



November 2022 Caseload Estimating Conference

RI Department of Human Services
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Caseload Testimony

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November 2022 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.

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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
- 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. 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 stability and 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 families experiencing poverty that meet certain regulations
- **Comprehensive Assessment and Service Planning** for families receiving cash assistance
- **Child Care Assistance** is provided to support the family, when needed
- **Employment Supports** which includes assistance with job training, adult education and obtaining employment at livable wages
- **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 **Healthcare** while on RI Works

The TANF Block Grant is the funding source for RI Works. In order to draw Rhode Island's \$94.7 million 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), and 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.

Profile of RI Works

Household Breakdown	Household Breakdown	
	Households with 1 parent	66.40 percent
	Households with 2 parents	4.64 percent
	Households with child-only cases	28.97 percent

Race and Ethnicity	Race and Ethnicity	
	American Indian or Alaskan Native, Non-Hispanic	0.7 percent
	Asian, Non-Hispanic	1.0 percent
	Black or African American, Non-Hispanic	11.1 percent
	Native Hawaiian or Other Pacific Islander, Non-Hispanic	<0.1 percent
	White, Non-Hispanic	14.2 percent
	Hispanic, including Mexican, Puerto Rican, and Cuban	28.4 percent
	Unable to Determine the Ethnicity or Race	44.4 percent

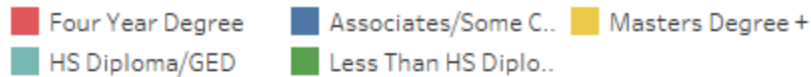
Age	Age	
	Adults aged 18 and older	29.4 percent
	Children under age 18	70.6 percent

Recipients per Household	Recipients per Household	
	1 individual	19.5 percent
	2 individuals	34.3 percent
	3 individuals	24.8 percent
	4+ individuals	21.4 percent

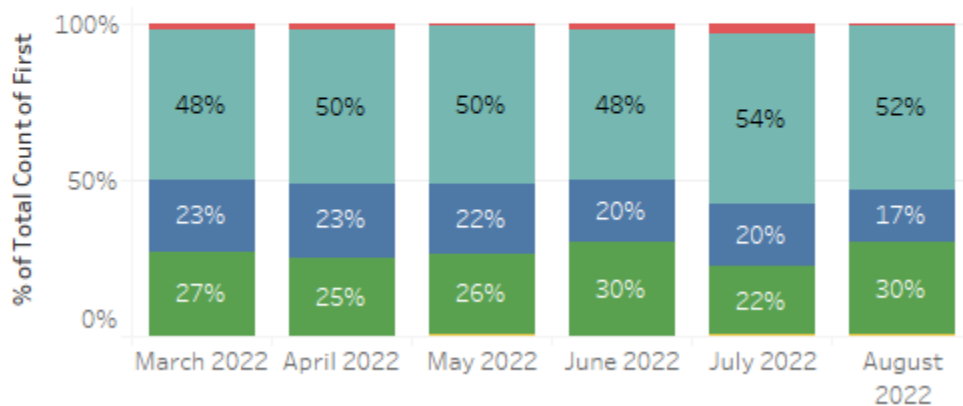
Profile of RI Works (Continued)

Education Levels	Self-Reported Education Levels for Adults	
	Less Than 8th Grade	1.56 percent
	8th Grade	2.68 percent
	9th Grade	5.40 percent
	10th Grade	7.03 percent
	11th Grade	11.95 percent
	12th Grade or GED Completed	45.08 percent
	Some College, Not Graduated	17.51 percent
	Two Year Degree	4.56 percent
	Four Year Degree	2.08 percent
	Post Four Year Degree	0.4 percent
	Unknown	1.76 percent

Color Key



Education Level



RI Works Cases by City/Town

City/Town	City/Town	Cases	Individuals
	Barrington	9	28
	Bristol	14	31
	Burrillville	22	51
	Central Falls	146	392
	Charlestown	1	2

	Coventry	35	73
	Cranston	142	371
	Cumberland	36	89
	East Greenwich	11	25
	East Providence	115	280
	Exeter	3	9
	Foster	6	25
	Glocester	4	10
	Hopkinton	11	31
	Jamestown	4	8
	Johnston	50	115
	Lincoln	49	128
	Little Compton	3	7
	Middletown	38	98
	Narragansett	2	8
	New Shoreham	0	0
	Newport	113	331
	North Kingstown	37	91
	North Providence	78	194
	North Smithfield	8	19
	Pawtucket	396	1006
	Portsmouth	14	38
	Providence	1210	3276
	Richmond	1	1
	Scituate	7	14
	Smithfield	11	32
	South Kingstown	16	36
	Tiverton	21	51
	Warren	19	49
	Warwick	104	259
	West Greenwich	2	4
	West Warwick	76	195
	Westerly	17	46
	Woonsocket	376	1023
	Undetermined	7	22
	Total	3,214	8,468

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.

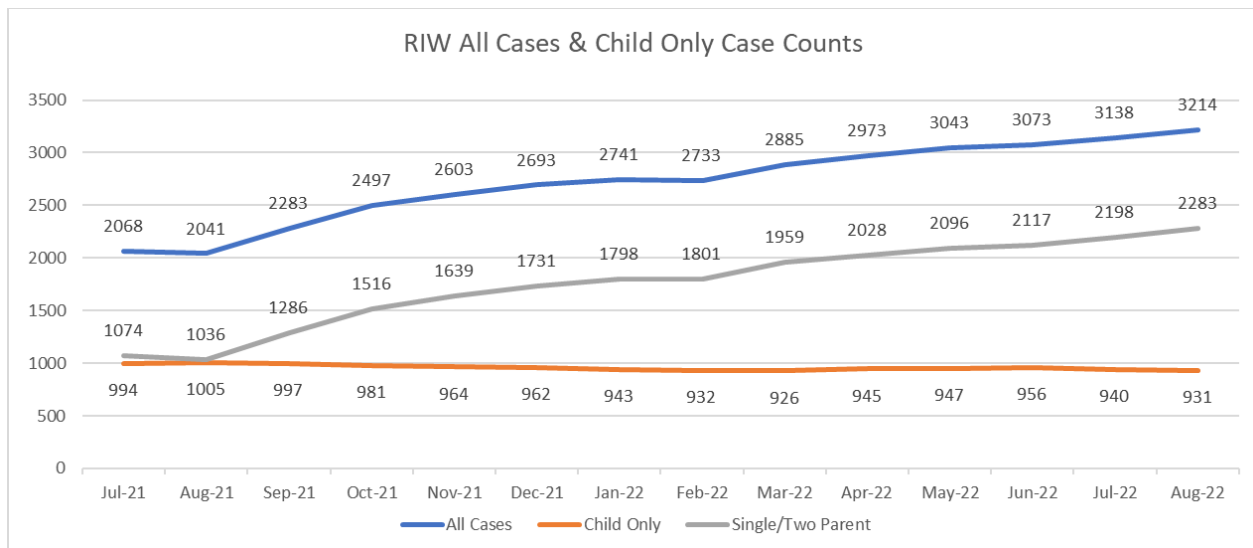
Family Type		Months on RI Works				
		0-24	25-48	49-60	>60	Total
	Single-Parent	860	942	220	112	2,134
	Two-Parent	97	35	12	5	149
	Total	957	977	232	117	2,283

		Cases		
City/Town	City/Town	Child-Only	Single-Parent	Two-Parent
	Barrington	0	9	0
	Bristol	3	10	1
	Burrillville	6	15	1
	Central Falls	51	91	4
	Charlestown	0	1	0
	Coventry	14	20	1
	Cranston	34	97	11
	Cumberland	10	25	1
	East Greenwich	5	6	0
	East Providence	34	77	4
	Exeter	0	3	0
	Foster	1	2	3
	Glocester	2	2	0
	Hopkinton	4	7	0
	Jamestown	2	2	0
	Johnston	18	29	3
	Lincoln	9	40	0
	Little Compton	1	2	0
	Middletown	6	30	2
	Narragansett	1	1	0
	New Shoreham	0	0	0
	Newport	21	87	5
	North Kingstown	10	26	1
	North Providence	23	48	7
	North Smithfield	0	8	0

Pawtucket	113	268	15
Portsmouth	4	9	1
Providence	380	774	56
Richmond	1	0	0
Scituate	2	5	0
Smithfield	0	11	0
South Kingstown	10	6	1
Tiverton	4	16	0
Warren	5	14	0
Warwick	30	65	9
West Greenwich	0	2	0
West Warwick	25	48	3
Westerly	8	4	5
Woonsocket	92	269	15
Undetermined	2	5	0
Total	931	2134	149

Question: How many child-only cases are included in the estimate for FY2023 and FY2024? How many families receive the payment(s)?

Answer: 32 percent of the caseload is projected to be child only cases for FY2023 and 30 percent for FY2024. The percentage of child-only cases prior to COVID had been stable at 35 percent. The percentage of child-only cases since COVID have varied from 26 percent to 48 percent. The projection was created using a weighted average of the past 12 months and 6 months respectively.



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

- a. Exemption from employment planning

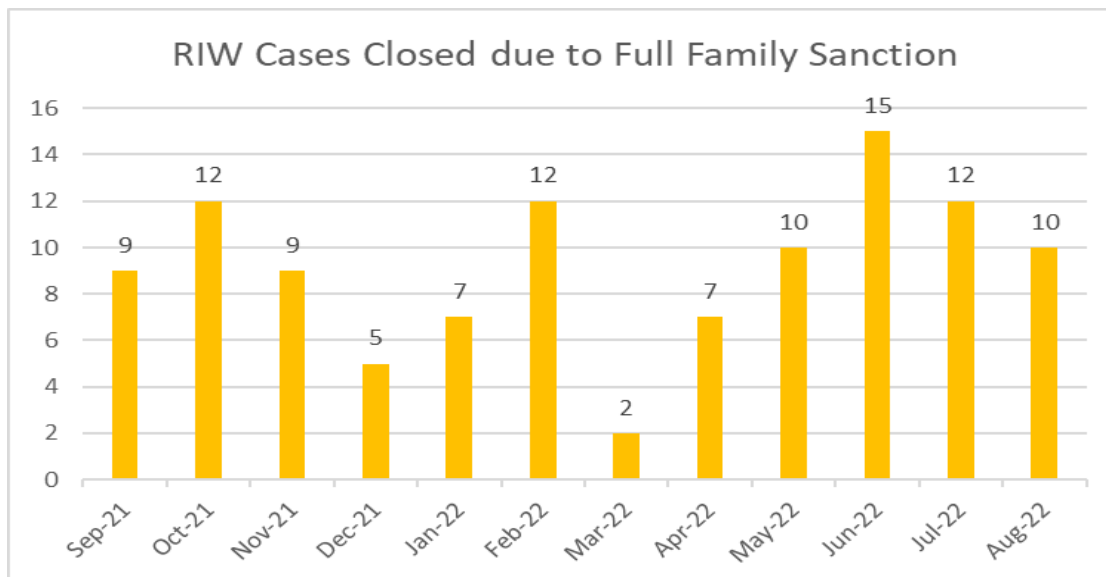
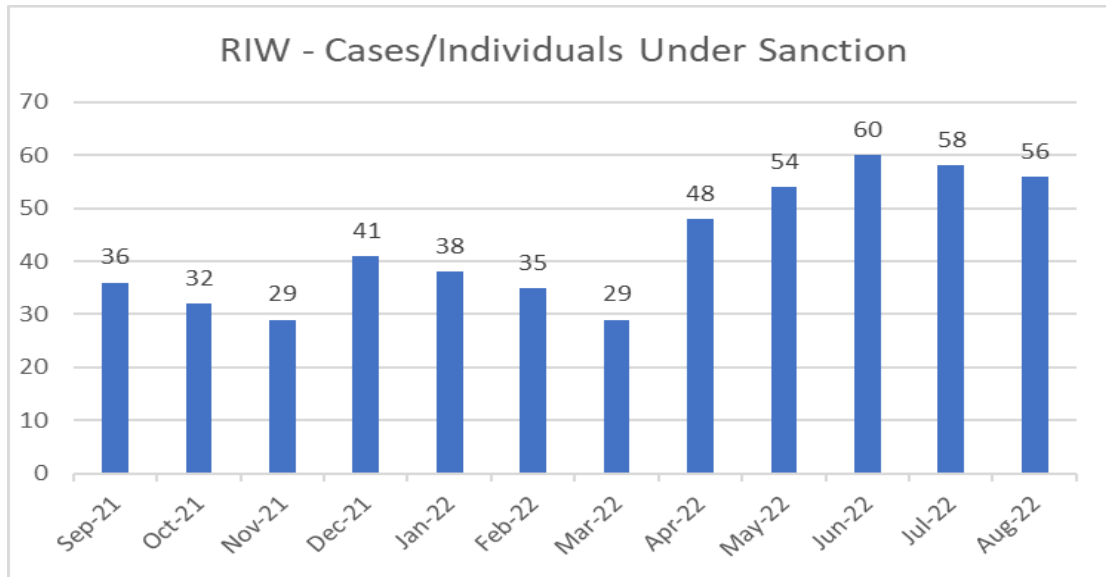
Answer: There are 181 cases are currently active with exemptions

- b. Being between plans

Answer: 49 cases are currently active without a plan

- c. Sanction—by month, the number of parents sanctioned for not complying with work requirements in FY2022 –

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 closed due to a FFS.

RI Works Trends

Over the past decade the number of families participating in RI Works program tended to decrease, especially when the economy improved, and more Rhode Islanders went back to work. During the COVID-19 pandemic, the RI Works caseload had greatly reduced due to opportunities for the RI Works families, specifically the Pandemic Unemployment Assistance (PUA). PUA had made individuals, who would not otherwise qualify for Unemployment Insurance (UI), eligible to receive unemployed assistance due to the pandemic.

During COVID, the Department utilized leniencies for RI Works families to prevent families from losing their benefits. Cases had been held open, good cause or excused absences were expanded and sanctions were applied only when families were non-responsive to communications. Most of the remedial measures to preserve the RI Works population and caseload have been lifted. Throughout COVID, RI Works benefits continued to close for reasons like families being over income or not returning required documentation.

Since the end of PUA a year ago, DHS has seen a RI Works caseload increase at 153 percent or over 1,100 cases. Additionally, there has been a steady monthly increase of RI Works applications of approximately 88 percent from August 2021. The Department estimates that for the remainder of state FY2023, the caseload will increase consistently through December at 2.0 percent based on statistical projections from the past two quarters of data, then growth will decline in tiers from 1.8 percent to 1.3 percent. The FY2023 projections account for the effect of the Public Health Emergency ending. In the 2024 projections caseload is projected to continue the gradual increase by 1.3 down to 1.0 percent over time; family size is expected to decrease to pre-pandemic levels.

DHS has successfully partnered with community agencies to conduct outreach to Rhode Island families who had become unengaged in RI Works. Partnering agencies have increased supports for applicants as well as existing RI Works customers. The increased access to assistance for both DHS applications and required documentation will contribute to the gradual increase in RI Works cases through FY2024.

According to the 2022 Rhode Island Kids Count Factbook, 11.5 percent of children in RI are living in poverty and 6.9 percent of children are living in extreme poverty, which equals nearly 14,000 children¹. The RI Works program is providing benefits to roughly 5,978 children or 43 percent of the children living in extreme poverty. This represents 0.80 percent of the RI population.

RI Works families often require additional wrap-around services, above and beyond those required by the typical job seeker, to secure long-term stability for their family. 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.

¹ [RIKCFactbook2022 \(rikidscount.org\)](https://rikidscount.org/RIKCFactbook2022)

RI Works Recent Legislative Changes

Increase in Rhode Island Works Allowable Resource Limit

The State Budget approved an increase to the resource limit for Rhode Island Works households. RI Works households will be able to have up to \$5,000 in resources to support their families while maintaining eligibility. The increase to resources has been implemented.

Increase in Rhode Island Works Earned Income Disregard

The State Budget approved an increase to the earned income disregard, providing additional relief for Rhode Island Works households. Households receiving RI Works who are working will have \$300 of their monthly earned income disregarded, then divided in half. The increase was up from \$170 of earned income disregarded, then divided in half. This increase to the Earned Income Disregard will be fully implemented in early 2023; partial implementation has begun.

College as an Allowable Rhode Island Works Sole Activity

The State Budget approved a language change allowing Rhode Island Works recipients to continue a second year of postsecondary education as a sole RI Works activity. Expanding RI Works allowable activities to include a second year of postsecondary education at CCRI. This change has been implemented.

Increase Rhode Island Works Time Limit to 60 months

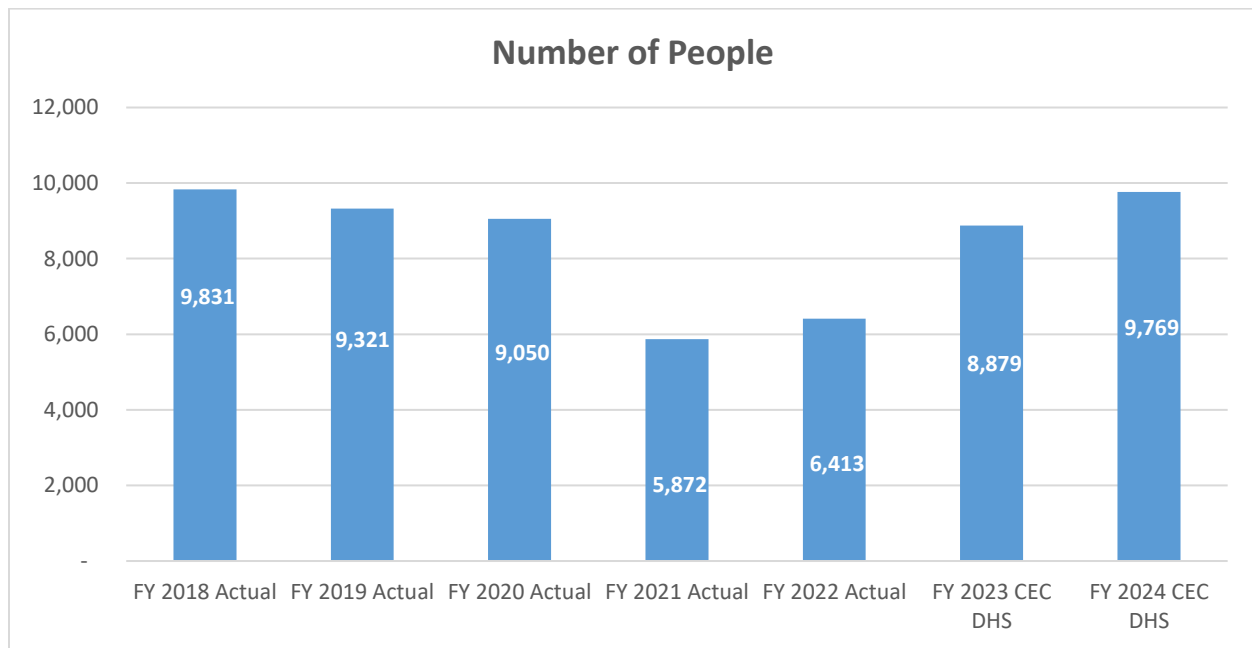
The State Budget increased the Rhode Island Works continuous time limit to 60 months, up from 48 months, prior to a family applying for hardship. The RI Works time limit increase will further support families that need additional time to stabilize their finances. This time limit increase will be fully implemented in early 2023; partial manual implementation has begun.

Excluding Federal or State Child Tax Credits from RI Works Household Income

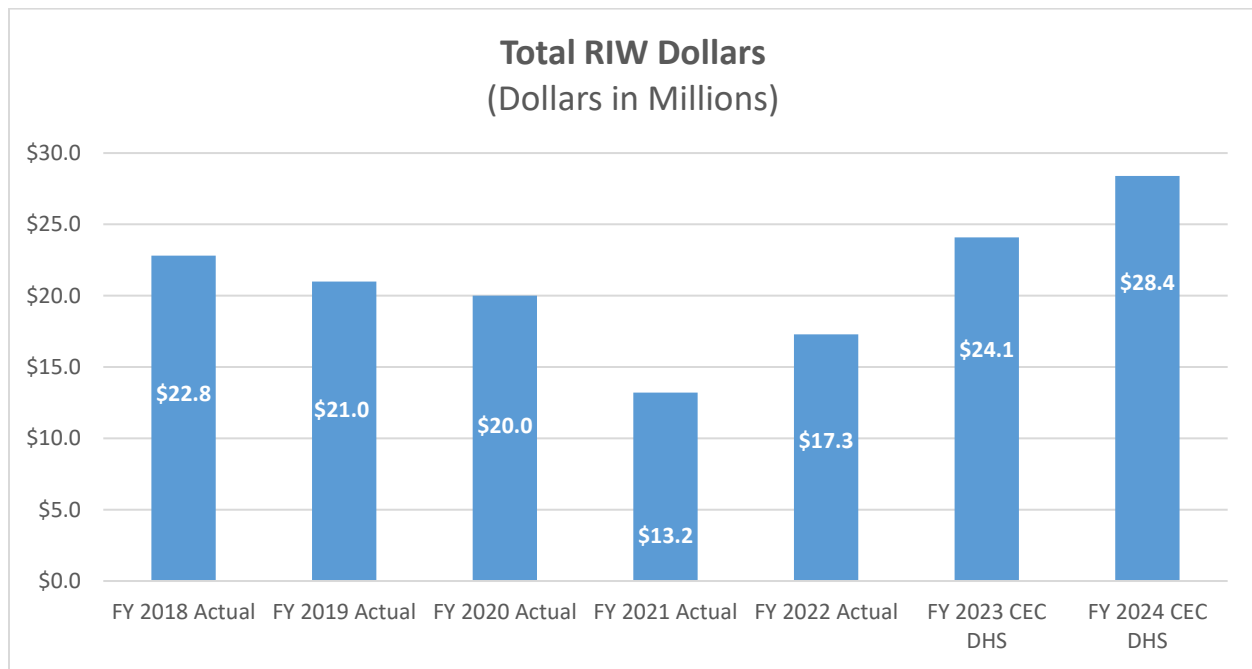
The State Budget included a language change to ensure federal and state child tax credits and/or rebates are not counted as part of a Rhode Island Works household income.

Question: Please provide an update on the reopening of field offices, any staffing challenges related to the reopening and the impact on enrollment from those challenges.

Answer: RI Works recipients were the first group eligible for in-person appointments prior to the offices reopening. In early 2022, DHS offered additional in-person services at all customer facing lobbies. Offices were open with an emphasis on meeting growing customer needs, the choice of in-person services added to the multiple ways to connect with DHS. RI Works recipients can now choose if they want to have their appointment in the office or over the phone. DHS has found that adding additional support, provided by the RI Works vendors has significantly helped customers filling out the application and obtaining the required documentation. Over 150 RI Works eligible adults have visited DHS lobbies in October 2022.



Total expenditures in late FY2022 and early FY2023 increased above previous projections, especially in the first quarter of FY2023, where monthly caseload numbers increased as high as 5 percent between July and August. Monthly caseload increase is averaging over 2.0 percent and is expected to remain high through the calendar year. In preparation for the Public Health Emergency ending, Caseload will remain at an increase of 1.8 percent, then dropping to 1.3 percent for the remainder of FY2023. Community agencies that have partnered with DHS will continue to provide support to families applying for RI Works. Estimates for FY2024 include an increase of 1.3 percent down to 1 percent increase throughout the fiscal year. DHS expects to slowly regain the RI Works eligible families lost during the COVID-19 pandemic, and due to legislative changes surpass the pre-pandemic caseload numbers in June 2023.

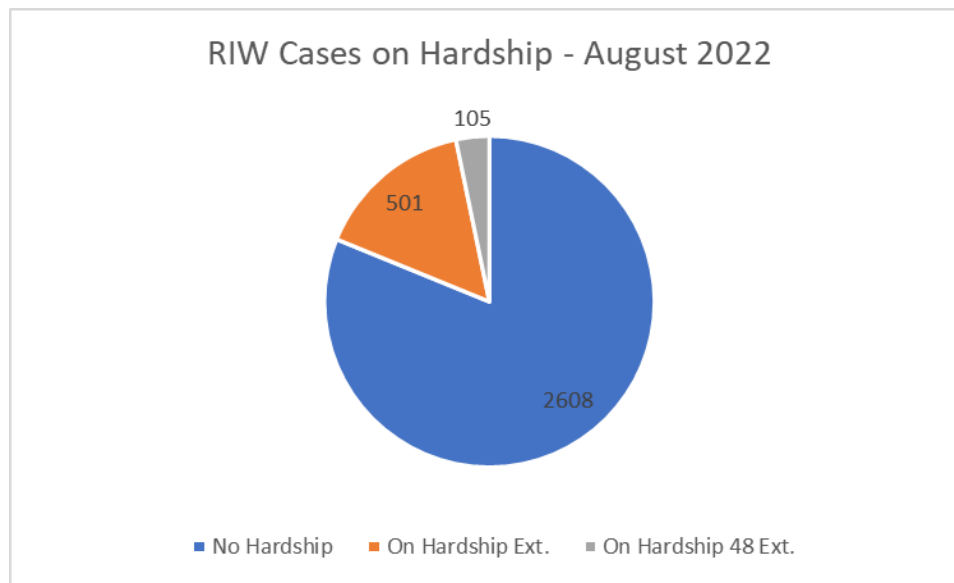


Additional Dollars from the American Rescue Plan Act

The American Rescue Plan Act provided TANF a Pandemic Emergency Assistance Fund (PEAF), which are additional COVID-19 funds. These federal funds, totaling \$2,703,236.98, are specifically for Non-Recurrent, Short-Term Benefits (NRST) that support TANF-eligible populations. The use must satisfy TANF rules including Income Eligibility Verification System (IEVS) and citizenship requirements. DHS adjusted its application to ACF to provide funds for a one-time NRST payment to RIW households that were eligible from September 2021 through May 2022. Each RIW Household who was eligible during the specified time period received \$370 per child in July 2022. PEAFF was spent prior to the deadline of September 30, 2022. PEAFF funds were loaded to EBT Cards where the dollars from PEAFF were required to be withdrawn first, then "standard TANF/RIW" dollars were used after PEAFF had been expended. This caused inconsistency in RI Works expenditure data for July and August 2022.

Hardships Extensions

Hardship extensions are available to families reaching time limits. There are five criteria in DHS regulations for a hardship extension. 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 500 cases or 15.6 percent of the state caseload. Rhode Island’s hardship cases are now counted only after a case exceeds 60 months on the RI Works benefit. RI Works vendors have begun additional programming to target the cases exceeding 60 months on their state timeclock.

Work Participation Rate (WPR) 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 six 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-years-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 where the payment is entirely for the child(ren) and the parents or caretaker relatives do not receive a cash payment for themselves (e.g., 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 FY2022 and FY2023, along with a work participation rate target.

Answer: WPR for 2014, 2015, 2016, 2017, 2018, 2019, 2020, and 2021.

- FY2014: Required all families: Required 0.0 percent (met 12.1 percent)
Required 2-parent families: Required 39.8 percent (not met 8.7 percent)
- FY2015: Required all families: Required 0.9 percent (met 14.9 percent)
Required 2-parent families: Required 40.9 percent (not met 11 percent)
- FY2016: Required all families: Required 0.0 percent (met 14.9 percent)
Required 2-parent families: Required 34.8 percent (not met 12.0 percent)
- FY2017 Required all families: Required 0.0 percent (met 8.5 percent)
Required 2-parent families: Required 29.5 percent (not met 5.8 percent)
- FY2018 Required all families: Required 0.0 percent (met 8.2 percent)
Required 2-parent families: Required 30.2 percent (not met 7.1 percent)
- FY2019 Required all families: Required 0.0percent (met 8.9 percent)
Required 2-parent families: Required 31.2 percent (not met 11.8 percent)
- FY2020 Required all families: Required 0.0 percent (met 6.8 percent)
Required 2-parent families: Required 27.6 percent (not met 7.3 percent)
- FY2021 Required all families: Required 0.0 percent (met 6.5 percent)
Required 2-parent families: Required 26.3 percent (not met 8.0 percent)
- FY2022 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:

Penalty Year	Reason	Status	Amount
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
2020	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 61,614.00
2021	Met overall WPR, did not meet 2-parent family WPR	DHS Expecting to Appeal in October 2022	\$ 86,959.00
2022	Not Yet Available		

Fiscal Year	Awarded	Expensed	Planned Expenses	Cumulative Carry Forward
SFY 2020	\$94,294,105	(\$85,644,437)		\$15,800,878
SFY 2021	\$94,608,671	(\$69,204,618)		\$41,204,931
SFY 2022	\$95,675,713	(\$60,891,460)		\$75,989,184
SFY 2023	\$94,708,016	(\$13,576,934)	(\$68,559,653)	\$88,560,613
SFY 2024	\$94,708,016	\$0	(\$113,226,849)	\$70,041,781
SFY 2025	\$94,708,016	\$0	(\$118,908,435)	\$45,841,362
SFY 2026	\$94,708,016	\$0	(\$123,633,512)	\$16,915,866

Question: Please update FY2022 and FY2023 TANF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use.

Answer: See chart on page 14. The primary spending plan for TANF carryforward is to support the increased CCAP caseload costs once COVID-19 funding is depleted. This approach will delay additional general revenue needed for child care subsidies. Additionally, expenditures due to RIW outreach and application supports will occur in the 2275116 account. These measures are necessary to support this population.

Question: Please indicate if the FY2023 estimate includes the \$1.1 million for UHIP system enhancements in the Department's five-year capital request.

Answer: The total numbers below illustrate the FY2023 enacted budget, DHS submitted \$1.059M in 2275202 in the DHS FY2023 revised budget. UHIP TANF funding for FY2023 is not included below.

2023 TANF Budget							
Line Seq	Agency	LIS Name	FY22 Final Enacted Budget (RIFANs)	FY22 Actual Expenditures (RIFANs)	FY23 Enacted Budget (RIFANs)	FY23 Expenditures As of 9/30/22 (RIFANs)	Description of the Services Funded by TANF
2025105	079	TANF/EA-CM Program- Federal Share	\$ 1,088,764	\$ 1,088,764	\$ 1,108,595	\$ 254,473	DCYF for TANF eligible youth to be served
2075106	079	TANF/EA-CW Program- Federal Share	\$ 6,738,299	\$ 6,738,299	\$ 6,793,178	\$ 1,718,240	DCYF for TANF eligible youth to be served
2075145	079	TANF/SSBG Grant	\$ 1,135,325	\$ 494,633	\$ 1,516,176	\$ 148	DCYF for TANF eligible youth to be served
2075148	079	TANF - HCBS	\$ 1,232,348	\$ 893,919	\$ 1,232,348	\$ 268	DCYF for TANF eligible youth to be served
2075150	079	TANF - SSBG Transfer	\$ 1,604,669	\$ 1,305,789	\$ 2,891,686	\$ -	DCYF for TANF eligible youth to be served
2170182	075	DHS Home Visiting Coop	\$ 164,000	\$ 178,951	\$ 164,000	\$ 5,049	RIDOH for RIW parents in the Family Visiting
2275116	069	C-Job Opport & Basic Skills Jobs	\$ 7,100,000	\$ 7,830,521	\$ 7,100,000	\$ 1,280,359	Contracted vendors engaging in direct services for RIW parents
2275121	069	Assistance Payments Admn	\$ 4,791,902	\$ 5,205,006	\$ 5,267,541	\$ 852,816	Administrative funds for DHS
2275177	069	TANF - Subsidized Employment Enhancement	\$ 200,000	\$ 289,607	\$ 200,000	\$ 16	Crossroads contract to provide services to homeless families
2275186	069	UHIP - TANF Federal Allocation	\$ 643,550	\$ 542,851	\$ 518,932	\$ 13,803	Administrative funds for UHIP
2275202	069	UHIP- Non lapd TANF Federal	\$ 650	\$ 1,521	\$ 640	\$ 442	Administrative funds for UHIP
2400101	069	Fip/TANF - Regular	\$ 18,063,824	\$ 19,062,365	\$ 23,850,458	\$ 6,399,176	Cost for TANF/RIW benefits to families
2400107	069	AFDC Catastrophic Aid	\$ 2,000	\$ 1,000	\$ 2,400	\$ 400	Costs for families who have experienced a catastrophic event like fire or flood
2400110	069	Child Care - SSBG Reallocation	\$ 7,560,000	\$ 7,560,827	\$ 7,560,000	\$ 1	Funding of low income child care with TANF
2400112	069	Child Care - TANF Funds	\$ 7,313,018	\$ 7,313,120	\$ 22,575,313	\$ 3,045,208	Funding of low income child care with TANF
2400114	069	RIPTA Transportation Benefit	\$ 565,086	\$ 435,430	\$ 991,100	\$ 128	Funding of bus passes for RIW parents
2400115	069	Child Care Assistance Enhancement	\$ 936,544	\$ 936,564	\$ 936,544	\$ 251	Funding of low income child care with TANF
2725162	072	Project Opportunity	\$ 1,000,000	\$ 842,210	\$ 1,000,000	\$ 6,155	Adult Education (ABE, ESL, GED)
Total			\$60,139,979	\$60,721,377	\$83,708,911	\$13,576,934	

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 are 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 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Reported to ACF	FFY 2021 Reported to ACF	FFY 2022 Projected to ACF
RIW Admin - DHS	\$941,339	\$1,656,013	\$2,913,488	\$4,740,191	\$3,000,000
Child Care MOE DHS	\$5,351,046	\$5,351,126	\$5,351,126	\$5,351,126	\$5,300,000
Emergency Assistance - DCYF	\$18,580,236	\$20,734,069	\$2,180,682	\$1,635,450	\$1,500,000
DCYF Other	\$655,238	\$621,757	\$16,235,585	\$16,084,231	\$15,000,000
DEFRA (Child Support Pass-Thru)	\$305,986	\$277,647	\$268,957	\$208,803	\$200,000
RIDE Adult Ed	\$1,050,000	\$1,050,000	\$1,050,000	\$1,050,000	\$1,000,000
CAP Agencies (Leg. Grants)	\$213,614	\$229,260	\$214,200	\$287,820	\$235,000
Head Start	\$1,190,000	\$1,190,000	\$1,190,000	\$1,190,000	\$1,190,000
SSI	\$2,758,468	\$2,654,551	\$2,613,169	\$2,472,240	\$2,600,000
GWB-DLT Youth Work Readiness	\$553,620	\$739,689	\$529,777	\$442,080	\$500,000
Earned Income Tax Credit	\$22,515,504	\$22,577,639	\$22,094,812	\$15,963,386	\$22,000,000
Property Tax Relief Program (Circuit Breaker)	\$189,099	\$137,718	\$118,980	\$120,234	\$115,000
DCYF Residential	\$13,688,409	\$12,694,648	\$4,178,130	\$2,982,641	\$4,000,000
Weatherization	\$6,320,988	\$7,835,733	\$6,488,963	\$6,979,035	\$6,000,000
Rhode Island Food Bank	\$3,401,525	\$3,523,303	\$3,136,951	\$3,218,941	\$2,500,000
Community Organizations (Listed Below)	\$890,269	\$2,908,915	\$2,801,769	\$2,367,255	\$3,180,000
Total	\$78,605,341	\$84,182,068	\$71,366,589	\$65,093,433	\$68,320,000

	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Reported to ACF	FFY 2021 Reported to ACF	FFY 2022 Projected to ACF
Roman Catholic Diocese of Providence	\$90,269	\$40,884	\$25,036	\$42,419	\$25,000
The Salvation Army	\$0	\$324,545	\$57,551	\$0	\$0
United Way of Rhode Island	\$0	\$1,355,336	\$692,548	\$258,518	\$1,000,000
Boys and Girls Club	\$800,000	\$800,000	\$800,000	\$1,000,000	\$1,250,000
Rhode Island Foundation	\$0	\$103,074	\$444,840	\$543,440	\$400,000
SStarbirth	\$0	\$44,087	\$36,612	\$35,363	\$35,000
Crossroads	\$0	\$136,154	\$737,909	\$390,104	\$350,000
Dorcas International Institute	\$0	\$104,835	\$0	\$24,170	\$50,000
Non-Violence Institute	\$0	\$0	\$4,834	\$0	\$0
RI Coalition Against Domestic Violence	\$0	\$0	\$2,439	\$2,427	\$20,000
Com CAP	\$0	\$0	\$0	\$70,814	\$50,000
Total	\$890,269	\$2,908,915	\$2,801,769	\$2,367,255	\$3,180,000

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 exceeded the MOE requirement by \$0.7M in 2021.

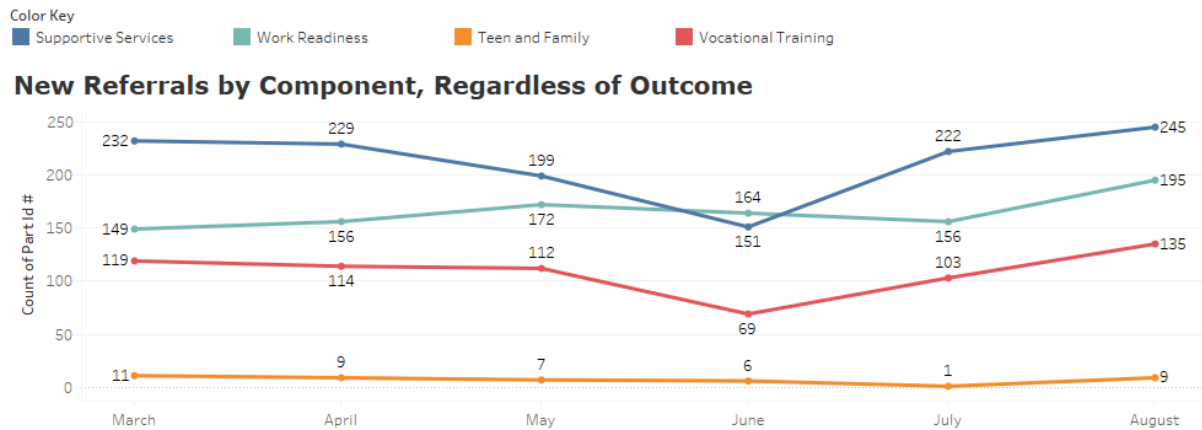
State Costs: \$52,528,202

In-kind: \$12,565,231

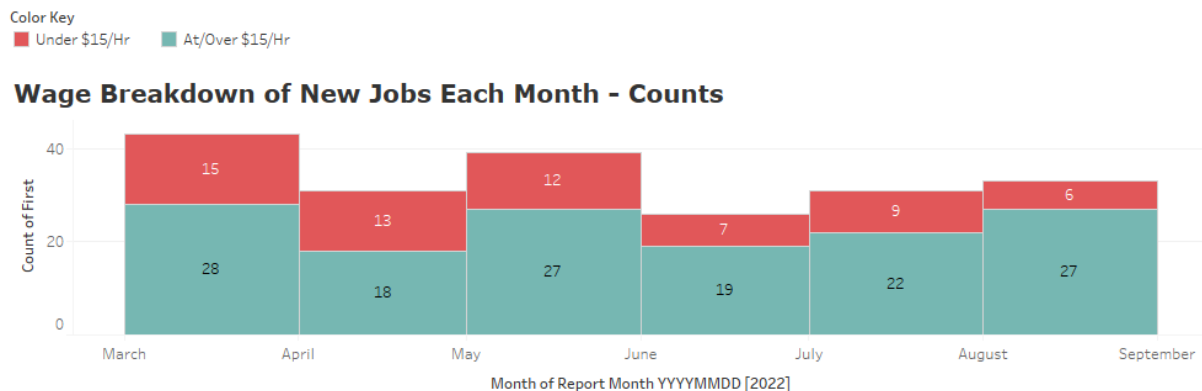
For FY2020 and future years, the Department has been instructed by ACF to calculate MOE differently by removing a provision previously allowed due to a prior law grandfathering. The grandfathering has ended. This significantly reduces the amount of allowable expenditures and MOE allowed from DCYF Residential. The Department is working on utilizing other avenues to collect the MOE.

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.



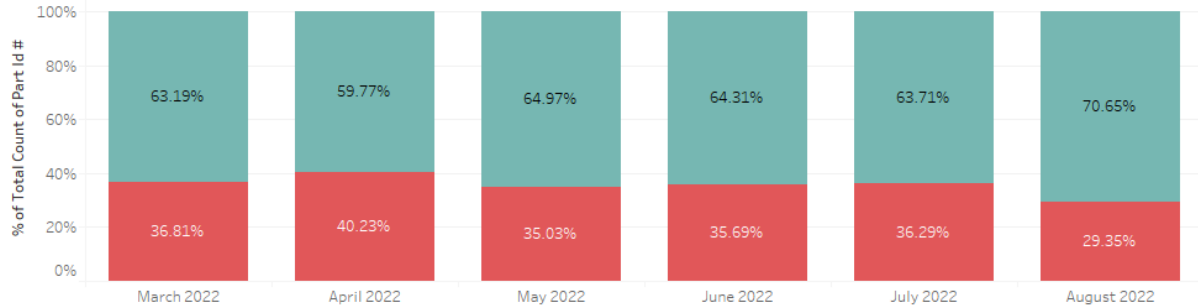
The contracts are based on Performance Metrics that incentivize the vendors to assist parents in obtaining long-term employment at a living-wage. On October 1, 2022, vendors entered their final contract period under “active contract management.” Active contract management uses data to analyze vendor services for RI Works families, and DHS requested its vendors to provide extensive data to the Department on a monthly basis so our progress and trends could be tracked, and changes could be put into effect as needed.



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 service vendors to integrate Financial Literacy into their curriculums. As of August 2022, approximately 70 percent of the RI Works population attending one of our three providers’ programs has started or received Financial Literacy Training.

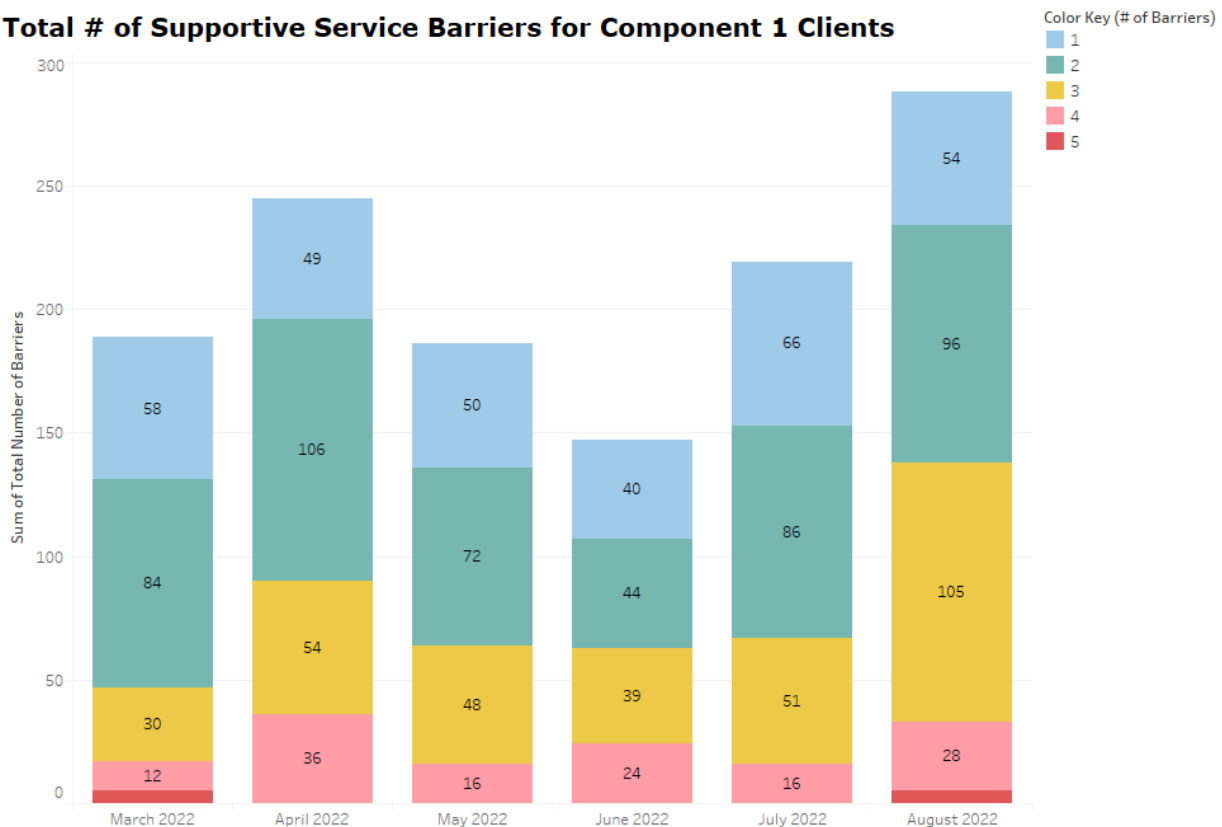
Financial Literacy: New Referrals



- **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:

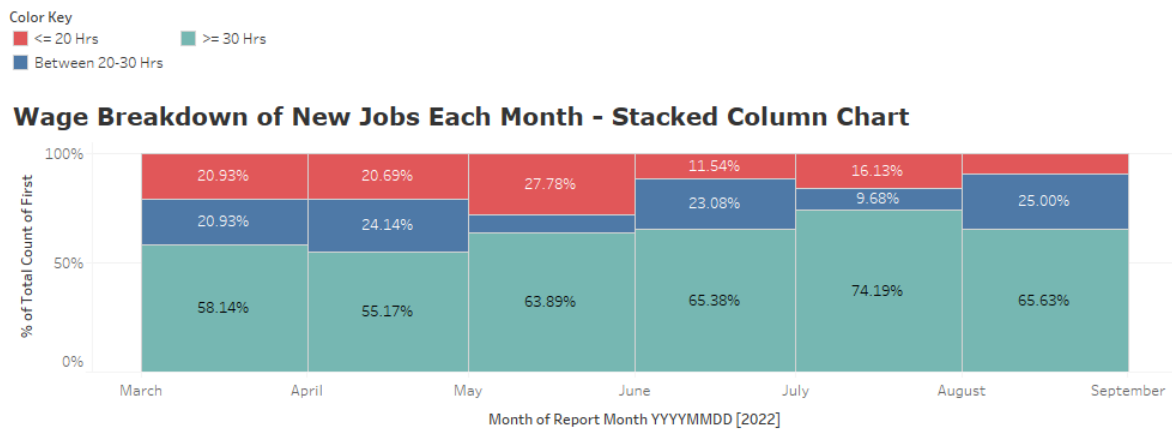
- Mental Health Challenges
- Unstable Housing/Homelessness
- Domestic Violence/Intimate Partner Violence
- Low Education Attainment
- Unaddressed Disabilities
- Substance Use Disorder

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.

In the past year, 341 parents have entered employment, 3 parents were enrolled in on-the-job training, and 10 participated in work experience. Wages for these placements vary from minimum wage to \$35.00 per hour, 67 percent of job placements are for wages at or over \$15 per hour. In the past year 169 customers retained employment for at least 6 months, and vendors were paid more than \$123,250 in performance payments due to job retention. Additionally, in the past year 70 participants have completed their Vocational Training Program. A total of 222 RI Works parents have participated in vocational training programs this past year.



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.

Child Care Assistance Program (CCAP)

The Starting Right Child Care Assistance Program (CCAP) supports the dual purpose of promoting healthy development and school success and supporting low-income families who need child care to work, attend approved training or attend approved college degree programs. 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 or college degree 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 200 percent of the Federal Poverty Level (FPL), (~50 percent of State Median Income (SMI), or \$46,060 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 200 percent FPL but remains under 300 percent of FPL (~75 percent of State Median Income (SMI), or \$69,090 for a family of 3). Income-eligible families are subject to a graduated co-payment based on family income ranging between zero (for those earning 100 percent FPL or less) to a maximum of 7 percent of a family's income (for those earning between 150 percent FPL to 300 percent FPL). As of January 1, 2022, the Department lowered the copay cap from 14 percent to the Health and Human Services general affordability guideline and the national standard of seven percent.

The Department continues to track child care trends closely to measure the ongoing impact of the pandemic and the on-going stages of recovery. This includes regular reviews of CCAP enrollments, licensed capacity, and movement within the quality framework. DHS continues to work to support providers in the move towards the new normal and have worked on numerous short- and long-term practices to support them during this time. Despite stabilization of existing enrollments during the later months of the pandemic, the number of CCAP enrollments are approximately 40.6 percent less than what they were pre-pandemic. The Department is seeing initial trends towards recovery, as shown in the tables and information provided. In addition to information on the caseload trends, the Department has provided relief in the form of grants, bonuses, and additional resources and programming to help providers.

Question: Please provide the total number of licensed child care providers and the number of child care slots in the state, including the providers that do not participate in the CCAP program.

Answer: Please refer to the following narrative and charts.

The table below shows the current number of DHS-licensed providers as of September 2022 and their total capacity compared to a typical March from the last three years. In the last six months, there have been additional providers and capacity to DHS-licensed child care spots. It is important to note that while OCC has not reached pre-pandemic capacity and number of providers, numbers are slowly trending upwards, despite staffing levels being at all-time lows.

	Mar 2020 # of Providers	March 2020 Capacity	Mar 2021 # of Providers	March 2021 Capacity	March 2022 # of Providers	March 2022 Capacity	Sep 2022 # of Providers	Sept 2022 Capacity
Child Care Centers	446	32,435	406	29,853	410	31,083	414	31,122
Family Child Care Providers	465	3,084	396	2,726	392	2,670	396	2,693
Total	911	35,519	802	32,579	802	33,753	810	33,815

As of September 30, 2022, the OCC has closed 23 providers since the last caseload in May 2022. There are some important nuances to this closing list. Due to non-compliances with regulations that were not health and safety related, OCC had to close two programs which housed over 120 school-age children. There have been 17 closings in Family Child Care, due to an aging workforce and older providers not renewing and deciding to retire. This makes up 70 percent of the Family Child Care closures, with the remaining being due to high-risk non-compliances (11 percent) and moving with intent to re-apply once the move is complete (19 percent). There have been 6 center closings. In addition to the two programs mentioned above, three additional school-age programs closed because of staffing issues and being unable to staff the school-age program located within the school building.

Provider type	Provider Opening and Closings in Child Care March 2022- September 2022		
	Openings	Closings	+/-
Family Child Care providers	21	17	+4
Center providers	12	6	+6
Total	33	23	+10

The Department is seeing an influx of providers who are looking to start a Family Child Care center home, largely due to the start-up funding being provided to support this specific child care type. Since the start of the Family Child Care provider grant in April 2022, 36 prospective family child care providers have been awarded with \$2,000 start-up grants. The Department is working with them through the licensing process. As of September 30, 2022, 7 of these providers have been licensed and another 7 have pending applications with the Department. The remaining providers are receiving active technical assistance from the Center for Early Learning Professionals, as well

as the Department's licensing department, to ensure they have what they need to open their Family Child Care program. Many families choose licensed Family Child Care programs because of the home-like environment and the non-standard hours of operation, which is appealing to families who do not work a standard 40-hour work week. The Department received an additional year of funds through the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF), as appropriated by Governor McKee and the General Assembly. This program is intended to support up to 200 newly licensed FCC providers in establishing their businesses, obtaining licensure, and enrolling families by offering \$2,000 one-time start-up grants to support with the following allowable costs:

- Quality improvement items
- Fire-related repairs and/or health and safety items (fire extinguisher, plug covers, etc.)
- Lead and radon inspections
- Liability insurance

More information on this ARPA SFRF Funding initiative and its impact in FY22 can be found in Appendix B.

Currently, the Department has several pending licensures in the queue. There are 7 pending family child care applications, but also 6 pending child care center applications. In addition, there are 19 new potential family child care providers working with TA to get them into our orientation and first steps programs for new providers.

Another way the Department is supporting providers is through Early Educator Pandemic Retention Bonuses. As essential workers, early educators continue to play a crucial role in keeping licensed child care programs open and serving Rhode Island families throughout the ongoing COVID-19 pandemic. The Department was awarded \$18.7 million dollars in funds through the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF), as appropriated by Governor McKee and the General Assembly in 2022, and an additional \$18.7 million dollars of this funding was provided for FY23. This program is intended to invest in early educators by offering bonuses to direct care staff employed at DHS-licensed child care providers. For this round of funding, educators are eligible to receive a maximum of four quarterly bonuses of \$750 each, depending on eligibility in each application window. These retention bonuses will supplement educators' compensation to support retention and recruitment in the early learning sector, as well as recognize the vital work that early educators do in supporting the State's littlest learners.

The specific details on the first two rounds of pandemic retention bonuses and its impact in FY22 can be found in Appendix B.

As the Department begins to move beyond COVID-19-mitigation practices, the following changes have been made to the COVID-19 related payment practices:

- Effective September 18, 2022, CCAP services are reimbursed based on attendance (The COVID-19 mitigation practice reimbursed based on enrollment).

- The allowable absence policy has been updated to 10 consecutive days for approved absences accompanied by a signed parent absent notice (The COVID-19 mitigation practice waived the allowable absence policy).
- CCAP Providers receive the July 1, 2022, approved reimbursement rates (The COVID-19 mitigation practice provided a temporary rate enhancement through December 2021).
- Family copayments are capped at 7 percent of income effective January 1, 2022 (The COVID-19 mitigation practice waived Family copayments from February 21, 2021, through March 5, 2022).

Although COVID-19 mitigation payment practices are no longer effective, the Department has been able to enhance pre-COVID-19 payment practices to continue to ensure our most vulnerable families (CCAP) can maintain their slots without fear of programs/providers prioritizing private-pay families. While returning to attendance-based payments, the Department added flexibility to the absence policy. While removing the COVID-19 enhanced rate, the Department approved rate increases for center-based providers effective July 1, 2022. While reinstating the family copayment, the Department implemented a 7 percent cap to protect families from having to cover copayments as high as 14 percent.

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.

Answer: Please refer to the following narrative and charts.

The Department implements a tiered reimbursement rating system for all center-based child care programs to ensure high quality programs (rated at a 4- and 5-Star) receive higher reimbursement to cover the additional costs associated with delivering high quality care. The State's Quality Rating and Improvement System (QRIS), 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 DHS) represents the first, foundational building block of the State's QRIS. In response to the changing needs of providers, the workforce and family needs as a result of the pandemic, DHS worked with BrightStars to create a governance structure related to the QRIS framework. This structure includes an advisory board made up of key partners and current providers, as well as a steering committee made up of representatives from the Governor's office, RIDE, DHS, and The Rhode Island Association for the Education of Young Children (RIAEYC). This structure allows both providers and other key stakeholders to submit proposals for changes to the framework. These proposals are vetted by BrightStars, shared with the Advisory Board (who jointly holds a vote of the steering committee) and then shared with the Steering Committee (who hold the final four votes). There have been two proposals approved through this governance structure. Both were regarding staff qualifications. These qualification changes have directly impacted programs ability to move up the quality continuum with no negative impact on program quality, as determined through environmental assessments.

This QRIS 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) limit families' access to high quality care and limit the resources available to providers to maintain higher quality programming and employ highly qualified staff.

The percentage of CCAP enrolled children attending 4- and 5-star child care center programs has increased 16 percent since the tiered system was first implemented in 2018. The most recent data, as of September 30, 2022, is included in the chart below. This does reflect an increase in the number of CCAP children enrolled in high quality programs. Additionally, there has been a collaborative approach by the Department and its vendors to create a cohesive case management system aimed at direct technical assistance and support to providers aimed at helping them improve the quality continuum.

December 2018	December 2019	December 2020	December 2021	September 2022
10 percent	16 percent	21 percent	24 percent	26 percent

Additionally, BrightStars has secured additional state funding through ARPA aimed at assessing and supporting all licensed child care provider types over the next two years (through December 2023). These efforts are aimed at assessing the true quality landscape of child care post pandemic while also encouraging higher ratings for those programs already participating in BrightStars while simultaneously increasing recruitment and assessment of those providers who have not traditionally participated in QRIS. It is anticipated that through this work, called LearnERS, there will be an increase in both the number of rated programs as well as the number of high-quality providers across both center and family child care providers, therefore increasing access to high quality child care for CCAP families. As of September 30, 2022, there were 19 center-based programs who enrolled staff in a LearnERS cohort. It is anticipated that it will take roughly a year of participation to see a rating impact in the classroom, and ultimately, the program as a whole.

Total Participation in BrightStars by Provider Type (As of September 30, 2022)		
Star Rating Level	Center	Family Child Care
1 Star	66	236
2 Star	79	122
3 Star	26	4
4 Star	59	4
5 Star	24	0
Total Participants	254	366

As mentioned in earlier caseloads, due to additional demands presented through the pandemic, such as managing compliance to COVID-19 health and safety regulations and guidelines, expired enhanced rates to support CCAP reimbursement, and the pause of QRIS renewals, there was limited incentive for providers to pursue an increased star rating for a substantial period. There

has also been a drastic priority shift in ensuring health and safety demands are met at a higher level than ever before. As a result, moving up the quality continuum was less of a priority until more recently. Despite this, the following table outlines the number of increased ratings by provider type that have taken place since February 2022 (last caseload estimate).

Provider Type	Number of Providers with an increase in BrightStars March 1, 2022- September 30, 2022
Family child care providers	3
Center providers	20 (includes School Age)

Twenty-three (23) licensed child care providers have increased their star rating level since February 2022. Six (6) school age programs and fourteen (14) centers. Three (3) family child care providers increased during this time. The increases are outlined below.

Program Type	Previous Rating	New Rating	Reason for Increase
Child Care Center	2	4	Standard 1 (Learning Environment)
Child Care Center	1	5	Standard 1 (Learning Environment)
Child Care Center	1	2	Standard 1 (Learning Environment)
Child Care Center	1	2	Standard 1 (Learning Environment)
Child Care Center	1	2	Standard 1 (Learning Environment)
Child Care Center	2	3	Standard 1 (Learning Environment)
Child Care Center	2	3	Standard 1 (Learning Environment)
Child Care Center	3	4	Standard 4 (Teacher Qualifications)
Child Care Center	4	5	Standard 4 (Teacher Qualifications)
Child Care Center	1	4	Standard 1 (Learning Environment)
Child Care Center	4	5	Standard 4 (Teacher Qualifications)
Child Care Center	1	4	All Standards
Child Care Center	2	3	Standard 1 (Learning Environment)
Child Care Center	2	3	Standard 1 (Learning Environment)
School Age	2	3	Standard 1 (Learning Environment)
School Age	1	3	Standard 1 (Learning Environment)
School Age	1	3	Standard 1 (Learning Environment)
School Age	3	4	Standard 4 (Teacher Qualifications)
School Age	1	3	Standard 1 (Learning Environment)
School Age	1	3	Standard 1 (Learning Environment)
FCC	1	2	Standard 1 (Learning Environment)
FCC	1	3	Standard 1 (Learning Environment)
FCC	1	2	Standard 1 (Learning Environment)

Question: Please provide the number of children enrolled in CCAP by provider type, age group, and star rating.

Answer: Please refer to the following narrative and charts.

The following charts illustrate the number of CCAP enrollments by provider type (Center based and Family Child care) and BrightStars rating (as of August 2022). Enrollments are further broken down by age group (Infant/Toddler, Preschool and School-Age). For example, of the 2,295 preschool aged children in center-based care who have CCAP benefits, 588 are enrolled in a center with a BrightStars rating of 4 Stars. There are 124 enrolled in a center with a BrightStars rating of 5 Stars. The majority of children in all age groups attend full time.

CCAP Enrollment by BrightStars Rating CEC						
Center-Based Providers						
Age Group	1 Star	2 Star	3 Star	4 Star	5 Star	TOTAL
Infant/Toddlers	234	438	99	256	49	1076
Preschoolers	499	844	240	588	124	2295
School-Age	444	682	306	307	38	1777
TOTAL	1177	1964	645	1151	211	5148

CCAP Enrollment by BrightStars Rating CEC						
Family Based & Group Family Based						
Age Group	1 Star	2 Star	3 Star	4 Star	5 Star	TOTAL
Infant/Toddlers	263	142	11	5	0	421
Preschoolers	322	253	5	8	0	588
School-Age	240	194	1	7	0	442
TOTAL	825	589	17	20	0	1451

CCAP Enrollment by BrightStars Rating and by Time Authorized							
Brightstars Rating -->	No Rating (LE)	1	2	3	4	5	Grand Total
Full Time							
Infant/Toddlers	1	418	521	91	231	44	1306
Preschoolers		712	953	205	519	102	2491
School-Age		633	815	274	274	34	2030
Half Time							
Infant/Toddlers		7	8	1	1		17
Preschoolers		13	18	4	9	2	46
School-Age	1	5		8	1		15
Quarter Time							
Infant/Toddlers			1				1
Preschoolers					1	3	4
School-Age			1		1		2
Three Quarter Time							
Infant/Toddlers	2	72	50	18	29	5	176
Preschoolers		96	126	36	67	17	342
School-Age		46	60	25	38	4	173
Grand Total	4	2002	2553	662	1171	211	6603

CCAP enrollments remained steady from March to August with a slight overall increase of 1.6 percent. Family Child Care saw a 4 percent increase overall and Center based care a .9 percent increase. During this period, Infant/Toddler enrollments increased in both Center based care (19 percent) and in Family Child Care (21 percent), offset by reductions in both preschool and school age enrollments.

Center Based Providers				
	Infant/Toddler Enrollments	Preschool Enrollments	SA Enrollments	Total Enrollments
Mar-22	897	2364	1817	5078
Apr-22	925	2359	1832	5116
May-22	976	2330	1742	5048
Jun-22	932	2217	1891	5040
Jul-22	1115	2416	1959	5490
Aug-22	1069	2287	1767	5123
Trend: Mar to Aug	172	-77	-50	45

Family Based Providers				
	Infant/Toddler Enrollments	Preschool Enrollments	SA Enrollments	Total Enrollments
Mar-22	333	557	475	1365
Apr-22	361	560	461	1382
May-22	380	561	455	1396
Jun-22	367	508	420	1295
Jul-22	425	598	458	1481
Aug-22	415	573	432	1420
Trend: Mar to Aug	82	16	-43	55

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 children and families in the Child Care Assistance Program. The Department has worked to ensure that each of the quality investments work to support providers in several different ways. The main goal of all quality contracts is to give providers what they need to run safe, developmentally appropriate, high-quality programs. The Department has focused on a comprehensive set of professional development options ranging from pre-service health and safety requirements to apprenticeship opportunities to higher education opportunities funded through its quality set-aside dollars. These quality 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 program quality. All professional development and coursework are aligned to the QRIS, with 70 percent of offerings geared to 1- and 2-Star providers. While professional development and workforce pathways are an imperative piece of the puzzle, investments in quality are achieved in other ways that are highlighted below:

- The Child Care Health Consultation Project recently hired a new, bilingual nurse to specifically target supporting the FCC community. Since coming on board, the team has tripled the amount of outreach they are receiving from providers (both centers and FCCs) seeking guidance with health-related challenges. The relationships being built with these outreach calls have resulted in an increase in the amount of site visits conducted where the nurses are able to review health and immunization records, present health-related lessons to the children and work with providers in-person to prevent health and safety issues.
- When early childhood education and care providers are looking to enhance or expand quality learning spaces, there is a large amount of planning that must take place in preparation for these changes. Facilities planning grants allow providers (both center-based and FCCs) to develop facility plans through legal services, architectural services and other pre-planning and feasibility studies to be prepared for an expansion or enhancement project. The Department has awarded planning grants to 26 existing or potential programs.
- As of October 2022, the Department's TEACH scholarship programs have 64 educators that are actively pursuing higher education training or degrees at CCRI, RIC or URI. These 64 educators are from 54 different child care programs.

Federal Funding and Initiatives to Support Child Care Recovery

Question: Please provide an update to the federal awards received or anticipated for activities in response to the COVID-19 PHE, or other stimulus funding, as well as any planned uses and how much of each award will be used for such activity. Please provide spend to date and available balance for each award by item (planned use).

Answer: Please refer to the following narrative and charts.

The Department has been in receipt of pandemic response federal funding specifically dedicated to child care programming since March 2020. The table below shows the four primary federal funding sources for child care, their obligation and liquidation timelines, allowable uses, and the total award amount.

Funding Source	Timeline	Allowable Use	Total Award
Coronavirus Aid, Relief, and Economic Security Act (CARES)- Child Care and Development Fund (CCDF)	Must be liquidated by 9/30/23	The supplemental funding must be used for activities authorized under the CCDBG Act that prevent, prepare for, and respond to COVID-19.	\$8,165,854
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) CCDF	Must be liquidated by 9/30/23	In addition to the activities allowed under CCDF, the CRRSA Act offers new flexibility to lead agencies to meet the needs of families and child care providers during the COVID-19 pandemic, such as serving essential workers regardless of income and covering copayments for all eligible families.	\$23,867,232
American Rescue Plan Act (ARPA) CCDF	Must be obligated by 9/30/23 and liquidated by 9/30/24	The discretionary funds in the ARP Act present an opportunity to expand access to high-quality child care and move toward a more equitable child care system. The system should meet the developmental needs of children, provide parents with true choice and equal access to child care services that best suits their family's needs, appropriately compensate an essential and skilled workforce, and facilitate a robust child care sector. Lead agencies are strongly encouraged to use funds in a manner that will work toward each of these goals and thereby build stronger and more equitable high-quality child care systems for America's families. Lead agencies may use supplemental funds for any activities allowable under the CCDBG Act and CCDF regulations.	\$35,795,528
ARPA Child Care Stabilization Grants	Must be obligated by 9/30/22 and liquidated by 9/30/23	The lead agency shall use no less than 90 percent of their total award to make subgrants to qualified child care providers, regardless of such a provider's previous receipt of other Federal assistance, to support the stability of the child care sector during and after the COVID-19 public health emergency. Administrative fees may not exceed 10 percent.	\$57,251,352

The Department's use of this funding for COVID-19 initiatives, as well as CCAP payment practices are listed below. In addition, please find the funding source charged, as well as the associated cost and status. At this time, there is a spending plan for all COVID-19 funding awarded and most of it has been obligated across various initiatives listed below.

Funding Source	Item + Total Budget	Status	Amount Obligated	Amount Liquidated
CRRSA CCDF	Fiscal Intermediary for Stabilization Grants (Public Consulting Group):	Complete	\$893,549	\$893,549
	Child Care Stabilization Grants:	Complete	\$18,583,200	\$18,583,200
	CCAP- COVID Rate Increase (7/1 – 12/31/21)	Complete	\$911,953	\$911,953
	Interdepartmental Project Manager: \$400,456 through 2024	In Progress	\$400,456	\$188,735
	Pre-K Expansion: \$1,300,000	In Progress	\$1,300,000	\$674,798
	CCAP Co-pays (10/1 – 3/5/22): \$1,736,627	Complete	\$1,622,765	\$1,622,765
	DOA Administration Charges	In Progress	30,092	30,092
Total			\$23,742,015	\$22,905,092
ARPA CCDF	CCAP- Reimbursing based on enrollment not attendance :	Complete	\$3,962,677	\$1,572,657
	CCAP- Rate Increase (1/1/22 – 6/30/24):	In Progress	\$27,218,915	\$6,710,306
	CCAP- Cap co-pays at 7%:	In Progress	\$2,776,643	\$0
	BrightStars LearnERS (Job-embedded PD) and Quality Grants: \$841,600	In Progress	\$841,600	\$183,215
	SUCCESS/Children's Mental Health: \$636,301	In Progress	\$636,301	\$57,665
	DOA Administration Charges	In Progress	\$359,392	\$359,392
Total			\$35,795,528	\$8,883,235
CARES CCDF	LISC Child Care Grants:	Complete	\$1,860,519	\$1,860,519
	CCAP co-pays (through 6/30/21):	Complete	\$1,045,517	\$1,045,517
	CCAP co-pays (7/1/21 – 9/30/21):	Complete	\$996,504	\$996,504
	ECCE Background Check Fee Waiver:	In Progress	\$395,167	\$229,000
	COVID Rate Increase (7/1 - 12/31):	Complete	\$2,648,677	\$2,648,677
	Interdepartmental Project Manager	Complete	\$22,531	\$22,531
	LISC CCAP-CCF-20-1	In Progress	\$387,648	\$0
	RIAYC CCAP-QRIS 22	In Progress	\$131,365	\$0
	Meeting Street	In Progress	\$100,000	\$0
	Test to Stay Protocol – COVID-19	Complete	\$523,340	\$523,340
	DOA Administration Charges	In Progress	\$1,059	\$1,059
Total			\$8,112,327	\$7,327,147

Child Care Caseload Trends and Projections

Question: What percentage of the families eligible for the state subsidized program have children enrolled in one of the child care settings? Please provide any data on the number of families not using the benefit.

Answer: Please refer to the following narrative.

The US Department of Health and Human Services estimates that 22 percent of children eligible under state rules to receive subsidized child care actually utilize CCAP. Younger children ages 1 through 5, were also more likely to receive subsidies compared to older, school-age children. In addition, poorer children were more likely to receive subsidies compared to less-poor children, among all children who were federally eligible. Additional information regarding utilization of CCDF subsidies can be found at <https://www.gao.gov/products/gao-21-245r> and <https://aspe.hhs.gov/sites/default/files/private/pdf/264341/CY2017-Child-Care-Subsidy-Eligibility.pdf>.

KIDS COUNT® is a project of the Annie E. Casey Foundation and a premier source of data on children and families. Figures obtained from the KIDS COUNT Data Center indicate there are approximately 47,000 children whose families are eligible for CCAP benefits as they have an FPL below 200%. DHS licensed CCAP providers received payment for 8,485 children in SFY2022, 18.1% of children eligible to receive subsidized child care in Rhode Island. The percentage of utilization in Rhode Island closely mirrors that of the Department of Health and Human Services' estimate, with consideration given to lower utilization caused by the pandemic. It is also important to note, there are 4,756 children (3,577 families) eligible for CCAP benefits in the RIBridges system that are not currently enrolled with a CCAP provider. This represents the number of families who are active in our system for another benefit, are eligible for CCAP, but do not use their voucher at a program currently.

Question: What is the current absence payment policy?

Question: Please provide specific details regarding minimum attendance needed for full payment?

Question: How does this differ from the pre-COVID policy and the enrollment policy in effect during the pandemic?

Question: What was the average monthly number of absences for FY 2022?

Question: Does DHS have any data on the absence policy's impact on capacity for non-CCAP slots?

Question: Please provide the total cost, actuals to date, projected FY 2023 and FY 2024 costs, and funding source for payments made based on this policy.

Answer(s): Please refer to the following narrative and charts.

Effective September 18, 2022, families are allowed up to two consecutive weeks of allowable absences at a time without impacting provider payment. Allowable absences are absences with notice accompanied by a parent note. Parental notice will be required for absences that are five consecutive days in a week. Payment will not be made for children who are non-attending or absent without notice per DHS policy. After two consecutive calendar weeks of allowable absence, if the child does not return to care, no payment for subsequent weeks will be made. There is no limit on the number of days or weeks a child can be absent with notice in a calendar year, provided they return to care after the absence and provided they are not absent for more than two consecutive weeks at a time.

It is important to the Department that, while moving away from the enrollment-based attendance that was used throughout the pandemic, it continues to support both families and providers in maintaining a balanced attendance policy. The policy continues to de-link occasional and short-term child absences from provider payments while ensuring extended absences beyond two weeks are flagged for review and that children either return to care or are disenrolled. As was the case in the previous policy, if a child attends any portion of their enrolled hours in a calendar week full payment is made to the provider. The expansion from 5 to 10 consecutive days of approved absences provides additional flexibility for families managing longer illness periods, multiple exposures within a family and unexpected extended absences and

protects providers from income loss in these same circumstances. Beyond the 10-consecutive day period, providers and the Department's provider management team will either disenroll the child if non-attending with no plans to return or will evaluate on a case-by-case basis for circumstances that go beyond the allowable absence period.

Providers are required to retain daily sign-in and sign-out sheets for children as attendance is submitted based on attending/non-attending for the service week. Prior to September 18, 2022, DHS was reimbursing providers based on a child's enrollment and not attendance. During this time, providers were required to continue to submit attendance accurately but were paid based on enrollment. The Department tracks absences weekly in situations where a child is submitted as non-attending for a full week.

The COVID-19 practice of reimbursing CCAP services based on enrollment, not attendance and waiving the allowable absence policy for families ended September 17, 2022. In FY2022, an average of 187 children or 3.4% of children who were enrolled but not attending were paid for bi-weekly, at an average cost of \$27,854 per week. In addition, the cost to pay for allowable absences under the previous absence policy was \$1,349,812, or 2.5% of the total cost. Preliminary estimates for extending the allowable absence policy sees this percentage of the total cost increasing to 4%. This change in policy will increase the SFY2023 budget by \$1,433,676. The Department will continue to monitor the number of families utilizing the extended absence policy in FY2023 in order to drive future child care policy.

The Department does not mandate the number of slots a CCAP approved provider holds for children receiving CCAP benefits and does not track enrollment or attendance for private pay families. The impact of this expanded absence policy to non-CCAP slots is difficult to measure as the Department only tracks and reports total licensed capacity and weekly CCAP attendance within that capacity.

Question: For the Child Care Development Block grant, do the general revenues meet or exceed the required match? If it exceeds it, please explain why?

Question: Please include the balance of any unspent funds from prior years and report any plans for use.

Answer(s): Please refer to the following narrative and charts.

Section 9801 of the ARP Act increased the CCDF mandatory and matching appropriation. This is the first increase to CCDF mandatory and matching appropriations since 2006. This funding increase had been applied to the FY2021 annual funding and because it is a statutory amendment to the Social Security Act and not subject to annual appropriations, this increase is permanent and will be maintained in future years. Because the state CCDF mandatory fund amount remains fixed in law, the increase in funds appropriated to the state by the ARP Act are awarded as CCDF matching funds. However, states are not required to match the additional funds awarded in section 9801 of the Act in FY2021 and FY2022. For the government fiscal year beginning October 1, 2022, the requirements for state CCDF matching funds remain the same and are subject to the

current quarterly FMAP rate. With the public health emergency being extended through January 2023, the State will continue to take advantage of the 6.2 percent increased federal match rate.

General Revenue	Amount
Maintenance of Effort (MOE)	\$5,321,126
State Match	\$3,641,596
General Revenue Total	\$ 8,962,722

The currently enacted SFY23 amount of general revenue is \$280,785 short of meeting the required \$8,962,722 match needed.

Fiscal Year	Mandatory	Matching	Discretionary
FY2022 Carryforward	\$3,126,643	\$2,996,740	\$8,478,140

The above table represents FY2022 CCDBG carryforward amounts available for FY2023. CCAP administrative and systems costs, quality contracts, and various CBA payment practices such as reimbursement for paid sick time utilizing DHS-approved emergency assistants are funded with discretionary funding. Carryforward funding is projected to be used to support increased caseload costs in order to alleviate the need to request additional general revenue appropriations.

The DHS excel file for the FY2023 and FY2024 estimates by fund source and line sequence is included with the caseload documents as Appendix A.

Question: How has the 7 percent co-pay cap impacted the overall budget for CCAP and the cost per subsidy?

Question: How has the FY 2022 enacted rate increase impacted the overall CCAP budget and cost per subsidy, and what other changes have the childcare system experienced including number and quality of providers as a result of this rate increase?

Answer: Please refer to the following narrative and charts.

The 7 percent cap on family co-payments impacted approximately 807 households with incomes above 150 percent of FPL in the month of August. The remaining copay levels remained the same, meaning families at or below 100 percent of FPL continued to pay no family share, families above 100 percent and below 125 percent are paying a 2 percent copay, and families above 125 percent and below 150 percent are paying a 5 percent copay. The fiscal impact to the total FY2023 budget is 1.6 percent.

The expanded FPL income limits effective July 1, 2022, had an immediate impact for 158 families whose income was higher than 180 percent FPL (the previous entry point) but under the new limit of 200 percent FPL. Likewise, the expanded exit limit for transitional CCAP cases (those

whose income exceeds 200 percent FPL at renewal) resulted in renewed benefits for 72 families who would have been denied as over income under the previous limit of 225 percent FPL.

While the number of CCAP providers with enrollments is down 25.6 percent from October 2020, we have seen a slight increase since last caseload. Various investments in child care have seen this number increase by 11.6 percent since August 2021, with center-based providers increasing by 12.8 percent and family based providers increasing by 10.3 percent. There are currently 13 pending licensures in the queue, with an additional 19 new potential family child care providers working with technical assistance providers to get into orientation and first step programs for new providers.

CCAP Providers with Enrollments					
Provider Type	20-Oct	21-Mar	21-Aug	22-Mar	22-Sep
Family Based Providers	442	302	262	279	289
Center Based Providers	336	243	257	293	290
Total	778	545	519	572	579

The Department continued to see record low enrollment providing subsidies to an average of 5,404 children each week in FY2022. This represents a 3.9 percent decrease from FY2021, and a 40.6 percent decrease pre-pandemic. While all age categories experienced a decline in enrollment between 4.4 percent and 4.8 percent, infant/toddler enrollment increased by 2.6 percent. This could be due to steps towards workforce stabilization in child care centers who provide infant/toddler care. As the unemployment rate has been decreasing, more people are entering the workforce and entering the early childhood field. While the nation is still dealing with one of the biggest staffing shortages the early education field has experienced in decades, there are signs that showing a slow trend upwards. Using data compiled in the first two pandemic retention bonus periods, the Department saw almost 500 more applicants in the second application period than in the first application period. While data is not complete for the current period because it is still ongoing, in just the first week of the third application period being opened, the Department saw almost the same number of total applicants as in the second period. As the state enters a new phase of the pandemic, families are also feeling more confident putting their children in care, something that has not been the case over the last two and a half years. Up until recently, there was no reprieve for infant and toddler families. When there were vaccines, it was a substantial period of time before vaccines were available for that population. Testing options just recently were approved for use for children under two. Because of all these variables, whenever a parent could choose to keep their child out of group care, they made that choice.

Number of Children by Provider Type

	# of Children	# of Providers
Family Based	1,208	268
Center Based	4,196	260
Total	5,404	528

Based on average in SFY22

Overall, DHS experienced a 1.7 percent decline in the number of providers actively serving CCAP children in FY2022 compared to FY2021. However, the number of center-based providers serving CCAP children increased by 5.3 percent last year while family child care providers serving CCAP children declined by 7.6 percent.

In FY2022, the average number of children served by age category is as follows:

Number of Children by Age Grouping

Category	# of Children	percent of Total
Infant	391	7.2 percent
Toddler	826	15.3 percent
Preschool	2325	43.0 percent
School Age	1862	34.5 percent
Total	5404	100 percent

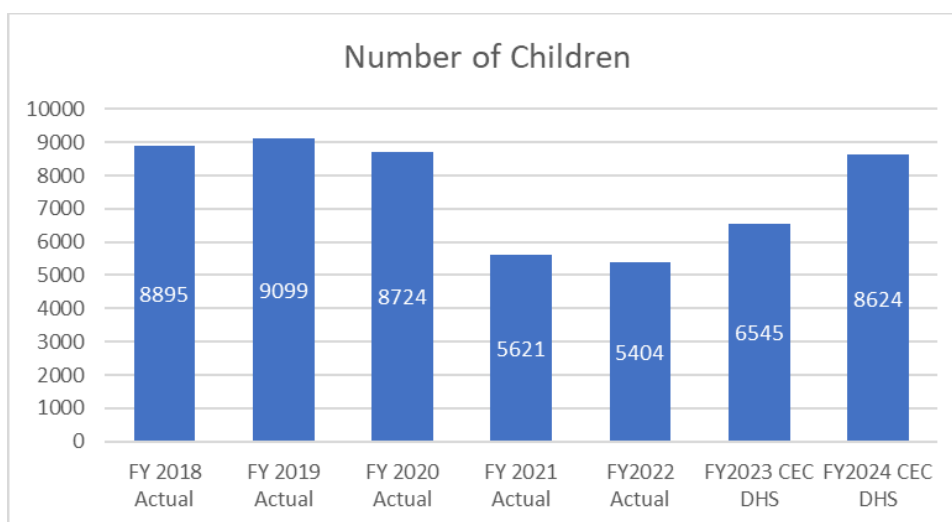
Based on average in FY22

In general, families utilize child care subsidy programs for relatively short periods of time, but frequently return to the subsidy program after they exit. Exits from the program are likely related to employment patterns of the parents that participate in the program. The number of children enrolled in child care throughout the year in FY2022 is 36.2 percent higher than the average amount of children enrolled in any given pay period.

As mentioned earlier, the Department experienced a 3.9 percent decrease in the number of children served in FY2022 compared to FY2021. The decline in caseload is a significant reminder of a child care crisis which predates the pandemic. The child care crisis is decades old and continues to disproportionately affect women. While the Rhode Island economy is maintaining a strong economic momentum with a 2.8 percent unemployment rate, the child care industry is still struggling. Due to strong COVID-19 mitigation practices, revised regulations and immediate financial supports available to providers, child care closures and operational gaps have been mostly avoided. Still, the pandemic continues to debilitate an already struggling industry, with

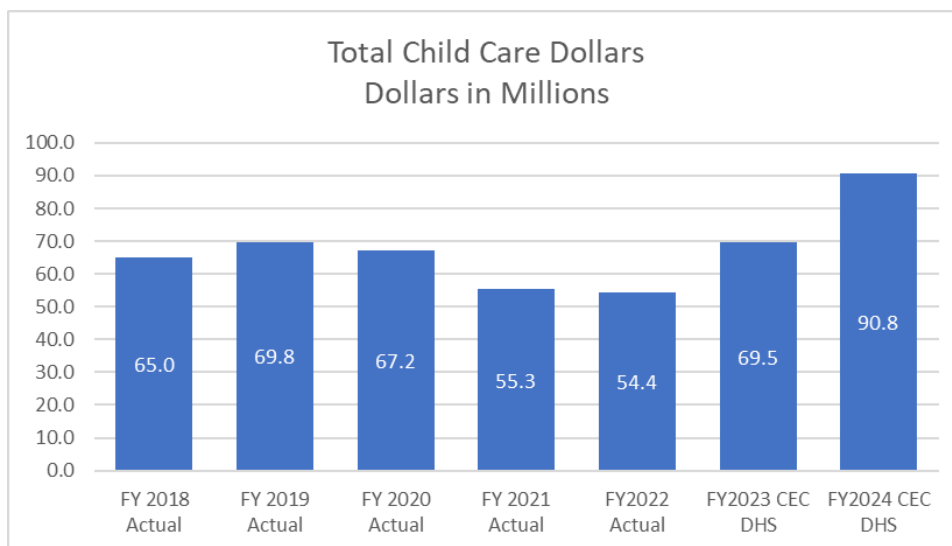
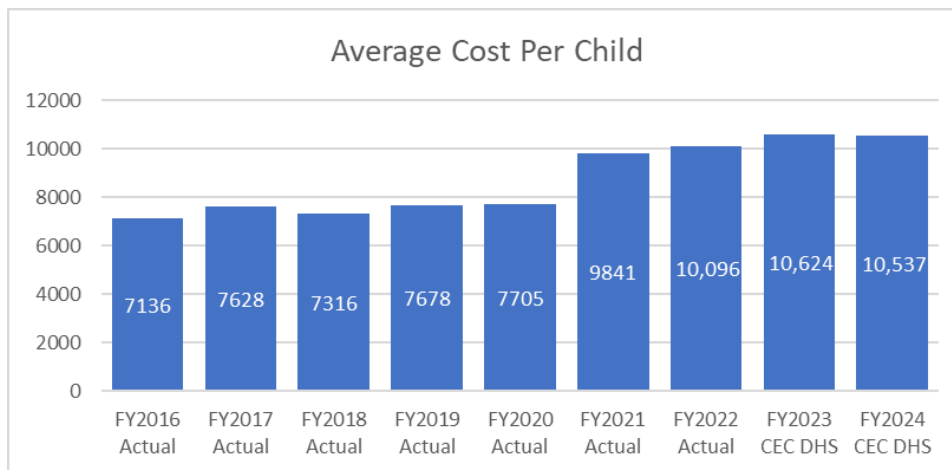
high turnover and tight margins before the pandemic. In addition, changes to parent employment, including job loss or job change, reduction in working hours for hourly employees, or flexibility to work remotely, has contributed to significant reductions in child care enrollment.

With the expansion of eligibility to 200 percent of FPL as well as the increased transitional exit of 300 percent and the expansion of child care assistance for college students, the Department is expecting to see a 21.1 percent increase in the number of children served in FY2023. In addition, family child care grants and pandemic retention bonuses funded through the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF), as appropriated by Governor McKee and the General Assembly, will contribute to this growth as these programs will provide the child care sector with the support it needs to serve Rhode Island families throughout the pandemic and beyond.



Recent legislation to increase rates paid to child care providers to move towards federally defined equal access to child care in Rhode Island will increase the average cost per child in FY2023 by 5.2 percent to \$10,624.

While COVID-19 mitigation payment practices are no longer in effect, the State has been able to enhance payment practices to continue to remove barriers for families accessing quality child care. In January, the Department capped co-payments at 7 percent. Capping co-payments at 7 percent of a family's income ensures families have equal access to child care services comparable to those provided to families not eligible for CCDF assistance. In addition, expanding the allowable absence policy supports both families and providers by de-linking occasional and short-term child absences from provider payments.



As the State continues to transition the management of COVID-19 from a pandemic into an endemic strategy, models of prevention, treatment, and healthcare delivery, as well as updates to the State's vaccination and testing sites are in place. Most public health officials agree that COVID-19 is here to stay. However, current quarantine guidance for close contacts and monitor-to-stay programs continue to aid families and child care providers struggling to maintain participation.

As previously stated, COVID-19 mitigation payment policies are no longer in effect. However, the Department continues to support CCAP families by capping co-payments at 7 percent and expanding the allowable policy.

The below projection includes the cost to increase the rates paid to child care providers to move towards federally defined equal access to child care in Rhode Island, the cost to expand eligibility

to 200 percent of the federal poverty level, and the cost to permanently lift the sunset on the CCAP for low-income college students. In addition, the cost to cap CCAP co-pays at 7 percent, in-line with the federal standard for affordability, is included. In addition, the cost to cap CCAP co-pays at 7 percent, in-line with the federal standard for affordability, and the cost to expand the attendance policy is included.

	FY2023	
	Average # of Children	Amount
Base	6,545	\$57,694,279
FY2023 Enacted Rate Increase	N/A	\$6,207,850
Expand Eligibility 200 percent FPL	N/A	\$2,680,900
CCAP for College	N/A	\$375,000
Cap Copay 7 percent	N/A	\$1,145,482
Expand Attendance Policy	N/A	\$1,433,676
		\$69,537,187

The Department projects that average enrollment is expected to recover at a slow, yet steady pace in FY2023. In its third pandemic year, the labor market is projected to be unsettled. It is expected that people will continue to quit their jobs at above-average rates to seek out a better work life balance and will test new ways of working. Along with this new work life balance, staffing shortages and ongoing disruptions to care from quarantines will continue to cause families to opt for in-home, alternative care arrangements. It is expected that through FY2023, average enrollment will increase by 21.1 percent compared to FY2022, but will again remain at record lows for the immediate future.

The Department projects that average enrollment is expected to increase by 31.8 percent in FY2024. The cost associated with this increase in enrollment is in the table below.

	FY2024	
	Average # of Children	Amount
Base	8,624	\$90,866,869
		\$90,866,869

Question: The FY 2023 enacted budget permanently extended child care assistance for individuals enrolled in either URI, RIC, or CCRI. How many families have taken advantage of the program, how many children were impacted by this program in FY 2022, and what are the assumptions for FY 2023 and FY 2024?

Answer: With an estimated annual cost for FT CCAP being approximately \$10,096 per child, DHS allocated pilot funding in the amount of \$200,000 to 10 families including 21 children. An additional three families including 4 children were approved for CCAP benefits for college enrollment in August 2022 after the July 1st approval to continue the program. The Department anticipates increased demand with the roll out of the pilot expansion to include families with combined college credit and work hours meeting the minimum 20 hour approved activity threshold. This will allow families who meet the income eligibility standards to combine part time college credit hour needs with part time work hours needs which better reflects the schedule and needs of student parents. While this expansion is built and implemented in the Bridges eligibility framework, families can continue to apply under the pilot model requiring a minimum of 7 credits. Updates to the Bridges system and communication plans to student supports, admissions, student counseling and DHS quality partners is in progress. Under CCAP rules, families are authorized for a 12-month period. Currently under the pilot extension, eligibility for CCAP for College requires a family to meet income eligibility requirements and to provide proof of enrollment in a minimum of 7 credits in a degree program at URI, CCRI or RIC at the time of application. In SFY2023, the estimated cost per child is approximately \$10,624 for the 12-month certification period.

Question: Please provide an update on any contract negotiations with SEIU on behalf of the family child care providers and potential program impacts for FY 2023 and FY 2024, if applicable.

Answer: The most recent agreement between the State of Rhode Island and SEIU District 1199NE covering Child Care Assistance Program (CCAP) Family Child Care Providers expired June 30, 2020. The Rhode Island Department of Human Services and SEIU District 1199NE entered into a Memorandum of Agreement (MOA) to extend the SEIU agreement. The MOA is what we are currently working under while DHS works towards the conclusion of negotiations. The State and the Union have been meeting regularly to discuss various proposals and have made immense progress in prioritizing the Union's requests. The Department and Union are near the end of negotiations and a finalized contract is expected to be ready. As a result of the ongoing contract negotiations, DHS is unable to concretely verify the potential impacts for FY 2023 and FY 2024, but should have a clearer picture for next caseload.

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 potential payment discrepancies.

Key Performance Indicators (KPIs) of success include:

- Decrease in attendance records included in the off-cycle payments
- Monthly monitoring of CCAP recertifications and improved training across the field on obtaining proper documentation verifying eligibility
- Increase in portal usage by CCAP providers

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 agreed upon period of time.

To ensure accurate and timely payment to child care providers, the CCAP financial team also conducts pre-payroll analysis of the data generated for biweekly payment. The data generated includes the status of eligibility, number of records processed, and amounts for union, PAC, copay and net benefits. This information is validated across an average of the last 10 batches and provides the Department with additional information to ensure payment integrity. Reports are also generated to review the number of children absent, the number of children enrolled in more than one provider, and the percentage to income of copay cost to the families.

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

2021 Market Rates and Equal Access

The 75th percentile is recognized by ACF as the equal access standard and states are expected to have base rates that meet this standard. The ACF Office of Child Care placed Rhode Island on Corrective Action in February of 2019 because its CCAP base rates did not meet the equal access standard. During the pandemic, Rhode Island was taken off corrective action while the COVID-19-enhanced rates remain in effect because these increased rates demonstrated the State's progress toward meeting the equal access standard. Once the COVID-19 enhanced rates ended, the State had to amend the CCDF State Plan to reflect the new FY2022 enacted rates and amended again to include the newest set of FY2023 rates. RI may be placed back on corrective action for base rates that do not meet the equal access standard based on the 2021 market rates. States on corrective action may be subject to penalty of up to four percent of discretionary funding. The following table maps the FY2023 enacted rates that took effect in July 2022 with the percentiles determined by the 2021 Market Rate Survey.

	1-Star	2-Star	3-Star	4-star	5-star
Infant/Toddler	\$265	\$270	\$282	\$289	\$300
MRS Percentile	50 th /65 th	60 th /70 th	70 th /80 th	75 th /80 th	80 th /85 th
Preschool	\$225	\$235	\$243	\$250	\$260
MRS Percentile	50 th	60 th	70 th	75 th	80 th
School Age	\$200	\$205	\$220	\$238	\$250
MRS Percentile	50 th	60 th	70 th	75 th	80 th

At this point, amendments are coming in for the states nationally who were on a waiver for their Market Rate Survey and once those are reviewed and approved by ACF, the center office will be able to have the information needed to determine non-compliance thresholds and issue final notice of penalty for states. While initially told this would happen after July 1, 2022, it is now expected notice will be issued by the end of the calendar year.

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, individuals must also have little or no income and few resources.

SSI Payments

As of September 2022, the number of persons receiving the SSI payment was 31,608. Despite the federal Social Security Administration (SSA) offices being reopened since May 2022, this is still a decrease from the prior month of 31,838. The FY2023 and FY2024 projection shows the number of cases remaining flat which is consistent with SSA data and current application intake.

The administrative transaction fee decreased to \$55,000 for FY2022. Based on a notification from the federal Social Security Administration and the projected caseload, the transaction fee is estimated at \$53,500 for FY2023 and \$58,500 for FY2024. The cost per person is **not** calculated to include transaction fees.

The average moving costs were \$183,404 in FY2022. DHS estimates are \$223,683 for FY2023 and \$235,296 for FY2024. These estimates are in line with pre-pandemic amounts and with continued focus on housing DHS anticipates getting back to those levels.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Enacted	FY 2023 November CEC DHS	FY 2024 November CEC DHS
SSI							
Persons	33,806	33,983	33,184	32,695	33,000	32,036	31,997
Cost / Person	\$ 47	\$ 46	\$ 46	\$ 44	\$ 45	\$ 44	\$ 44
Cash Payments	\$ 18,969,026	\$ 18,764,191	\$ 18,274,447	\$ 17,362,544	\$ 17,820,000	\$ 16,828,315	\$ 16,861,560
Transaction Fees	\$ 69,000	\$ 65,000	\$ 63,000	\$ 55,000	\$ 66,000	\$ 53,500	\$ 58,500
Total Dollars	\$19,038,026	\$18,829,191	\$18,337,447	\$17,417,544	\$17,886,000	\$16,881,815	\$16,920,060

The number of SSI recipients receiving checks by mail has remained stable and only approximately 4.3 percent of SSI recipients receive paper checks. For FY2022, the Department issued 17,034 checks by mail, a decline of 1,653 checks from FY2021 and a \$909 savings of check costs. The FY2023 projection of 16,704 checks is based on the last quarter of FY2022 and the first three quarters of FY2023. To project FY2024 number of SSI checks, DHS used the historical percentage of paper checks.

Month	# of Checks	Amount of Checks	# of Direct Deposits	Amount of Direct Deposits	Total # of Payments	Total Amount of Payments
Jul-21	1,471	\$55,962	31,913	\$1,276,674	33,384	\$1,332,636
Aug-21	1,502	\$57,680	33,457	\$1,279,892	34,959	\$1,337,571
Sep-21	1,490	\$56,981	32,069	\$1,283,698	33,559	\$1,340,680
Oct-21	1,424	\$54,732	31,861	\$1,275,062	33,285	\$1,329,794
Nov-21	1,488	\$56,882	31,890	\$1,275,074	33,378	\$1,331,955
Dec-21	1,526	\$58,124	32,008	\$1,280,625	33,534	\$1,338,749
Jan-22	1,386	\$52,533	31,473	\$1,258,547	32,859	\$1,311,080
Feb-22	1,312	\$50,053	31,613	\$1,265,592	32,925	\$1,315,645
Mar-22	1,328	\$50,564	31,434	\$1,258,132	32,762	\$1,308,696
Apr-22	1,320	\$50,265	31,484	\$1,260,131	32,804	\$1,310,396
May-22	1,370	\$51,917	31,887	\$1,276,131	33,257	\$1,328,049
Jun-22	1,417	\$52,946	31,282	\$1,250,866	32,699	\$1,303,811
Jul-22	1,381	\$52,141	31,384	\$1,255,072	32,765	\$1,307,213
Aug-22	1,335	\$50,832	31,150	\$1,245,370	32,485	\$1,296,201
Sep-22	1,416	\$54,116	31,224	\$1,248,370	32,640	\$1,302,486
Total	21,166	805,728	476,129	18,989,236	497,295	19,794,965
<i>% of Total</i>	4.3%	4.1%	95.7%	95.9%	100%	100%

	# of Checks	Cost per Check	Amount
SFY19	22,336	\$0.55	\$12,285
SFY20	21,462	\$0.55	\$11,804
SFY21	18,687	\$0.55	\$10,278
SFY22	17,034	\$0.55	\$9,369
SFY23 Estimate	16,704	\$0.55	\$9,187
SFY24 Estimate	16,524	\$0.55	\$9,088

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

Answer: See Appendix A

Question: Please provide the number of individuals residing in a non-Medicaid funded assisted living facility and receiving the \$206 payment and the total cost for FY 2023 and FY 2024.

Answer: See below chart

Individuals Receiving Assisted Living Payments

Each month the Department issues cash payments of \$206 for individuals in Assisted Living (AL) facilities. The total payments for FY2022 decreased to \$95,790 from \$168,302 in FY2021. The FY2023 projection is \$100,322. This amount is a slight increase in payments as residents who are CAT-D eligible are registered and is based on the last four quarters of data. FY2024 projections remain constant as the impact from prior reforms begin to stabilize.

	FY 2022 Q1	FY 2022 Q2	FY 2022 Q3	FY 2022 Q4	FY2022 Total	FY 2023 Q1	FY 2023 DHS Projected	FY 2024 DHS Projected
Bristol Assisted Living	\$2,472	\$2,472	\$2,472	\$2,472	\$9,888	\$6,386	\$25,544	\$25,544
Charlesgate	\$3,296	\$2,472	\$2,060	\$1,854	\$9,682	\$1,854	\$8,240	\$8,240
Community Care Alliance	\$6,798	\$7,622	\$7,622	\$6,386	\$28,428	\$7,004	\$28,428	\$28,428
Franciscan Missionaries	\$10,712	\$9,888	\$9,476	\$8,858	\$38,934	\$9,888	\$38,110	\$38,110
Total	\$32,136	\$22,454	\$21,630	\$19,570	\$95,790	\$25,132	\$100,322	\$100,322

The number of quarterly cases in each facility is shown below. DHS projections align with its methodology for the cash payments in both FY2023 and FY2024.

	FY 2022 Q1	FY 2022 Q2	FY 2022 Q3	FY 2022 Q4	FY 2022 Average	FY 2023 Q1	FY 2023 Average DHS Projected	FY 2024 Average DHS Projected
Bristol Assisted Living	4	4	4	4	4	10	10	10
Charlesgate	5	4	3	3	4	3	3	3
Community Care Alliance	11	12	12	10	12	11	12	12
Franciscan Missionaries	17	16	15	14	16	16	15	15
Total	52	36	35	32	39	41	41	41

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 aged 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.

GPA Projection

As of September 2022, there are 282 GPA Bridge cases exceeding the May projection by 15 cases, illustrating the anticipated increases were realized. The major factors driving the increase include the DHS Medical Assistance Review Team (MART) disability reviews ended in September 2021, field offices reopened, and PUTA benefits ended.

Historically, 1-3% of cases were being approved for GPA benefits. However, since October 2022 that percentage has averaged 19%, resulting in a net increase of 18 cases per month. The projection uses a rolling five-month average, giving rise to the number of cases reaching to an average of 348 in SFY23 and 629 in SFY24.

The cost for GPA burials for FY2022 was \$589,380, slightly less than the \$600,000 adopted as part of the May Caseload Estimating Conference. The GPA burial expenses have remained consistently around \$600,000 over the last five years including \$679,746 in FY2020 during the height of the COVID-19 pandemic. Based on that fact, the FY2023 and FY2024 GPA burial costs are also estimated at \$600,000.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Enacted	FY 2023 November CEC DHS	FY 2024 November CEC DHS
GPA						
Persons - Bridge	103	61	114	296	348	629
Cost / Person	\$ 160	\$ 178	\$ 185	\$ 185	\$ 190	\$ 191
Cash Payments - Bridge	\$ 197,568	\$ 130,410	\$ 252,903	\$ 657,120	\$ 795,451	\$ 1,438,232
Burials	\$ 679,746	\$ 569,269	\$ 589,380	\$ 600,000	\$ 599,992	\$ 600,000
Total Dollars	\$ 877,314	\$ 699,679	\$ 842,283	\$ 1,257,120	\$ 1,395,443	\$ 2,038,232

Question: For FY 2023 and FY 2024, please provide an estimate of the expenses for the burial assistance program.

Answer: See above chart