseload is projected to continue the gradual increase by two percent over time.

The initial increase beginning in October is due to PUA ending, 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 until September 6, 2021. Under current law, adults who currently receive PUA will no longer be eligible in September 2021.

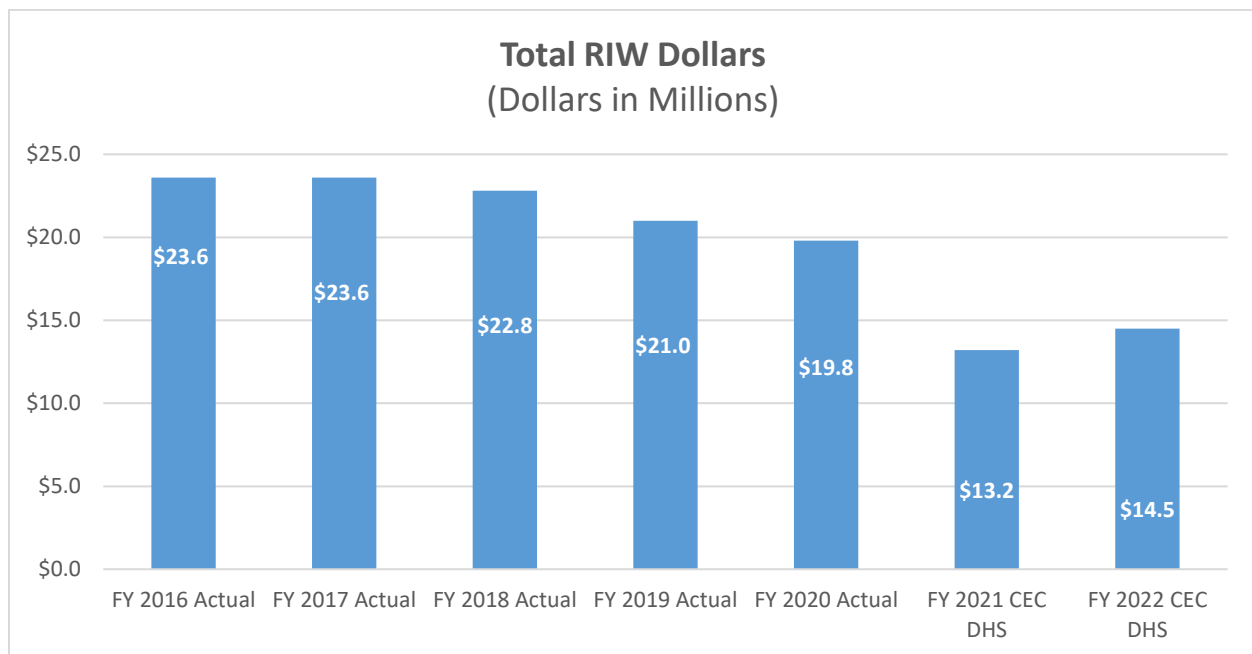
In addition to PUA ending, DHS has begun partnering with community agencies to conduct outreach to families who have become unengaged in RI Works. Partnering agencies are increasing supports for applicants and current customers as their agencies begin in-person services and while the DHS offices remain closed. The increased access to assistance for both DHS applications and required documentation will contribute to the two percent raise in RI Works cases.

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

RI Works families often require additional wraparound services, above and beyond those required by the typical job seeker, to secure long-term employment. Families frequently 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 FY2021 reflect both the overall trend of gradually decreasing RI Works cases and the sharp decline of cases due to the COVID-19 pandemic. The drastic reduction in caseload for FY2021 is in part due to the availability of other programs making families no longer eligible for RI Works, as well as the closure of the DHS offices. FY2022 has an expected increase in October and November followed by a two percent increase due to the reduction of COVID-19 pandemic programs and a projected slowed economic recovery, and DHS' partnerships providing support to customers.



COVID-19 Expenses

The department has observed a reduction in the RI Works caseload during the COVID-19 pandemic. The FY2021 caseload projections maintain this decline however we expect an increase in RI Works cases in October and November 2021 after PUA is no longer active; then an expected monthly growth of two percent starting in December 2021 that will continue through the remainder FY2022.

During the first 6 months of COVID, the Department protected RI Works families from losing their benefits. Cases had been held open to ensure parents can continue to receive the essential RI Works benefits through August 2020 as well as sanctions were not applied until September 2020, effecting October's benefits. Many of the remedial measures to preserve the RI Works population and caseload have been lifted. This included closing cases due to failure to return a recertification report, closure for reaching the time limit, and applying sanctions to cases for non-compliance. Interim reporting has been placed on hold for the remainder of FY2021. 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 and how each assumption is factored into FY2021 and FY2022 estimates.

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

Answer: If PUA is extended, or if a similar program is established to provide additional temporary relief, the RI Works caseload would maintain the current numbers seen in March 2021. As it is expected to end in September, the estimates are derived from an increase of applications in September, with expenditures increasing in October and November.

- b. Anticipation of a COVID-19 vaccine:

Answer: The projections are completed with the expectation that the vaccine will be administered widespread through the spring and summer. 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. Children who are not vaccinated or who are not yet eligible for vaccination, continue to need supports from their parents, preventing participants full engagement with RI Works. The expectation is that a gradual increase will continue as long-term reengagement and stabilization is required for RI Works families.

- c. 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. Distance learning will continue through FY2021 for many RI Works children, this impacts the availability of their parents to engage in an adult education or training program.

- d. 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 have to be under \$1,000 in assets, with 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 two percent increase to the RI Works program from December 2021 through June 2022.

Question: Please provide the underlying assumptions the Department is utilizing to assess the impact of COVID-19 on the RI Works program with respect to caseload and costs.

- a. Please include any information the Department has regarding the relationship between unemployment applications and enrollment in the RI Works program:

Answer: DHS has seen since the beginning of the pandemic that increased PUA reduces the RI Works caseload. Once PUA expires in September, DHS anticipates a jump in eligibility by 250 cases in both October and November, then a continuous increase of two percent through FY2022. Through caseload analysis, from the beginning of PUA there has been a 15 percent increase in closures due to income (both earned and unearned), a 20 percent closure increase due to a reported change (most common reason is earned or unearned income). However, the data also shows that a large number of pending applications are being denied due to failure to return documentation, a 160 percent increase. DHS is working with community partners and the RI Works vendors to outreach to applicants who were denied or closed, offering assistance in completing the RI Works application process.

- b. How has COVID-19 impacted catastrophic expenses?

Answer: Fewer RI Works recipients are requesting catastrophic expenses or assistance due to the offices being closed. These expenses are expected to stay low during FY2022.

- c. Please note any changes in assumptions since the November conference.

Answer: Logic is extremely similar to the November conference. Once PUA ends, there will be a sharp increase to RI Works applications in September, then increased expenditures in October and November. RI Works caseload will then increase at a rate of two percent through the rest of FY2022.

- d. Has the Department noticed changes in enrollment based on any of the regulatory changes in response to COVID-19 to make the program more accessible? If so, please quantify to the extent possible.

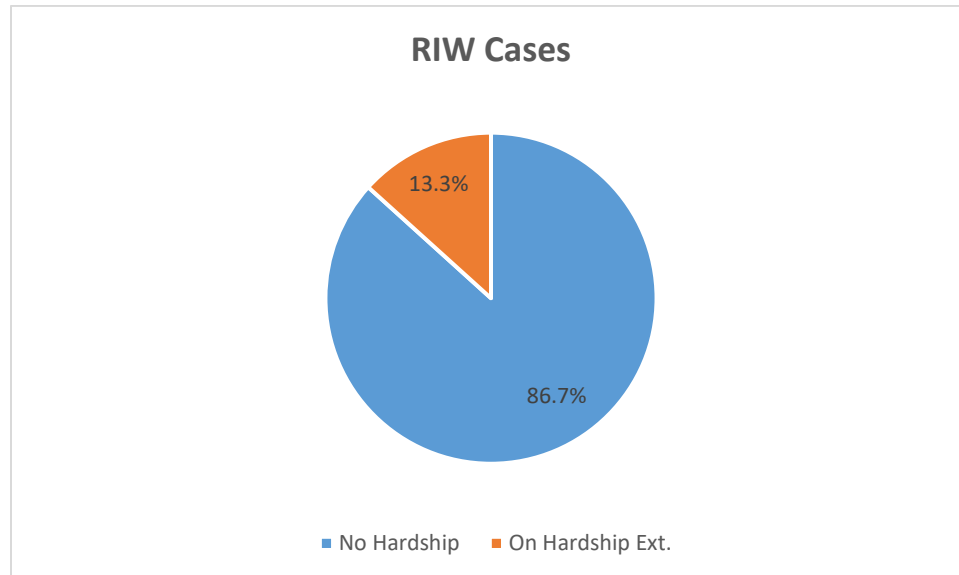
Answer: DHS is currently looking to implement a program to assist with applications in the eligibility process. Due to offices being closed, applicants are having a difficult time submitting the required documentation. This program will include outreach to families who have recently applied and were denied as well as recipients who were recently closed. See the "COVID-19 Expenses" section.

- e. Please provide the estimate for the planned RIW emergency payment under the ARPA TANF - Pandemic Assistance direct award.

Answer: The American Rescue Plan Act have provided a Pandemic Emergency Assistance Fund bringing \$2,700,000 of TANF to Rhode Island for Non-Recurrent, Short Term Benefits (NRST). For the purposes of the Pandemic Emergency Assistance Fund, NRST benefits mean cash payments or other benefits that meet the regulatory definition (45 CFR 260.31(b)(1)), but are limited to those that fall into the specific expenditure reporting category mentioned in the legislation (line 15 of the ACF-196R, the state financial reporting form for the TANF program). DHS' application to ACF is for a one-time NRST payment to SNAP households with children who earn at or under 100 percent of the federal poverty level. This still needs approval before implementation.

Hardships Extensions

Hardship extensions are available for various reasons to families reaching time limits. Currently, hardship extensions are granted for 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 13 percent of the current caseload.

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 0.0percent (met 12.1percent)
Required 2-parent families: Required 39.8percent (not met 8.7percent)
- 2015: Required all families: Required 0.9percent (met 14.9percent)
Required 2-parent families: Required 40.9percent (not met 11percent)
- 2016: Required all families: Required 0.0percent (met 14.9percent)
Required 2-parent families: Required 34.8percent (not met 12.0percent)
- 2017 Required all families: Required 0.0percent (met 8.5percent)
Required 2-parent families: Required 29.5percent (not met 5.8percent)
- 2018 Required all families: Required 0.0percent (met 8.2percent)
Required 2-parent families: Required 30.2percent (not met 7.1percent)
- 2019 Required all families: Required 0.0percent (met 8.9percent)
Required 2-parent families: Required 31.2percent (not met 11.8percent)
- FY2020 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 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	(\$31,989,589)	(\$7,989,589)	\$18,820,240
SFY 2021	Jul 20 - Sep 20	\$22,708,016	(\$11,333,371)	\$11,374,645	\$30,194,886
	Oct 20 - Dec 20	\$24,000,000	(\$20,070,021)	\$3,929,979	\$34,124,865
	Jan 21 - Mar 21	\$24,000,000	(\$19,972,412)	\$4,027,588	\$38,152,453
	Apr 21 - Jun 21 (est)	\$24,000,000	(\$35,624,196)	(\$11,624,196)	\$26,528,256
SFY 2022	Jul 21 - Sep 21 (est)	\$22,708,016	(\$13,235,725)	\$9,472,291	\$36,000,547
	Oct 21 - Dec 21 (est)	\$24,000,000	(\$22,308,612)	\$1,691,388	\$37,691,935
	Jan 22 - Mar 22 (est)	\$24,000,000	(\$23,402,335)	\$597,665	\$38,289,600
	Apr 22 - Jun 22 (est)	\$24,000,000	(\$36,053,328)	(\$12,053,328)	\$26,236,272
SFY 2023	Jul 22 - Sep 22 (est)	\$22,708,016	(\$13,235,725)	\$9,472,291	\$35,708,563
	Oct 22 - Dec 22 (est)	\$24,000,000	(\$22,308,612)	\$1,691,388	\$37,399,951
	Jan 23 - Mar 23 (est)	\$24,000,000	(\$23,402,335)	\$597,665	\$37,997,616
	Apr 23 - Jun 23 (est)	\$24,000,000	(\$39,553,328)	(\$15,553,328)	\$22,444,288
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	(\$85,650,063)	\$9,057,953	
FY 2021		\$94,708,016	(\$87,000,000)	\$7,708,016	
FY 2022		\$94,708,016	(\$95,000,000)	(\$291,984)	
FY 2023		\$94,708,016	(\$98,500,000)	(\$3,791,984)	

2021 TANF Budget					
Line seq	Agency	Description	FY21 Budget Governor's Recommended	FY22 Budget Governor's Recommended	Description of the Services Funded by TANF
1710174	073	WPGN Res-Care	\$ 128,837	\$ 111,596	Contracted vendors engaging in direct services for RIW parents
2018109	028	TANF-Child Care	\$ 266,089	\$ 131,992	EOHHS salary expenses thru ALLOCAP supporting DHS
2025105	079	TANF/EA-CM Program- Federal Share	\$ 1,352,922	\$ 824,083	DCYF for TANF eligible youth to be served
2075106	079	TANF/EA-CW Program- Federal Share	\$ 7,481,842	\$ 5,755,100	DCYF for TANF eligible youth to be served
2075145	079	TANF Grant	\$ 2,500,000	\$ 4,673,501	DCYF for TANF eligible youth to be served
2170182	075	DHS Home Visiting Coop	\$ 164,000	\$ 164,000	RIDOH for RIW parents in the Family Visiting
2275116	069	C-Job Opport & Basic Skills Jobs	\$ 6,965,000	\$ 6,965,000	Contracted vendors engaging in direct services for RIW parents
2275121	069	Assistance Payments Admn	\$ 8,066,037	\$ 4,985,113	Administrative funds for DHS
2275177	069	TANF - Subsidized Employment Enhancement	\$ 200,000	\$ 200,000	Crossroads contract to provide services to homeless families
2275186	069	UHIP - TANF Federal Allocation	\$ 492,920	\$ 738,265	Administrative funds for UHIP
2275202	069	UHIP- Non lapd TANF Federal	\$ 640	\$ 640	Administrative funds for UHIP
2400101	069	Fip/TANF - Regular	\$ 16,916,100	\$ 17,889,761	Cost for TANF/RIW benefits to families
2400107	069	AFDC Catastrophic Aid	\$ 5,400	\$ 7,000	Costs for families who have experienced a catastrophic event like fire or flood
2400110	069	Child Care - SSBG Reallocation	\$ 7,560,000	\$ 7,560,000	Funding of low income child care with TANF funds
2400112	069	Child Care - TANF Funds	\$ 31,377,848	\$ 31,216,639	Funding of low income child care with TANF funds
2400114	069	RIPTA Transportation Benefit	\$ 909,200	\$ 1,262,000	Funding of bus passes for RIW parents
2400115	069	Child Care Assistance Enhancement	\$ 936,544	\$ 936,544	Funding of low income child care with TANF funds
2725162	072	Project Opportunity	\$ 1,000,000	\$ 1,000,000	Adult Education (ABE, ESL, GED)
Total			\$ 86,323,379	\$84,421,234	

Question: Please update FY2021 and FY2022 TANF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use. Please include FY2020 expenses and identify the other Departments that received funding and the amount.

Answer: See above. Additional expenditures due to outreach and application supports will occur in the 2275116 account. These measures are necessary to support this population during COVID. Additionally, funding increases for multigenerational literacy and technology needs expanded during COVID.

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

Answer: The total federal UHIP TANF funding for FY2021 and FY2022 is \$670,406 and \$738,905.

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 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Reported to ACF	FFY 2021 Projected to ACF
RIW Admin - DHS	\$1,634,276	\$941,339	\$1,656,013	\$2,913,488	\$2,500,000
Child Care MOE DHS	\$5,320,519	\$5,351,046	\$5,351,126	\$5,351,126	\$5,300,000
Emergency Assistance - DCYF	\$7,758,887	\$18,580,236	\$20,734,069	\$2,180,682	\$2,000,000
DCYF Other (a)	\$14,400,899	\$655,238	\$621,757	\$16,235,585	\$17,000,000
DEFRA (Child Support Pass-Thru)	\$376,985	\$305,986	\$277,647	\$268,957	\$200,000
RIDE Adult Ed	\$1,000,000	\$1,050,000	\$1,050,000	\$1,050,000	\$1,000,000
CAP Agencies (leg grants)	\$179,897	\$213,614	\$229,260	\$214,200	\$215,000
Head Start	\$800,000	\$1,190,000	\$1,190,000	\$1,190,000	\$1,190,000
SSI	-	\$2,758,468	\$2,654,551	\$2,613,169	\$2,600,000
GWB-DLT Youth Work Readiness	\$631,173	\$553,620	\$739,689	\$529,777	\$500,000
Earned Income Tax Credit	\$19,128,523	\$22,515,504	\$22,577,639	\$22,094,812	\$22,000,000
Property Tax Relief Program (Circuit Breaker)	-	\$189,099	\$137,718	\$118,980	\$115,000
DCYF Residential	\$17,745,797	\$13,688,409	\$12,694,648	\$4,178,130	\$4,000,000
Weatherization	\$2,585,750	\$6,320,988	\$7,835,733	\$6,488,963	\$6,000,000
Rhode Island Food Bank	\$3,042,643	\$3,401,525	\$3,523,303	\$3,136,951	\$2,500,000
Community Organizations (Listed Below)	\$2,686,604	\$890,269	\$2,908,915	\$2,801,769	\$2,800,000
Total	\$77,291,953	\$78,605,341	\$84,182,068	\$71,366,589	\$69,920,000

	FFY 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Reported to ACF	FFY 2021 Projected to ACF
Roman Catholic Diocese of Providence	\$272,826	\$90,269	\$40,884	\$25,036	\$25,000
The Salvation Army	\$0	\$0	\$324,545	\$57,551	\$60,000
United Way of Rhode Island	\$1,055,928	\$0	\$1,355,336	\$692,548	\$1,000,000
Boys and Girls Club	\$800,000	\$800,000	\$800,000	\$800,000	\$1,000,000
Rhode Island Foundation	\$102,784	\$0	\$103,074	\$444,840	\$250,000
Sstarbirth	\$0	\$0	\$44,087	\$36,612	\$35,000
Crossroads	\$0	\$0	\$136,154	\$737,909	\$350,000
Dorcas International Institute	\$0	\$0	\$104,835	\$0	\$50,000
Non-Violence Institute	\$0	\$0	\$44,087	\$4,834	\$10,000
RI Coalition Against Domestic Violence	\$0	\$0	\$136,154	\$2,439	\$20,000
Total	\$2,686,604	\$890,269	\$3,089,156	\$2,801,769	\$2,800,000

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 statewide. MOE is calculated using the methods provided by a previous vendor. DHS exceeds the MOE requirement by \$6.9M in 2020.

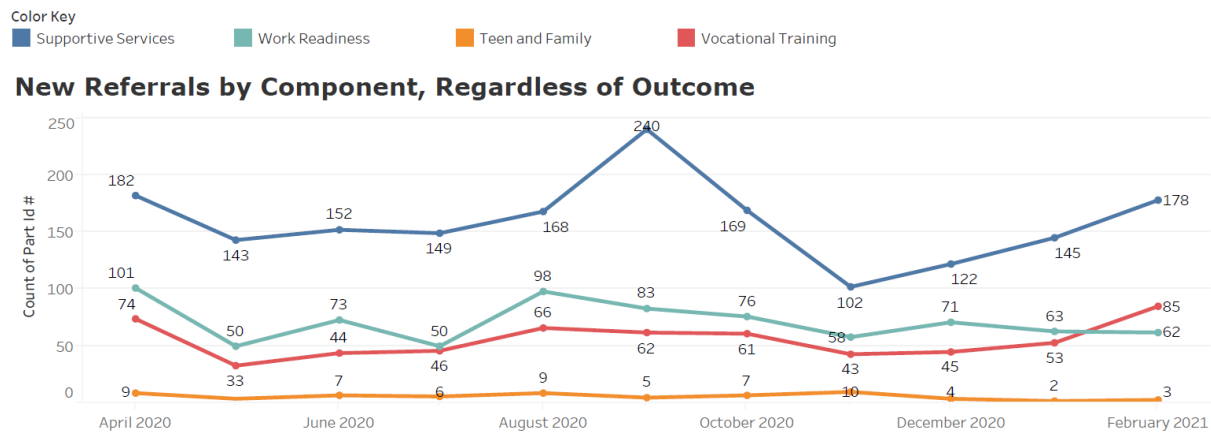
State Costs: \$58,938,906

In-kind: \$12,420,410

For FY2020, the Department has been instructed by ACF to calculate MOE differently by removing a provision previously allowed due to a prior law grandfathering. The grandfathering has 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 Contracted Vendors

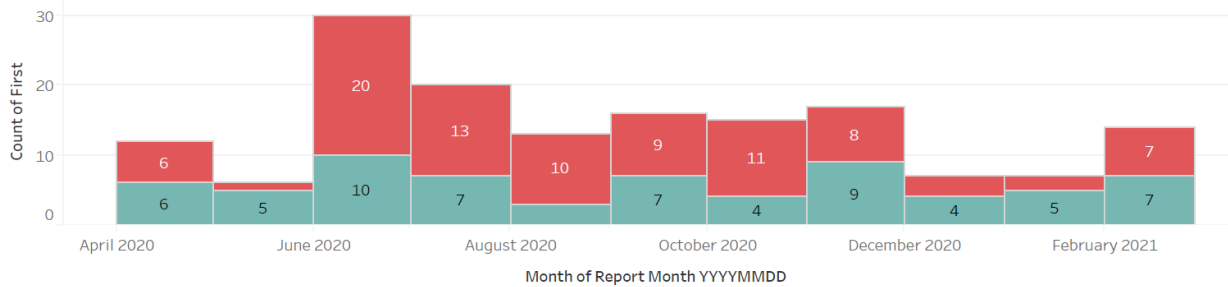
Three contracted vendors support the RI Works customers with their employment plans. These vendors provide support to customers through the four program components: Supportive Services, Youth Services, Vocational Training, and Job Readiness, Employment & Retention. The programs provided to RI Works families streamline supportive services, education and/or training programs with the goal of stabilizing families. The vendors' programs result in more parents being engaged in work activities that would be reflected in higher wage and assisting them in obtaining successful employment outcomes.



The contracts are based on Performance Metrics that incentivize the vendors to assist parents in obtaining long-term employment at a living-wage. On 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.

Color Key
 ■ Under \$15/Hr ■ At/Over \$15/Hr

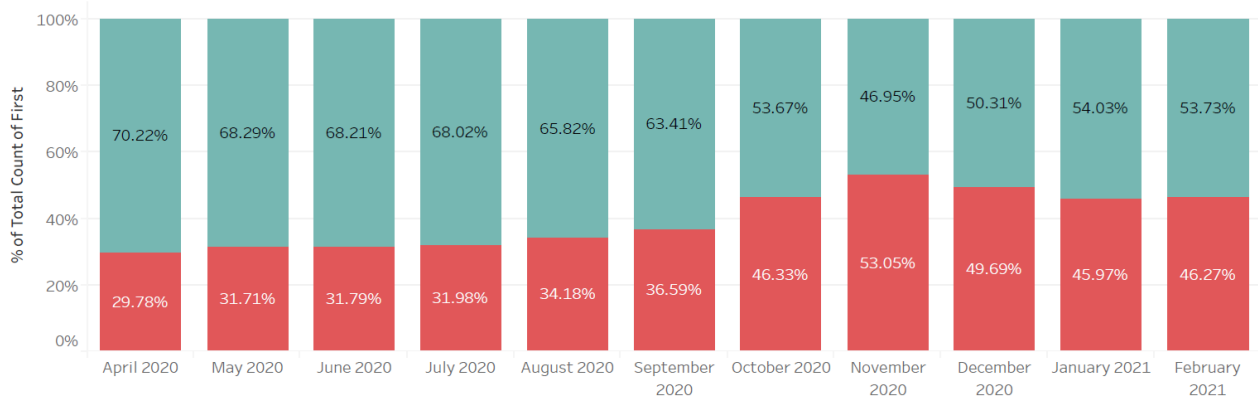
Wage Breakdown of New Jobs Each Month - Counts



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

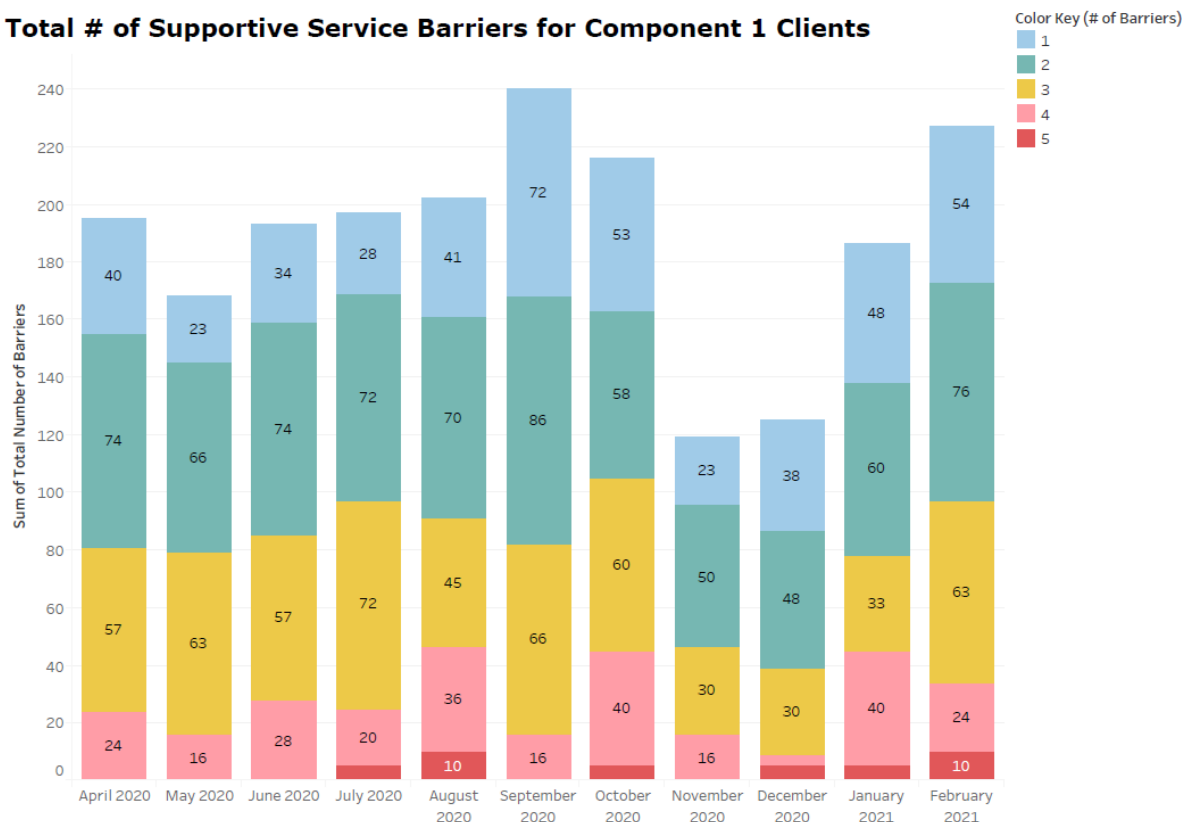
- **Financial Literacy to ensure that** RI Works families become more aware of financial issues on their path to self-sufficiency. DHS has required all of our service vendors to integrate Financial Literacy into their curriculums. As of February 2021, approximately 54 percent of the RI Works population attending one of our three providers' programs has started or received Financial Literacy Training. COVID has prevented some vendors from fulfilling Financial Literacy.

Financial Literacy: All Participants Monthly



- **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

Total # of Supportive Service Barriers for Component 1 Clients

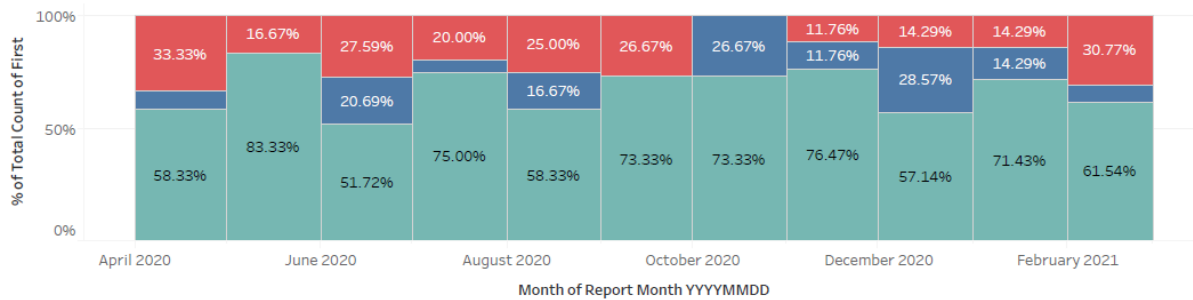


RI Works staff analyze vendor data monthly and can provide immediate feedback to vendors who are either struggling or being highly effective with working with RI Works families. A significant role in obtaining long-term, sustainable employment is the completion of vocational training programs.

Since March 2020, 168 RI Works parents have been referred to vocational training programs, down from over 500 the prior year. Since the beginning of the pandemic, 98 participants have completed their Vocational Training Program. In the past year, independently of the trainings, RI Works prime vendors have placed 198 parents into employment. Wages for these placements vary from minimum wage to \$25 per hour, 40 percent of job placements are for wages at or over \$15 per hour. Of the jobs obtained, an average of 64 percent is employed for more than 30 hours per week. There were 230 customers who stay employed for a minimum of six months, vendors were paid over six thousand dollars in performance payment due to job retention.

Color Key
 ≤ 20 Hrs
 Between 20-30 Hrs
 ≥ 30 Hrs

Wage Breakdown of New Jobs Each Month - Stacked Column Chart



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 is no current movement on the TANF bills in Washington.

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 instance, 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 \$302,300 in order to provide 3,023 school aged children \$100 for clothing per child (3,023 *\$100). This is a decrease of \$69,400 above the cost for FY2021 due to less individuals enrolled in the RI Works caseload. None of the RI Works Article 13 changes are in the caseload estimates and projections.

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 RI Works 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 \$41,696.00 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 and the State of the Sector

On March 29, 2020, Governor Gina Raimondo in partnership with the RI Department of Human Services, mandated a 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. Since reopening in June 2020, DHS has submitted an additional amendment and received an extension on the copay waiver to further support CCAP families and child care providers during this challenging time. The following payment practices were temporarily adopted to support CCAP providers during the initial mandated closure period (March-May 2020):

- 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 provide the underlying assumptions the Department is utilizing to assess the impact of COVID-19 on the CCAP program with respect to caseload and costs as well as the financial health and stability of child care providers. Please note any changes since the November conference, including details on rates being paid, assumed capacity (including seats and staff lost), and any other impacts on providers.

Question: How many providers have opened since June 1, 2020? Please provide the breakdown by category of provider (center, family, etc.).

Question: Please provide part-time and permanent closures trends for providers.

Question: Please provide the disenrollment trends impacted by COVID-19.

Answer: Please refer to the following narrative.

In early May 2020, 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 team 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 team. 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.

The chart below outlines the group size requirements implemented across DHS-licensed, center-based child care providers throughout the COVID-19 pandemic. As of April 26, 2021, all DHS-licensed child care providers across all age categories will be operating at full, pre-COVID capacity numbers. Important to note: these group size requirements do not supersede DHS Regulations that require appropriate staff:child ratio.

Timeline	Group Size Requirement	Operational Impact
6/1/20-7/5/20	Max 10	Reduced capacity for preschool and school-age classrooms in centers, reduced capacity for group family child care providers. No impact to family child care.
7/5/20-4/25/21	Max 20	Reduced capacity for school-age classrooms in centers only. No impact to family child care.
Effective 4/26/21	Max 26	No impact.

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.

As a result of DHS' phased-in approach to reopening, 88percent of all DHS-licensed providers had reopened under the new COVID regulations by October 1, 2020. It is important to note this percent of reopened providers includes all licensed providers (not just specific to those who are CCAP-approved).

Since reopening child care in March 2020, 117 child care providers have closed. A high-level breakdown of those closures are provided below:

- 75 (64percent) of the programs who closed were family child care providers who reported retirement, underlying medical conditions or other circumstances unrelated to the pandemic as the cause for closure. Important to note: prior to the pandemic, DCYF did not have a practice of enforcing active use of a child care license. Upon reopening, DHS required family child care providers to be open and available to serve children if they intended to keep their DHS license open. Those who were not willing to immediately serve children will be given the opportunity to reapply for licensure at a later date.
- 25 (21percent) of the programs who closed did so only because of temporary restrictions in public schools regarding outside entities/operators offering services during the COVID-19 pandemic. We expect these programs to resume operations in the fall, assuming COVID-19 cases continue to decline over the course of the next six to nine months.

Despite these closures, the Office of Child Care continues to see a steady increase in the number of new, prospective individuals seeking DHS-licensure. From October 1, 2020 through April 8, 2021, DHS approved licenses for thirteen new child care providers. Nine of these were new family child care providers, four were new center-based providers. Additionally, as of April 8, 2021, DHS has sixteen pending applications for new child care providers; fourteen are family child care and two are centers. These programs (pending inspections and approvals) will open by summer 2021.

Since the start of the COVID-19 pandemic, DHS has seen a dramatic decline in the total number of enrollments in CCAP. Over the past year, the total number of CCAP enrollments has declined approximately 35 percent. Since October 2020, the decline has continued across both provider types for preschool and school age children. As noted in the table below, the infant/toddler enrollments over the past six months have begun to stabilize.

Based on data gathered from the COVID-19 Impact Analysis Surveys administered by Public Consulting Group (PCG) at the end of 2020, the Department attributes the reduction in child care enrollments throughout the pandemic to family nervousness to enroll children in care and changes to parent employment due to job loss or flexibility to work remotely. Additionally, school-age reduction in enrollments are also attributed to the temporary elimination of before and after care programming in public school buildings. Consistent with the DHS' Caseload projections, we anticipate school-age enrollments to steadily increase throughout the summer and fall of 2021.

Center Based Providers				
	Infant/Toddler Enrollments	Preschool Enrollments	School-Age Enrollments	Total Enrollments
Oct-20	759	2229	1919	4907
Nov-20	751	2035	1723	4509
Dec-20	769	2045	1740	4554
Jan-21	814	2037	1674	4525
Feb-21	828	1943	1590	4361
Mar-21	830	1865	1490	4185
Trend: Oct to Mar	71	-364	-429	-722

Family Based Providers				
	Infant/Toddler Enrollments	Preschool Enrollments	School-Age Enrollments	Total Enrollments
Oct-20	351	640	551	1542
Nov-20	352	610	519	1481
Dec-20	358	606	529	1493
Jan-21	370	593	511	1474
Feb-21	370	568	487	1425
Mar-21	359	538	469	1366
Trend: Oct to Mar	8	-102	-82	-176

The current CCAP payment practices in effect for providers are as follows:

- CCAP services are reimbursed based on enrollment and not attendance. Providers are reimbursed for the children enrolled in their program rather than the children reported as attending.
- The allowable absence policy has been waived for CCAP families.
- The cost of family copays was covered by the DHS during the mandated closure period (March-May 2020) and this was reinstituted for 6 months starting in February 2021 through August 2021 using CARES funding.
- CCAP Providers continue to receive a temporary rate enhancement to support reopening costs.

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

These flexible payment practices under CCDF ensure our most vulnerable families (CCAP) are able to maintain their slots without fear of programs/providers prioritizing private-pay families. It also compensates providers for the increased costs associated with delivering care during the pandemic. The temporary CCAP rate enhancements have been approved by the Budget Office through June 30, 2021. 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 December 31, 2021 by leveraging the child care stimulus funding made available through CARES, CRRSA and ARPA.

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 EOHHS and the Governor’s Office, on a monthly basis.

Child Care Statistics

Question: Please provide the total cost and funding source for each of the following COVID-related actions and associated time period: a) Covering childcare co-pays; b) Expanding CCAP to cover emergency healthcare workers; c) Payments based on enrollment rather than attendance; d) COVID rate increase (monthly cost) for both DHS and DCYF; e) Childcare Recovery Fund; f) Any other COVID-19 related initiatives; g) Expected future COVID-related policies, taking into considerations the American Rescue Plan Act childcare federal funds.

Question: Please provide a list of federal awards received or anticipated to pay for activities responding to the coronavirus emergency, or other stimulus funding, as well as any planned uses and how much of each award will be used for such activity.

Question: Please provide FY 2021 and FY 2022 Child Care and Development Block Grant (CCDBG) estimates including the balance of any unspent funds from prior years and report any plans for its use.

Answer: The chart below includes original estimates submitted to the Budget Office. In FY2021, 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 Department utilized the FY2020 discretionary carryforward to fund contracts related to the State’s quality initiatives. It is anticipated that 94 percent of FY2021 discretionary funds will carry over to FY2022.

The Department is working closely with OMB to leverage the various funding available for caseload. In addition to the CCDBG funding, the other federal stimulus funds received will ensure continuation of the CCDF-approved flexible payment practices. It is important to note that

expenditures related to expanding coverage of emergency healthcare workers are represented as one-time expenses and have not changed since previous CEC testimony. In addition, the monthly cost associated with DHS rate enhancements is approximately \$755,386.95 while the cost to DCYF monthly is \$84,602.85.

Please see attached appendices referencing the Childcare Recovery Fund and its anticipated awards, funded with CCDBG CARES ACT funding.

Fiscal Year	Mandatory	Matching	Discretionary
FY2020 Carryforward	\$ -	\$ -	\$ 6,632,288.00
FY2021 Based on President's Enacted Budget	\$ 6,633,774.00	\$ 4,527,226.00	\$ 13,257,000.00
FY2022 Estimated based on FY2021 President's Enacted Budget	\$ 6,633,774.00	\$ 4,527,226.00	\$ 13,257,000.00

The Department's CCAP COVID-19 initiatives and payment mitigation strategies are listed below with the anticipated funding source to be charged as well as the associated cost and status. DHS will work closely with OMB to allocate funds across the initiatives to ensure both cost efficiency and federal compliance.

Initiative	Anticipated Funding Source	Status	Estimated Cost
Waive copays (3/15/20-6/1/20)	CARES	Complete	\$1,021,922.00
Waive copays (2/21/21-6/30/21)	CARES	In progress	\$1,476,000.00
Waive copays (7/1/21-12/31/21)	CARES	Proposed	\$2,007,377.00
Cap Copays at 7percent (FY22-FY24)	ARPA	Proposed	\$2,776,643.00
Emergency Child Care Pilot	CARES	Complete	
Enrollment v. attendance for CCAP services (3/8/20-6/30/21)	CARES	In progress	\$1,373,400.00
Enrollment v. attendance for CCAP services (7/1/21-12/31/21)	CRRSA	Proposed	\$1,349,221.00
COVID-19 CCAP Rate Enhancement (6/1/20-6/30/21)	CCDF/CARES	In progress	\$10,413,196.13
COVID-19 CCAP Rate Enhancement (7/1/21-12/31/21)	CRRSA/ARPA	Proposed	\$5,183,395.00
Child Care Recovery Fund	CRF, CARES	Complete	\$5,000,000.00
Child Care Stabilization Fund	CRRSA	In progress	\$17,900,000.00
Fiscal Intermediary for Child Care Stabilization Fund	CRRSA	In progress	\$859,200.00

Waive cost of comprehensive background checks for child care providers at RIAG's Office	CARES	In progress, 5/1 start	\$172,800.00
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Child Care American Rescue Plan Act Proposals:

In addition to the CARES Act and CRRSA funding, RI is prepared to receive two direct awards under the American Rescue Plan Act (ARPA.) On March 31, 2021, the Department submitted two proposals to OMB outlining its commitment to supporting RI's child care system's recovery and stabilization from the COVID-19 pandemic leveraging the ARPA funds. DHS will continue to work with the Governor's Office and OMB in the coming months to finalize spending and policy proposals for the direct child care awards under ARPA. Further detail on the newly proposed ARPA initiatives outlined above and within the OMB proposals are represented in the table below.

Newly Proposed ARPA Initiative	Proposed Approach
Cap CCAP co-pays at 7 percent, in-line with the HHS federal standard for equal access.	Effective 1/1/22, by leveraging CRRSA, ARPA and any other child care stimulus funding, RI will pilot a modified copay structure for CCAP families. The modified structure will reduce the maximum copay to 7 percent of a family's gross monthly income. This new copay structure will impact CCAP families on an income level 3 or higher in the CCAP Regulations. CCAP families at an income level of 0, 1 or 2 will maintain their current copay structure. Caseload numbers prior to the COVID-19 pandemic suggest this could impact the copays of 1,024 children on CCAP each month, a small percentage of the overall caseload.
Child Care Stabilization Fund	<p>On March 29, 2021, DHS launched a \$17.9M Child Care Stabilization Fund using CRRSA. The ARPA Child Care Stabilization funding (\$57M) will leverage this existing framework for disbursing immediate stabilization grants to DHS-licensed child care providers who are open and committed to serving children in-person. Programs, regardless of their participation in CCAP, are eligible for these funds. Grants are being issued using a methodology consistent across New England states – leveraging a classroom-based reimbursement model for center-based programs. Family child care providers will receive a flat grant amount consistent with their licensed capacity. The reimbursement value will be based on their reported reduction in enrollment during COVID-19 and the revenue loss association with that depression.</p> <p>Grant awards will cover one month of lost revenue associated with the twenty-five percent (25percent) reduced enrollment for each classroom.</p>

Question: Please include any information the Department has regarding the relationship between unemployment application and enrollment in CCAP.

Answer: DHS reached out to the Department of Labor to better understand the relationship between unemployment claims and CCAP enrollment and whether child care access has been reported as a reason for pursuing these benefits. Unfortunately, DLT is not collecting this data on its unemployment claims. Based on data gathered from the COVID-19 Impact Analysis Surveys administered by Public Consulting Group (PCG) in October through December 2020, child care providers cited the number one reason for families not to return to care was due to parent/caregiver nervousness (59 percent of respondents). The second reason cited was due to parent unemployment (55 percent of respondents). The full summary of these findings was shared with the committee in January 2021. They are also included in Appendix B. To further support CCAP families that have experienced job loss during the pandemic, DHS promulgated an emergency regulation that extended the 3-month grace period to six months for families that report job loss or cessation of an approved education/training program during the final three months of the current certification period.

In FY2021, through payment cycle 21, an average of 5,822 children were served/enrolled in CCAP each week. This represents a 35 percent decrease in enrollment from this time last year, prior to the COVID-19 pandemic and mandated statewide closures of child care facilities and Department implemented mitigation supports. All age categories experienced a significant enrollment decline in FY2021. Infant/toddlers experienced the largest decline in enrollment at 53.5 percent and 41.9 percent respectively. Preschool age kids, who have the highest enrollment, experienced the smallest decline at 28 percent, while school-age kids experienced a 29.4 percent decrease. Prior to the pandemic, CCAP children enrolled in center-based facilities had increased to 79 percent from 76 percent in previous years. However, since the pandemic there has been a decline in center based CCAP enrollment which aligns with reduced enrollment across the infant/toddler age group.

CCAP Providers with Enrollments		
	October 2020	March 2021
Family Based Providers	442	302
Center Based Providers	336	243
Total	778	545

DHS experienced a 30 percent decline in the number of providers actively serving CCAP children. As of March 2021, the number of family child care providers serving CCAP children decreased by 32 percent and center-based providers serving CCAP children decreased by 28 percent compared to October 2020.

Number of Children by Provider Type		
	# of Children	# of Providers
Family Based	1365	302
Center Based	4457	243
Total	5822	545
<i>Based on average through Batch 21</i>		

In FY2021, through payment cycle 21, the average number of children serviced by category is as follows:

Number of Children by Age Grouping		
Category	# of Children	% of Total
Infant	375	6.4%
Toddler	895	15.4%
Preschool	2517	43.2%
School Age	2035	35.0%
Total	5822	100.0%
<i>Based on average through Batch 21</i>		

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. (Tab 2). a) 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 90th percentile) and managing compliance to the COVID-19 regulations and guidelines, there is very little motivation for providers to pursue an increased star rating at this time. DHS expects programs to begin pursuing these increased quality ratings closer to the fall of 2021. BrightStars is not currently conducting onsite quality observations. Instead, their contract has been rescoped to support the DHS Child Care Licensing Unit by conducting onsite COVID-19 health and safety reviews (specific to the COVID-19 Emergency Regulations.)

During the period of October 2020 through March 2021, fourteen programs increased their BrightStars rating and zero programs experienced a decrease.

Provider Type	Number of Providers who Increased in BrightStars Rating
Family Based Child Care Provider	11
Center Based Program	3

Office of Child Care/Office of Financial Management

To ensure accurate payments are made to child care providers in a timely and efficient basis, DHS 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.

- Disenrollment report for providers
- Enrollment report for providers
- Provider report wherein school-age kids are enrolled with more than one provider
- Reports on providers who made payments based on the rate enhancements. This will be covered in batch breakdown report for every payroll.
- Beginning March 2021, the Office of Financial Management reviews a copay waiver report aligned to the payroll cycle to monitor the ongoing costs of waiving copays through August 2021.

The Office of Child Care and the Office of Financial Management continues 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.

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.

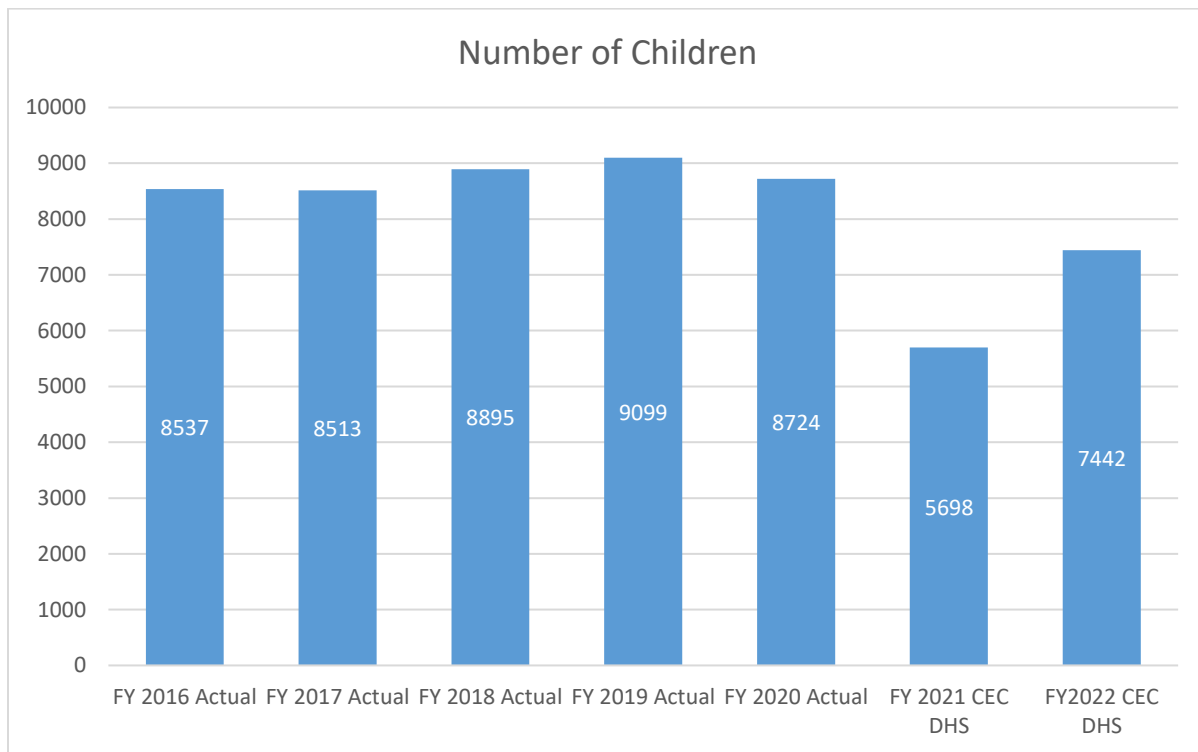
A summarized version of this report is shown below.

	Trial Run – Batch 09	Average from Last 10 Batches
<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

At the start of the pandemic in March 2020, DHS did not require attendance submission from CCAP providers due to the payment practice to reimburse providers based on enrollments rather than attendance. It was important for data-collection purposes that CCAP providers resume the practice of submitting attendance for DHS review and approval. Beginning with Batch 10 in October 2020, DHS reinstated the attendance submission process for providers which required providers to submit attendance in order to receive CCAP payment. Since resuming this practice on average 20 percent of CCAP children are marked absent per batch cycle. This compares to approximately 4 percent of children enrolled in CCAP that were marked absent prior to March 2020.

Child Care Trends

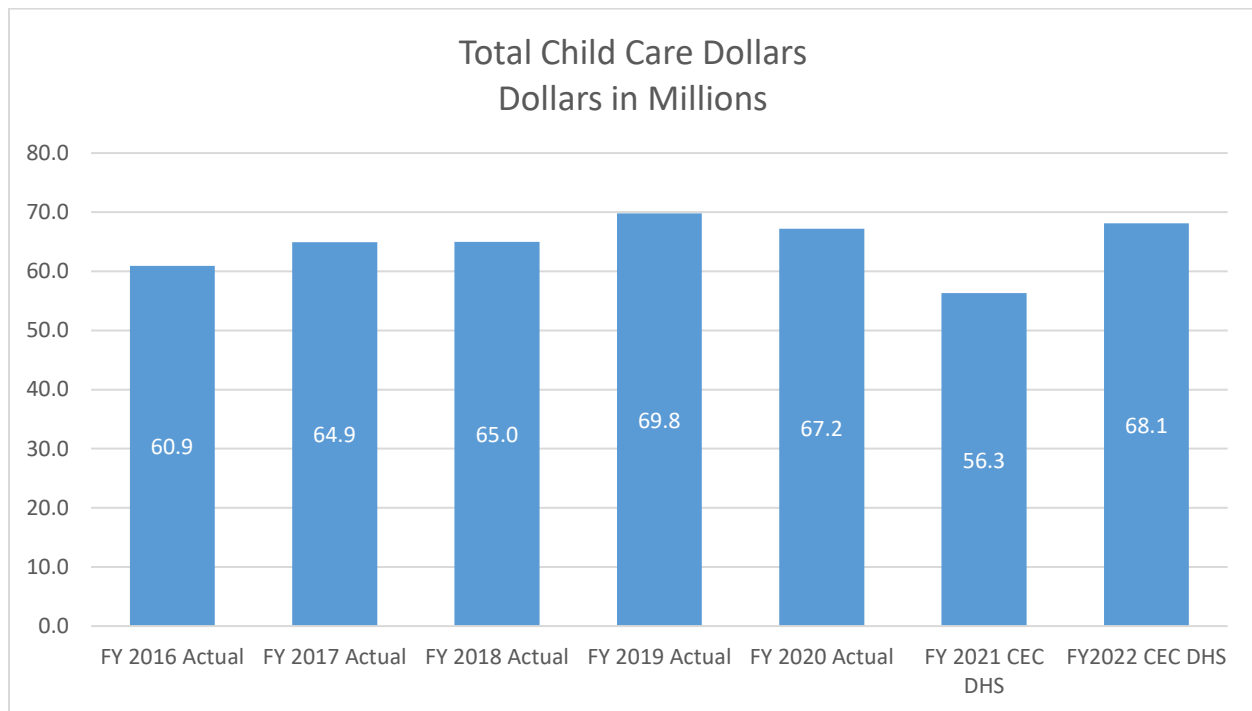
Nationally, the COVID-19 pandemic has significantly impacted the child care industry. In RI, due to strong COVID-19 mitigation practices, revised regulations and immediate financial supports available to providers who reopened during the summer of 2021, child care closures and operational gaps have been avoided. Prior to the pandemic, the Department had experienced moderate growth rates annually. With providers temporarily closing and families keeping children home, the Department is experiencing enrollment levels lower than it has ever seen. Contributing to the decline in enrollment is the increase in terminations largely attributable to families not returning their CCAP eligibility packets despite enhanced noticing from DHS to do so. 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. With the State only regaining 59 percent of the jobs lost due to the pandemic and the unemployment rate still above the national average at 7.2 percent, average enrollment through FY2021 is expected to remain at an all time low of 5,698 children, or 35 percent less than FY2020 enrollment.



Although reduced enrollment is expected to decrease the overall cost of child care by approximately 16.2 percent in FY2021 compared to FY2020, the rate per child is expected to increase significantly by 29 percent due to the temporary rate enhancement which will continue to support providers with decreased CCAP enrollment and increased costs associated with COVID-19 licensing regulations. The average annual rate per child in FY2020 was \$7,705. The temporary rate enhancement and copay waiver is expected to drive the annual rate per child to \$9,882 by the end of FY2021.

It is the intention of the Department to continue paying on enrollment and not attendance and preserving temporary enhanced rates through December 31, 2021 provided there is available funding. The Department has not extended certification periods (at this time) for CCAP children but has provided targeted outreach to CCAP families to remind them to recertify timely to maintain benefits.

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 June 30, 2021.



CCAP Caseload Projection

By the end of the state fiscal year, enrollment is expected to decline by 35 percent of FY2020's enrollment numbers. The State is expecting enrollment numbers to slightly increase in the summer months as programs can take kids outside and public schools close. However, the State's unemployment rate and elevated eligibility termination continue to contribute to decreases in average CCAP enrollment.

As previously stated, it is DHS' intention to continue paying on enrollment and not attendance and preserving temporary COVID-19 enhanced rates through December 31, 2021 provided there is available funding. Average enrollment is expected to remain at 65 percent utilization through June of 2021.

FY2021 projections include DHS' response to the COVID-19 pandemic and the payment practices amended in the CCDF State Plan.

	FY 2021	
	Average # of Children	Amount
Base	5698	\$ 41,057,799
Rate Enhancements (12 months)	N/A	\$ 12,890,446
Copay Waiver	N/A	\$ 1,476,000
Enrollment v. Attendance	N/A	\$ 876,994
	5698	\$ 56,301,239

FY2022 brings providers to full capacity by 6/30/2022. The estimate includes rate enhancements and copay waiver through 12/31/2021. In addition, by leveraging ARPA and other one-time stimulus funding for child care, RI will pilot a modified copay structure for CCAP families. This will be a key strategy in the state's broader response efforts to stabilize RI's economy and ensure families are able to confidently return to work without compromising their eligibility with public benefits.

	FY 2022	
	Average # of Children	Amount
Base	7442	\$ 59,118,735
Rate Enhancements (6 months)	N/A	\$ 5,183,395
Copay Waiver (6 months)	N/A	\$ 2,007,377
Cap Copay 7% (6 months)	N/A	\$ 485,679
Enrollment v. Attendance	N/A	\$ 1,349,221
	7442	\$ 68,144,407

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.

Question: Please provide any updates on contract negotiations with SEIU and potential impacts to the CCAP program.

Answer: Please see charts and narrative below.

FY2021 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	20		\$ 18,000.00
Total Cost			\$ 24,506.25

FY2022 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
Total Cost			\$ 33,650.00

The SEIU 1199 Collective Bargaining Agreement expired on June 30, 2020. The State and Union operated under an evergreen clause until a one-year extension to the CBA was executed in March 2021. This preserves the current policies through December 31, 2021.

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 with a one-year extension executed in March 2021 which preserves the existing policies through December 31, 2021. Child care providers are currently reimbursed using the COVID enhanced rate through December 31, 2021 assuming the Governor's EO remains in effect.

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. The hourly rate for earned sick leave has not increased since January 1, 2020 at \$15/hour, with an accrual of 40 hours/year.

To date, 37 providers have sought reimbursement for paid sick time utilizing 165 DCYF approved emergency assistants. In 2021, the State has paid 23 emergency assistants for 21 providers at a cost of \$14,832.00. In addition, the State paid registration fees to 11 providers for 54 children at a cost of \$2,700.00 in state fiscal year 2021.

Question: The Governor's FY 2022 budget recommendation includes 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.

Answer: With an estimated annual cost for FT CCAP being approximately \$9,000/child, DHS estimates the \$200,000 in pilot funding for CCAP for college will serve 22 families in FY2022. Upon the Budget Article passing, DHS will promulgate Rules and Regulations to establish more detailed criteria for eligibility.

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. The 2021 Market Rate Survey is currently being administered by Public Consulting Group. The data gathered in the Market Rate Survey will inform the updated rates DHS provides to ACF when the next State Plan is submitted in June 2021.

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 75th percentile of the

most recent Market Rate Survey. The FY2022 budget will move the base rates for all age categories fully to the 25th percentile to meet the ACF requirement while still preserving the tiered rate structure for infant/toddler and preschool-age care with the 5-star (highest tier) meeting the 75th percentile of the 2018 Market Rate Survey. RI has been temporarily taken off corrective action by ACF due to the temporary COVID-19 CCAP rates being in effect. If the newly proposed rates for FY2022 are not adopted, RI will be placed back on corrective action with ACF.

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 75th 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 October 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 \$425,882.25 of the training fund. \$399,101.97 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. Negotiations started in the fall of 2020 but were stalled due to the Gubernatorial transition. As a result, DHS, in consultation with DOA, approved two additional three-month extensions for SEIU 1199 through March 2021. Beginning in March 2021, a nine-month extension was executed under the MOU which will preserve the existing policies through December 31, 2021.

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 Paid
300	\$ 2,166.13
3639846-1-APR20	\$ 18,276.24
3639846-1-AUG19	\$ 11,665.50
3639846-1-DEC19	\$ 14,866.16
3639846-1-FEB20	\$ 31,020.62
3639846-1-JAN20	\$ 25,047.12
3639846-1-JUL19	\$ 8,151.33
3639846-1-MAR20	\$ 23,126.77
3639846-1-MAY20	\$ 26,111.87
3639846-1-NOV19	\$ 22,715.33
3639846-1-OCT19	\$ 12,940.31
3639846-1-SEP19	\$ 13,123.45
3639846-2-AUG20	\$ 23,365.27
3639846-2-DEC20	\$ 22,085.72
3639846-2-JUL20	\$ 47,097.19
3639846-2-JUN20	\$ 32,779.54
3639846-2-NOV20	\$ 21,159.49
3639846-2-OCT20	\$ 23,347.58
3639846-2-SEP20	\$ 20,056.35
Total	\$ 399,101.97

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

From FY2017 to FY2018, the SSI participation grew by four percent, but in FY2019 and FY2020, SSI participants dropped to FY2017 levels. 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. For FY2021, the projection of SSI persons is 33,237- slightly lower than FY2020 but remaining stable.

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 but the Office of Rehabilitation Services (ORS) was not accepting intakes and there were no consultant exams scheduled. Currently, disability reviews have commenced, and ORS is processing application intakes within 60 days, but the number of applications has remained stable. Because unemployment has risen drastically due to COVID-19 and unemployment is linked to increased SSI claims historically, actuarial estimates projected increases to the SSI program in FY2021. Due to PUA (pandemic unemployment assistance) and the continued closure of Social Security field offices, the caseload has remained stable and has not grown. The SSA has developed system upgrades to compensate for the office closures but has no plans at this time to open these offices creating a barrier for this population.

Due to the potential SSI applicants that have not applied because of PUA, cases will begin to climb precipitously with the cessation of these payments in September 2021. Since currently, it takes 60 to 90 days to process a claim, the increases will begin to climb by November 2021 and grow by 50 cases per month. The FY2022 projection shows the number of cases remains stable at the start of FY2022 but reflect this growth rate with the cessation of PUA. The overall projections for FY2021 are 33,237 persons, slightly below FY2020. The FY2022 projection of 33,387 shows the slow growth of the program of 150 additional persons from FY2021 levels. This growth will occur regardless of the predicted economic recovery and improved employment rate because SSI cases tend to grow by approximately 100 cases annually and there is an expected backlog of cases. The administrative transaction rate decreased slightly from \$69,000 to \$65,000 from FY2019 to FY2020. Based on notification from the Office of Social Security, the administrative fee increased by one percent in FY2021 to \$65,650 but will remain at this level for FY2022. The cost per person is calculated to include transaction fees.

The moving costs were \$232,193 in FY2020. Our estimates are \$185,581 for FY2021 and \$232,193 for FY2022. We did anticipate a slight increase in moving costs in FY2021 due to COVID-19 and the economy impact, but this did not happen. This population was not transient during FY2021 probably due to the inability to find reasonable rent costs and the limit on evictions. Our moving cost projections for FY2022 are aligned with FY2020 representing post pandemic levels.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted November	FY 2021 May CEC DHS	FY 2022 May CEC DHS
SSI							
Persons	33,610	35,118	33,806	33,983	33,500	33,237	33,387
Cost / Person	\$ 46	\$ 48	\$ 47	\$ 46	\$ 46	\$ 46	\$ 46
Cash Payments	\$ 18,671,400	\$ 20,092,846	\$ 19,017,258	\$ 18,798,746	\$ 18,492,000	\$ 18,382,534	\$ 18,363,974
Transaction Fees	\$ 63,000	\$ 70,000	\$ 69,000	\$ 65,000	\$ 66,000	\$ 65,650	\$ 65,650
Total Dollars	\$18,734,400	\$20,162,846	\$19,086,258	\$18,863,746	\$18,558,000	\$18,448,184	\$18,429,624

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 FY 2019 and a \$481 savings for the cost per check. The FY2021 projection of 19,325 checks is based on the last quarter of FY2020 and the first three quarters of FY2021. Using the first nine months of FY2021 to project for FY2022, the number of checks show a decrease to 18,756.

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
Oct-20	1,635	\$62,313	32,525	\$1,301,519	34,160	\$1,363,833
Nov-20	1,565	\$59,974	32,273	\$1,292,289	33,838	\$1,352,263
Dec-20	1,560	\$59,623	32,418	\$1,297,288	33,978	\$1,356,911
Jan-21	1,458	\$55,252	32,157	\$1,287,553	33,615	\$1,342,806
Feb-21	1,541	\$59,093	32,385	\$1,297,366	33,926	\$1,356,459
Mar-21	1,539	\$59,090	32,493	\$1,300,399	34,032	\$1,359,489
Total	35,531	1,332,822	748,043	27,550,440	783,574	28,883,262
<i>% of Total</i>	4.5%	4.6%	95.5%	95.4%	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	19,325	\$0.55	\$10,629
SFY22 Estimate	18,756	\$0.55	\$10,316

SSI Questions

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

Answer: See Appendix A

Question: Please provide a breakout by category. For Category F, please break out the number of individuals in each cohort and an estimate for the Category F payment.

Answer: (See table below) The total projected cost for Category F is \$1,196,228, based on March 2020 to February 2021 actual Category F spending. According to OMB and DHS, this is the amount included in the Governor's Recommended budget for FY2022.

Question: Is this the amount that should be included in the Governor's recommended change to Category F that is part of the long-term care rebalancing initiative?

Answer: OMB and DHS confirmed that the SSP F amount included in the Governor's Recommended budget was projected to be \$1,196,228 as a starting point but included a \$208,747 reduction to account for SSP redesign. The current DHS estimate of \$1,196,228 is the amount included for the elimination of Category F payments in the DHS budget but at 75 percent of the total since the assisted living SSP redesign would be effective 10/1/2021, if passed. The total reduction in Category F payments in FY2022 would be \$897,171.

Note that the EOHHS SSP redesign initiative assumed that approximately 67 percent of the SSP-F recipients would be eligible for SSP-D payments if the AL Redesign initiatives are passed. Therefore, approximately \$273,046 of the \$897,171 elimination (30 percent) should be shifted to Category D Payments. The net reduction in the DHS budget for Category D/F adjustments would be (\$624,125) in FY2022, and this is reflected in the recent amendment.

Question: Please also include the number of individuals receiving the state-only payment in each category.

State Supplemental Payment for Assisted Living	Number of Beneficiaries	Receiving SSI and SSP	SSP Only	Average Monthly SSP payment
Category F	185	113	72	\$539
Category D	278	176	102	\$230
Total	463	289	174	–

Question: Please provide the number of individuals receiving the additional \$206 payment for residing in a non-Medicaid funded assisted living facility or Rhode Island Housing funded facility and the total cost for FY2021 and FY2022.

Answer: Please see the charts on pages 45-46

Question: Of the total, how much is for individuals living in a Rhode Island Housing facility?

Answer: Three facilities qualify under the RI Housing exception (Bristol Assisted Living, Forest Farm and St. Elizabeth) for a total of 25 individuals and \$60,977 projected for FY2022.

Question: Is this the amount that should be included in the Governor's recommended budget from eliminating the payment as part of the long-term care rebalancing proposal that raised the rates for assisted living facilities?

Answer: Yes, the Governor's FY2022 projected budget is \$60,977 for the monthly payments made to Rhode Island Housing facilities. If the General Assembly adopts the proposal to eliminate the Category D \$206 payments to Rhode Island Housing facilities, then the Governor's recommended budget should be reduced. Because the AL Subsidy Redesign would be effective 10/1/2021, the total savings should reflect nine months, or \$45,733 in general revenue savings.

Individuals Receiving Assisted Living Payments

Each month the Department issues cash payments of \$206 for individuals in assisted living facilities. The total payments for FY2019 and FY2020 dropped from \$313,120 to \$201,047. The FY2021 projection shows this continued decline to \$173,247 using actual quarterly payments paid to each facility for the last quarter of FY2020 and the first nine months of FY2021. The FY2022 projection of \$158,003 shows a continued drop in payment and is based on extrapolating from the last three quarters 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 Q4	FY 20 Total	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 DHS Projected	FY 22 DHS Projected
A Better Day	\$7,004	\$30,282	\$7,622	\$7,622	\$0	\$15,244	\$0
Bristol Assisted Living	\$3,708	\$14,832	\$3,502	\$2,472	\$2,472	\$12,154	\$12,154
Charlesgate	\$4,326	\$22,660	\$4,532	\$4,532	\$3,914	\$17,304	\$17,304
Community Care Alliance	\$9,270	\$38,728	\$8,858	\$7,210	\$7,416	\$32,754	\$32,754
Forest Farm	\$7,210	\$25,956	\$6,386	\$6,180	\$6,180	\$25,956	\$25,956
Franciscan Missionaries	\$11,742	\$44,692	\$11,742	\$11,742	\$11,742	\$46,968	\$46,968
St. Elizabeth	\$5,563	\$23,897	\$5,562	\$5,974	\$5,768	\$22,867	\$22,867
Total	\$48,823	\$201,047	\$48,204	\$45,732	\$37,492	\$173,247	\$158,003

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 Q4	FY 20 Average	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Average DHS Projected	FY 22 Average DHS Projected
A Better Day	11	12	12	12	0	6	0
Bristol Assisted Living	6	6	6	4	4	5	5
Charlesgate	7	9	7	7	6	7	7
Community Care Alliance	15	16	14	12	12	13	13
Forest Farm	12	11	10	10	10	11	11
Franciscan Missionaries	19	18	19	19	19	19	19
St. Elizabeth	9	10	8	10	9	9	9
Total	79	82	76	74	60	69	63

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 November FY 2021 adopted number was 88 but the actual decline was more significant. The GPA bridge number projections show a continued decline through FY2021 and remain steady until October 2021. From Oct 2021 forward, the GPA bridge program is projected to grow at about five percent due to changes in the program eligibility requirements.

Impact of COVID-19

Our GPA Bridge projections for FY2021 show a sixty percent decrease from FY2020 actuals to 62 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. We anticipate the decline in Bridge will continue through FY2021 but begin a gradual increase in FY2022 for the following reasons. The DHS Medical Assistance Review Team's (MART) medical disability reviews that were required for all Bridge applicants will end in July 2021. In addition, as the field offices become open, DHS anticipates there will be additional GPA Bridge applicants as access to technology and in-person appointments become available. We are projecting a slight rise in numbers once PUA ends and then a five percent growth each month because of cessation of MART reviews and impacts of COVID-19. Bridge projections align with the anticipated growth in SSI.

Due to COVID-19 impacts on the economy as well as the impact on the death rate, there has been an increase to GPA burial costs. Our projections of 300 additional COVID-19 GPA burials was much higher than the 54 actual FY2020 COVID-19 GPA deaths. 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. FY2021 burial costs are projected to be slightly higher than the November adopted due to the pandemic impact on the economy. The projected burial cost for FY2022, are based on historical costs and show a decline to FY2020 pre-pandemic levels. In addition, FY2022 projected cost for COVID burial was also reduced due to the availability of FEMA funds.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted November	FY 2021 May Adopted	FY 2021 May CEC DHS	FY 2022 May CEC DHS
GPA							
Persons - Bridge	256	159	103	88	105	62	66
Cost / Person	\$ 153	\$ 145	\$ 160	\$ 160	\$ 150	\$ 176	\$ 179
Cash Payments - Bridge	\$ 470,348	\$ 276,356	\$ 197,568	\$ 168,690	\$ 189,000	\$ 131,030	\$ 141,848
Burials	\$ 611,169	\$ 595,863	\$ 679,746	\$ 650,000	\$ 770,000	\$ 587,757	\$ 618,640
Total Dollars	\$ 1,081,517	\$ 872,219	\$ 877,314	\$ 818,690	\$ 959,000	\$ 718,787	\$ 760,488

General Public Assistance Questions

Question: For FY2021 and FY2022, please provide an estimate of the expenses for the burial assistance program due to COVID-19

Answer: 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 in FY2020 was only 54 with a total cost of \$59,400. These costs are not included in the FY2020 actual burial cost of \$679,746 because they were shifted to CRF. The original estimates of costs included transportation. These costs did not materialize.

For FY2021, there were 75 COVID burials through March 2021 with a total projected annual number of COVID burials of 85 for a total cost of \$93,500. We anticipate the additional GPA COVID-19 costs for FY2021 will be shifted to federal COVID relief funds and other applicants will be referred to FEMA. The overall GPA burial costs have increased due to the pandemic economic impacts. Our FY2022 projections for GPA COVID 19 costs are aligned with pre-pandemic levels due to the decline in COVID deaths and the opportunity for families to seek FEMA reimbursement for these deaths.

In summary, the total cost for GPA burials due to COVID for FY2021 and FY2022 are \$93,500 and \$11,000. These costs are not included in the GPA Burial projections for FY2021 and FY2022 of \$587,757 and \$618,640.