

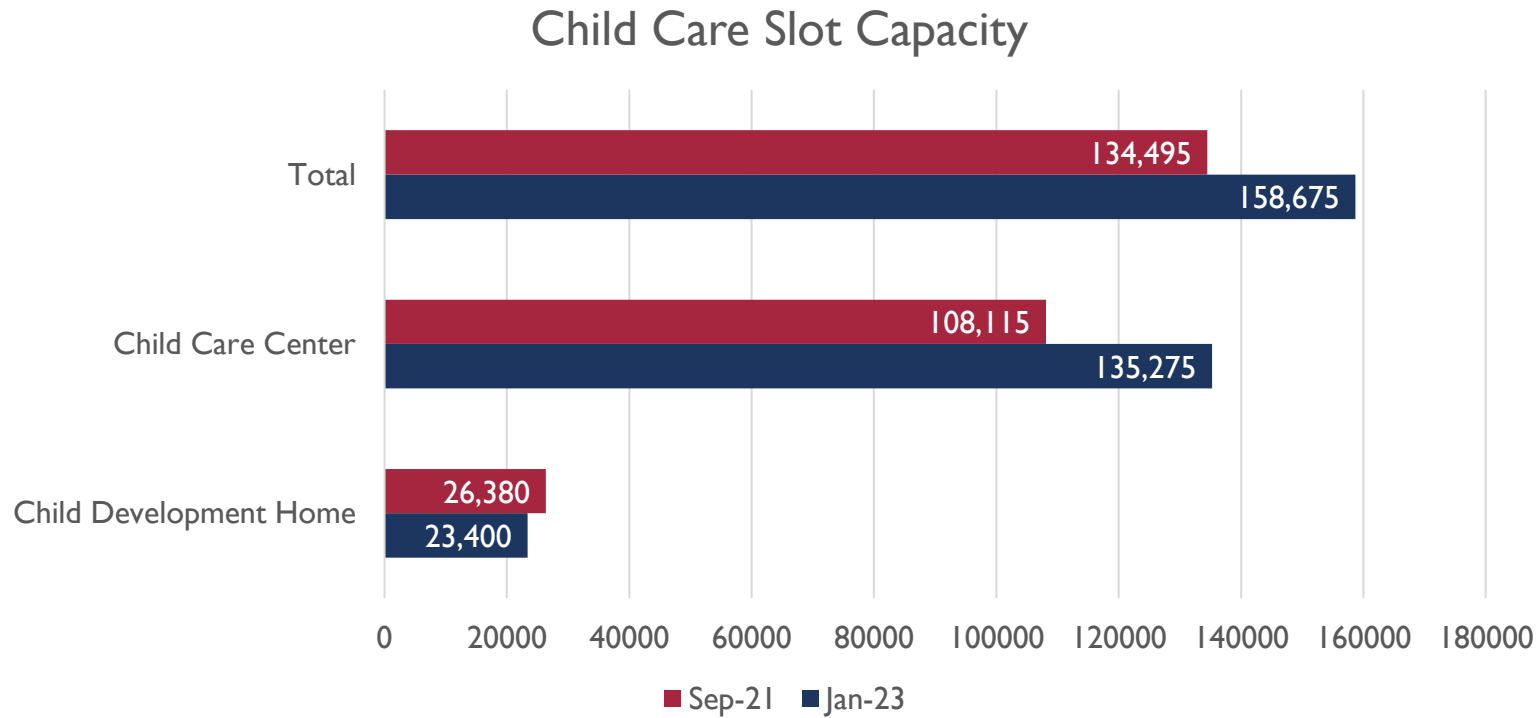
Investing in Iowa's Children

February 6, 2023

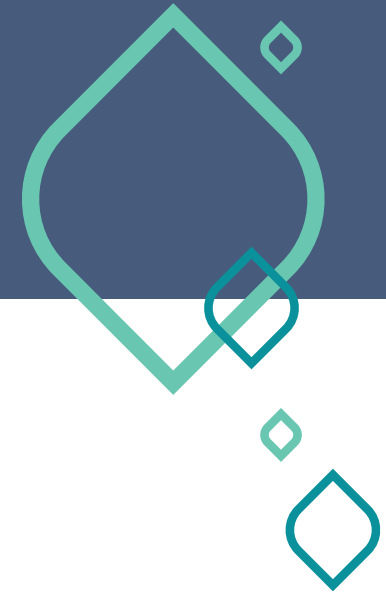
Landscape of Child Care in Iowa



■ Iowa child population younger than five years old: 187,257



Who Does HHS Serve?



Families and Communities

- Child Care Assistance (CCA)
- Oversight of child care facilities
- Supports to improve accessibility and quality of child care

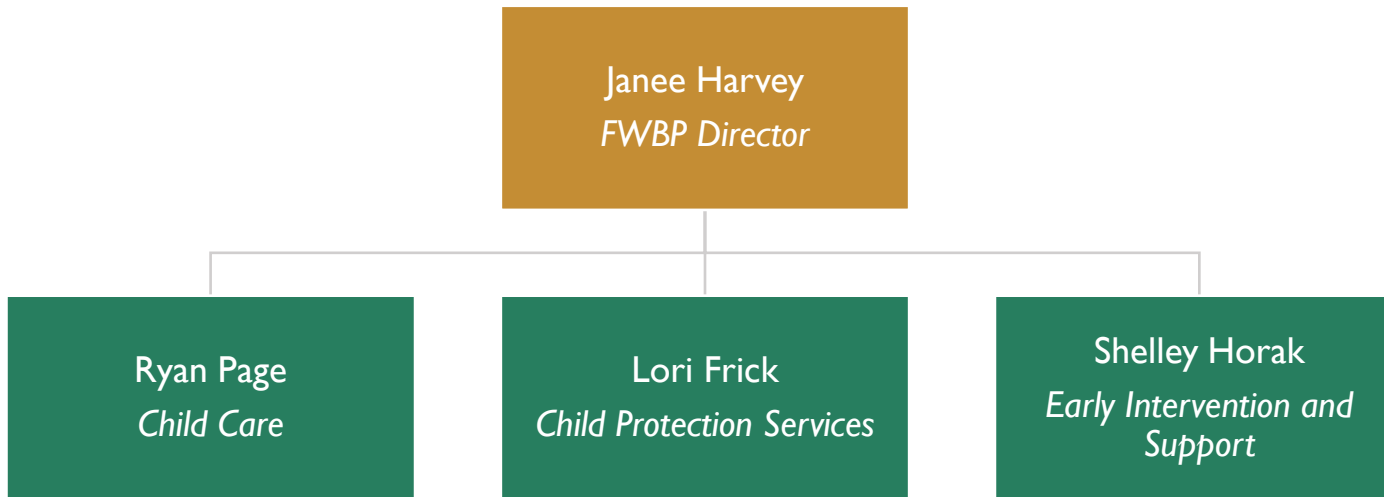
Child Care Providers

- Child Care regulation
- Supports for child care businesses
- Free and low-cost quality improvement activities



Alignment

- Division of Family Well-Being and Protection (FWBP)



Child Care

Quality

Affordability

Access



Typical Family Served



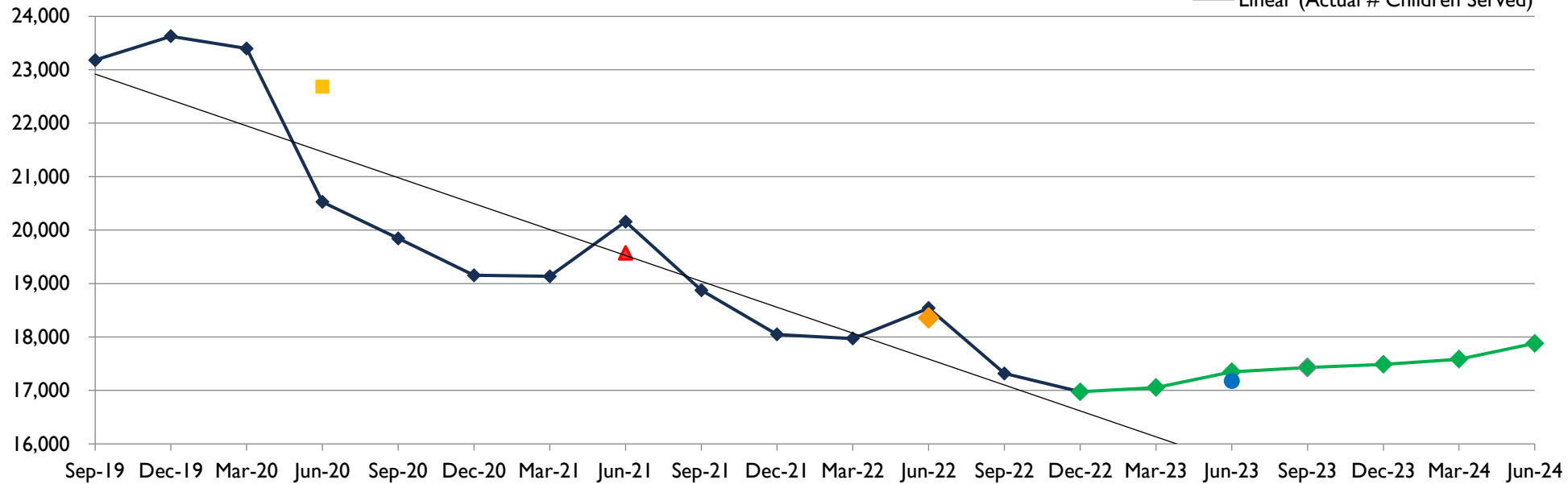
Federal Poverty Level (FPL)	Hourly	Monthly
145%	\$17.40	\$2,784
250%	\$30.00	\$4,800

Declining CCA Case Loads



Child Care Assistance Total Children Served By Month DHS Projections through June 2024

- Actual # Children Served
- Current Projections through SFY24
- Monthly Average SFY 20
- Monthly Average SFY 21
- Monthly Average SFY 22
- Monthly Average SFY 23
- Linear (Actual # Children Served)



Child Care System Barriers



Competing issues within the child care industry

Subsidy rates are below market value, reducing access to families on CCA

Expanding child care access cannot be accomplished by only increasing subsidy availability to families

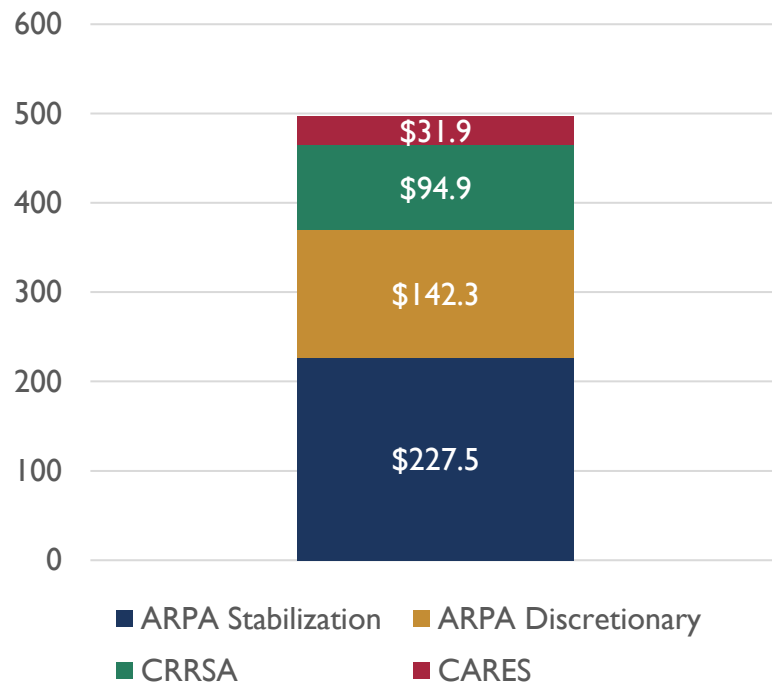
Child care industry jobs remain below pre-pandemic levels

- Low pay
- Worker shortage

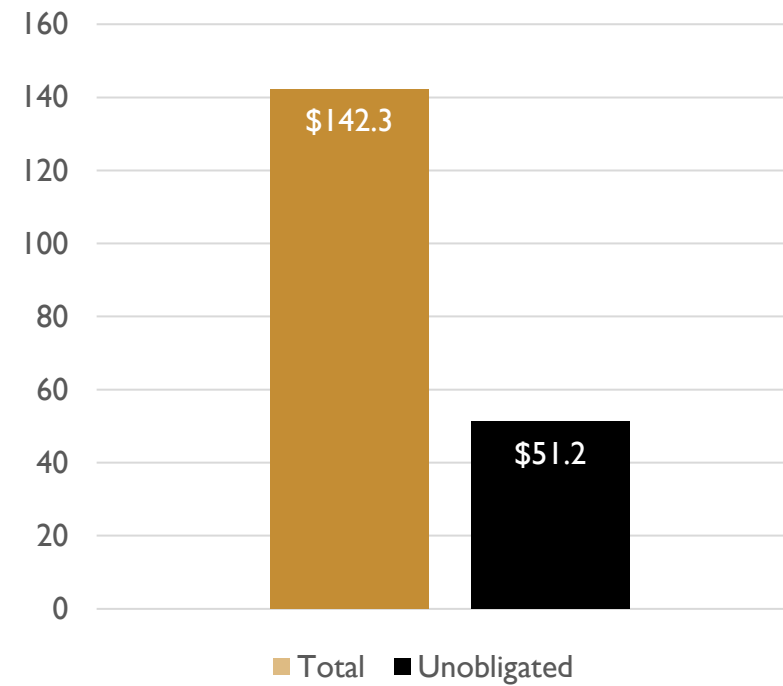
Stimulus Spending Update



Total Stimulus Funds
In millions



ARPA Discretionary
In millions



Incentives to Move Forward



Increase CCA eligibility to 155% FPL

- 145% FPL for family of 3 is \$ 2,784/mo
- 155% FPL for family of 3 is \$ 2,976/mo

CCA Provider Rate Percentile Increase

- Current rates 50th-75th percentile
- Increase to 65th-80th percentile

CCA for Child Care Workforce Pilot

- Rep. Meyer has introduced HSB 50

Incentives to Move Forward

Continued Funding to Statewide TEACH and WAGE\$

Professional Development Funding

Increasing Recruitment & Retention Bonus

Developing Teacher Supports

Refugee Child Care Services



Shared Services Model



Software to assist child care
in managing their business

Financial Management
Operations

Alliance Hubs

CCA Exit: HF 302



- Implemented July 1, 2022
- Family co-pay fees start at 33% up to 60% of cost of care for every child
- **December 2022 data:**
An average of 14 children per month, at an average cost of \$205 per month
- Families are paying an average of 40% of the cost of care

Year	Average Monthly Number of Children	Annual Cost
SFY23	91	\$223,860
SFY24	259	\$637,140
SFY25	427	\$1,050,420
SFY26	595	\$1,463,700

Staffing/Ratio Modifications: HF2198

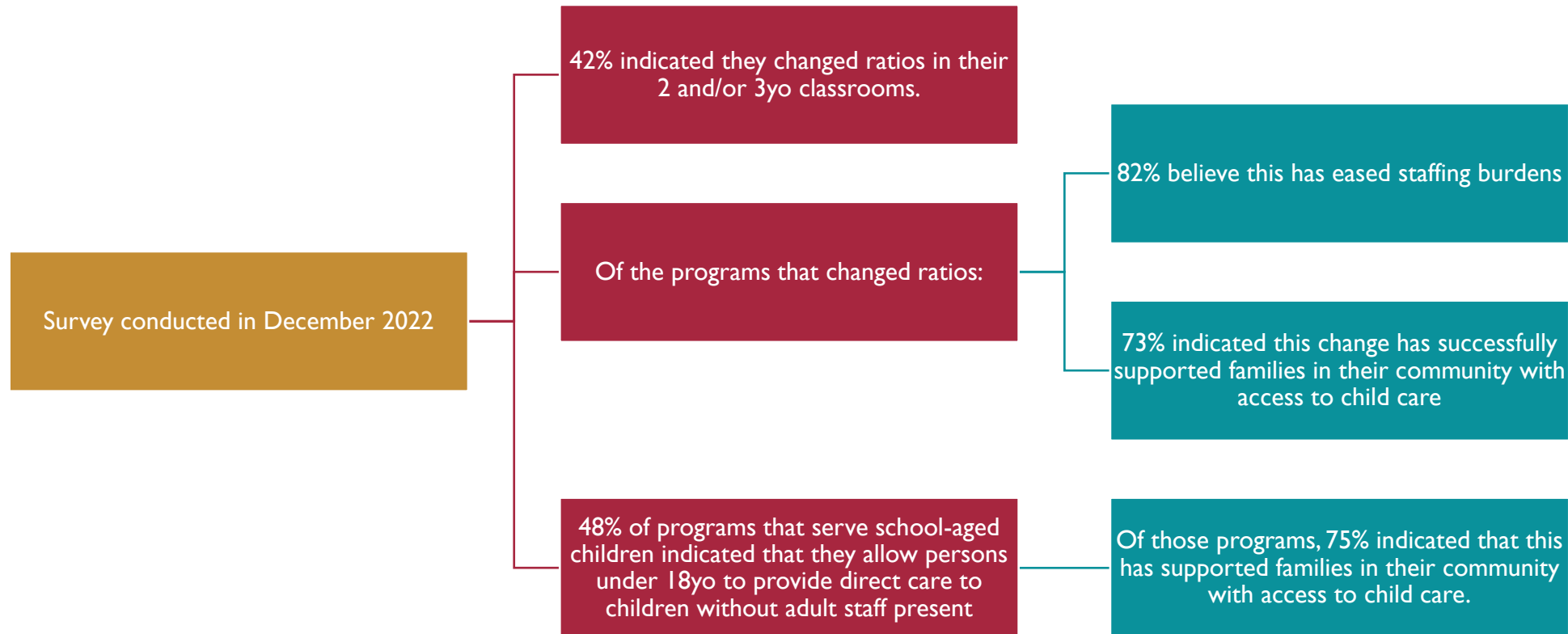
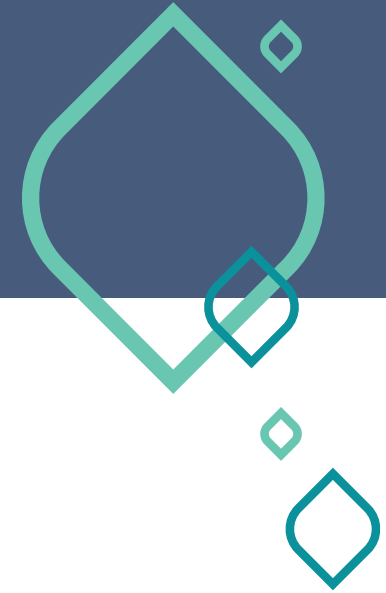


Allows increase in adult-to-child ratio in 2 year old classroom from **1:6 to 1:7**

Allows increase adult-to-child ratio in 3 year old classrooms from **1:8 to 1:10**

Allows 16 and 17yo staff to care for school-aged children in child care centers without adult supervision

Child Care Provider Survey



Questions?

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