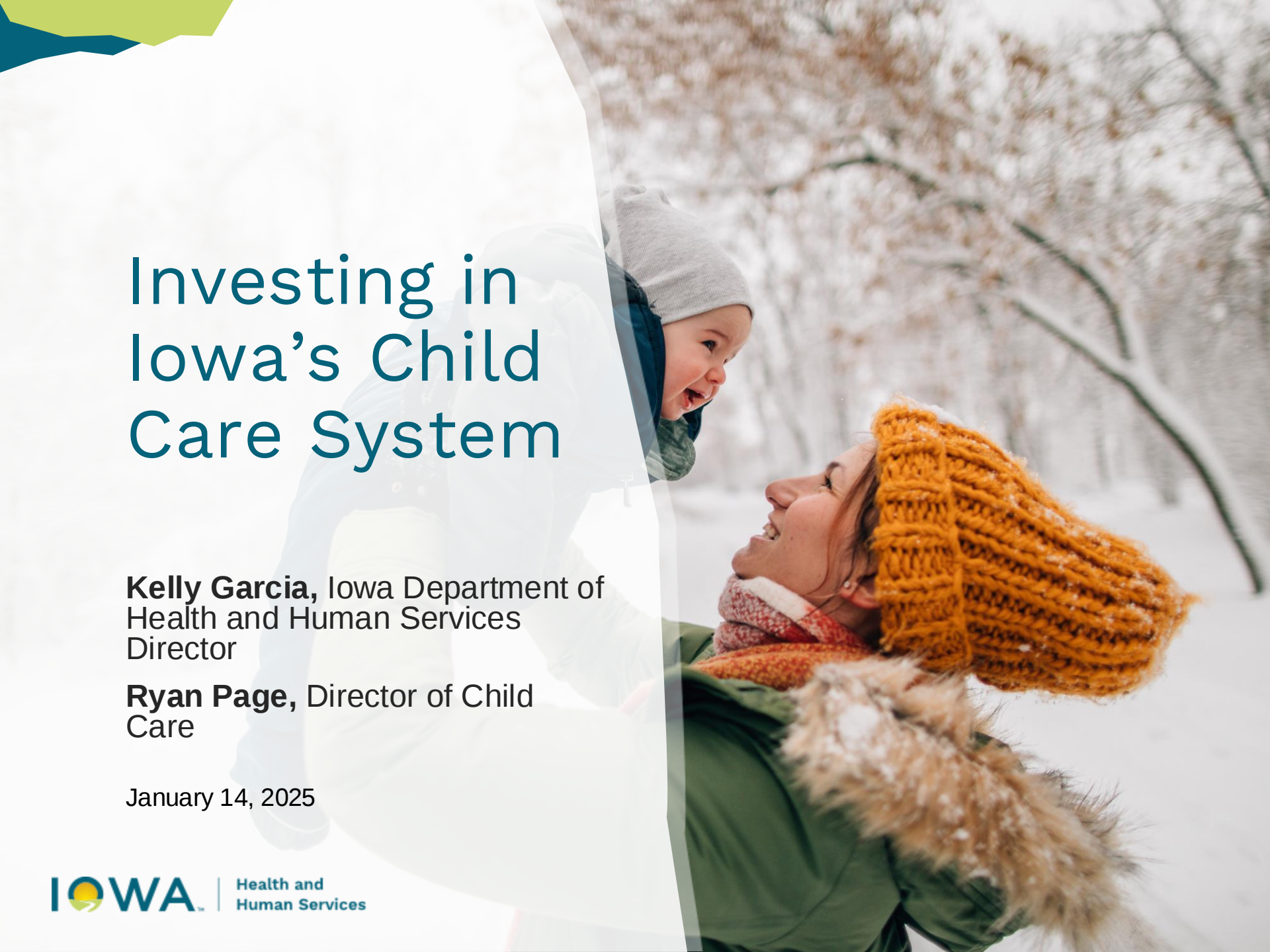




Investing in Iowa's Child Care System

Kelly Garcia, Iowa Department of
Health and Human Services
Director

Ryan Page, Director of Child
Care

January 14, 2025

Child Care Team

Division of Family
Well-Being and
Protection

Janee Harvey
Division Director



Child Care
Ryan Page



Centers
Todd Savage



Homes
Sheila Aunspach



Policy
Wendy Hoogeveen



**Registration and
Payments**
Open

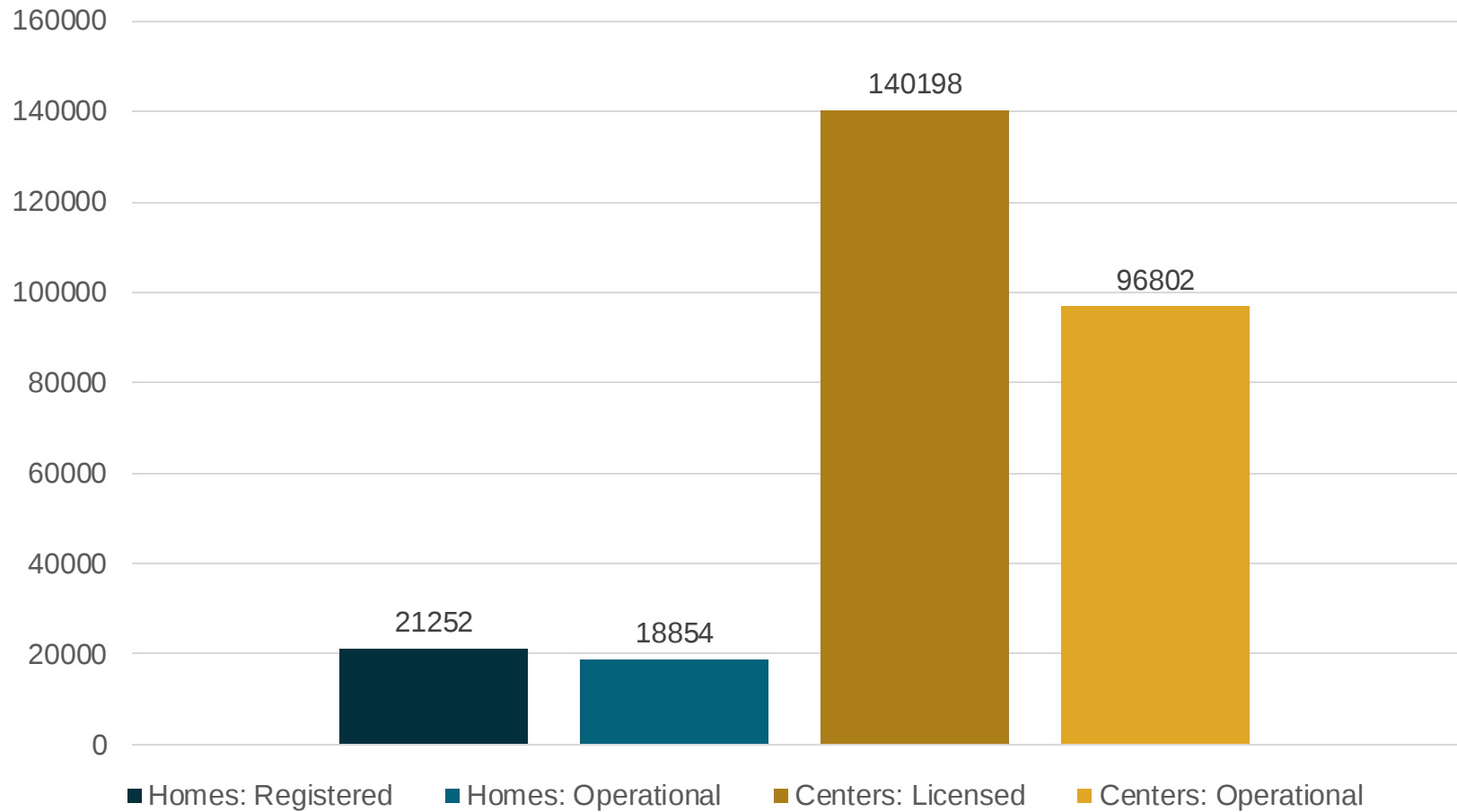
Child Care Funding

Funding Overview

- ▶ Child Care Development Fund (CCDF)
 - Block grant-style federal funding
 - 70% to direct services for eligible families and payments to providers
 - Remaining funds support infant/toddler, quality initiatives and administrative expenses
 - Federal Fiscal Year (FFY) 2025 Appropriation: \$109,630,285
- ▶ State General
 - Supports state match for federal grants
 - State Fiscal Year (SFY) 2025 Appropriation: \$34,966,931

See Appendix A: Child Care Assistance Provider Rates Over Time

Current Child Care Capacity



CCA Eligibility and Family Requirements

Examples

Examples are based on what parents would be paying when co-pay amount and providers charging the difference between their rate and the state rate. Assumed monthly cost of care is \$2,268, or the 90th percentile of licensed center care market rate.

Example Family



Adult



Child



Infant

	CCA family at or below 100% FPL	CCA family at 160% FPL	CCA Plus family at 225% FPL	CCA Exit family at 250% FPL
HHS Pays	\$1,808	\$1,620	\$1,540	\$447
HHS Co-pay	No Co-pay	\$188	\$268	\$1,361
Provider Charge*	\$460	\$460	\$460	\$460
Total Family Cost	\$460	\$648	\$728	\$1,821

*Provider charge for difference between HHS payment and private pay.

See Appendix B: Child Care Assistance Enrollment Data

Child Care Assistance (CCA) Pilot

- ▶ 1-year pilot allowing child care workforce to apply for CCA for their own children with no family income limit
 - 1,614 families have been served by the CCA Pilot
 - Average 299% FPL
- ▶ Extended through SFY25
- ▶ Must be in a direct care position at the child care program
- ▶ Must meet all other CCA eligibility requirements
- ▶ 50% State funded

CCA Pilot Survey Responses

88%

of respondents were already in the child care workforce when they applied for the CCA Pilot

87% indicated that the Pilot encouraged their continued employment in child care

44% previously applied for CCA but were denied for being over income

49%

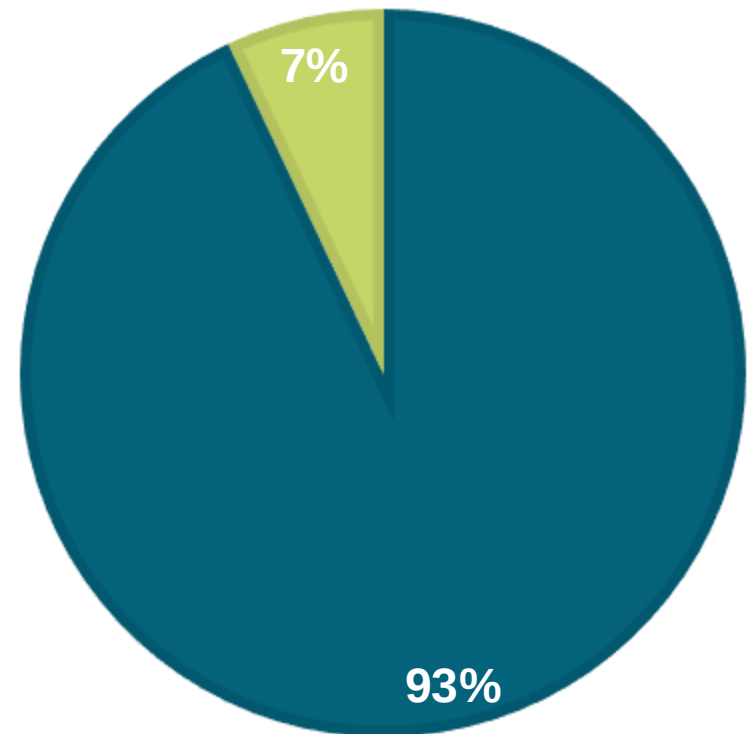
indicated they were somewhat unlikely or very unlikely to remain in the child care workforce if the Pilot was not available

12%

indicated they began working in child care as a result of the Pilot

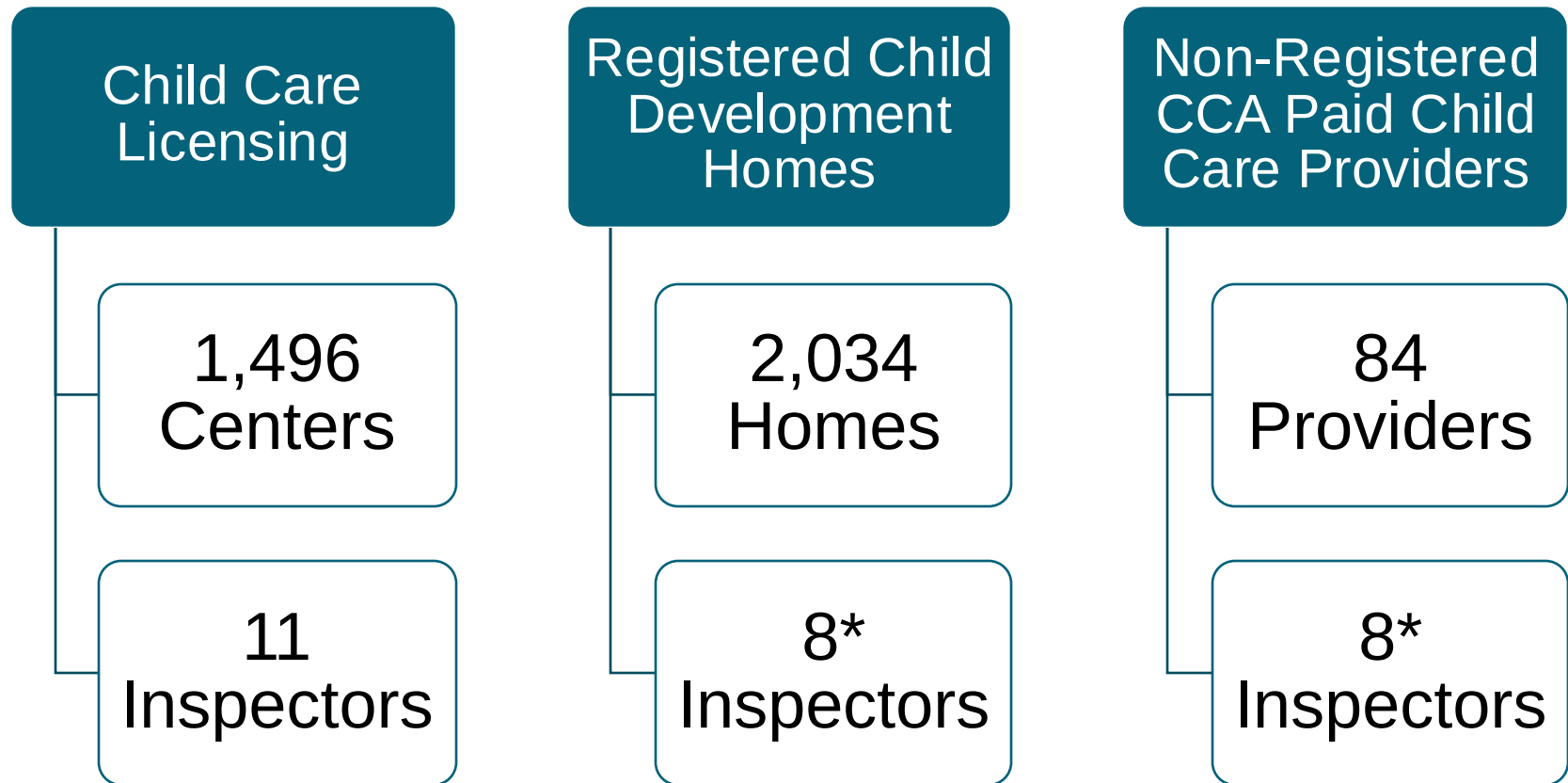
Pilot Participant Retention

RECEIVED CCA



■ Stayed in child care ■ Works elsewhere

Licensing and Regulation



*8 inspectors are shared between Registered Child Development Homes and Non-Registered CCA Paid Child Care Providers

Child Care Initiatives

Child Care Wage Enhancement Project

Short-term funding opportunity to kick off community wage enhancements

10 local communities were contracted

Required matching funds from business partners in the local community up to \$2.00 for every \$1.00 pledged

\$2.99 million invested by HHS with the use of American Rescue Plan Act (ARPA) funds

Shared Services

Child Care Collaborative of Iowa

- Provides business coaching supports, professional development and tax support to child care facilities who are using a contracted Child Care Management System
- \$1.5 million annual cost

Child Care Management Systems (CCMS)

- Iowa supports child care facilities' basic monthly subscriptions to Playground or Brightwheel
- \$1.35 million annual cost
- Subscription fees and some maintenance costs or enhancements. Paying through June 30, 2025, with optional contract renewals

Opportunities Exchange

- Provides Iowa with technical assistance in shared services implementation and for business coaching
- \$150,000 annual cost

Child Care Connect (C3)

- Contract with ISU for data integration from public and private systems and powers to online search tools. ISU subcontracted with Resultant for development of C3
- \$5.2 million to develop and \$500,000 annual cost

Iowa Child Care Connect (C3)

- ▶ Developed in response to recommendations in Governor Reynolds' 2021 Child Care Task Force Report
- ▶ Integrates data from multiple sources in near real-time – data from child care providers, state agency systems, and supporting organizations (ex., CCR&R, etc.)
- ▶ Provides online visualization tools to support decision-making for families, child care businesses, and communities
 - Child Care Search
 - Child Care Data Dashboard

Visit the C3 website
using the QR code
or link below!

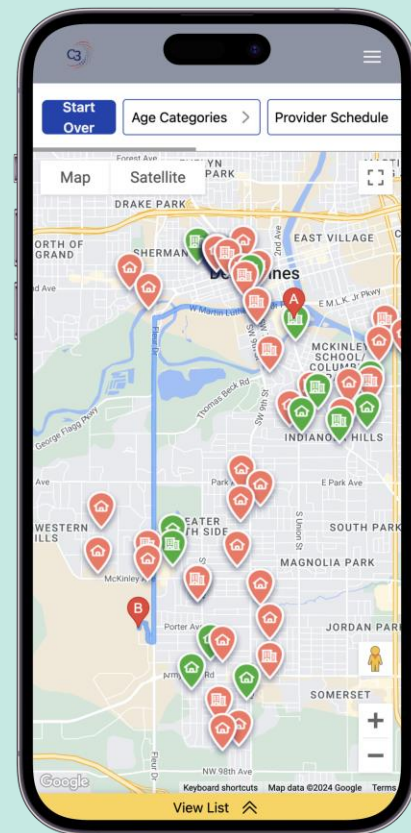


iachildcareconnect.org

Child Care Search Tool

Linking Families to Quality Care, One Connection at a Time

- Filter results to meet each family's needs
 - Ages of children needing child care
 - Days and hours needing child care
 - Providers accepting Child Care Assistance
 - Provider participation in Iowa's voluntary quality rating and improvement system (Iowa Quality for Kids or IQ4K)
 - Type of child care program (home-based or child care center)



C3 Data Dashboards

Current Vacancies

- ▶ Number of vacancies by age or program type
- ▶ Percentage of providers reporting timely vacancy data
- ▶ Trends in vacancies and reporting over time

Supply and Demand

- ▶ Available child care supply relative to potential supply
- ▶ Gaps between child care supply and demand
- ▶ Demand level using different assumptions

C3 Access Data

Child Care Search Tool

- Guided Search: 7,504
- Route Search: 6,859

Data Dashboard Totals

- Vacancy Dashboard: 1,700
- Supply & Demand Dashboard: 1,989

Data reflects 8/22/24-12/31/24

Child Care Accomplishments

Governor's
Child Care
Task Force
Initiatives

Tracking
successes
and
initiatives
since March
2020

Cross-
Agency
Collaboration

Reference *Child Care Timeline* handout for additional accomplishments

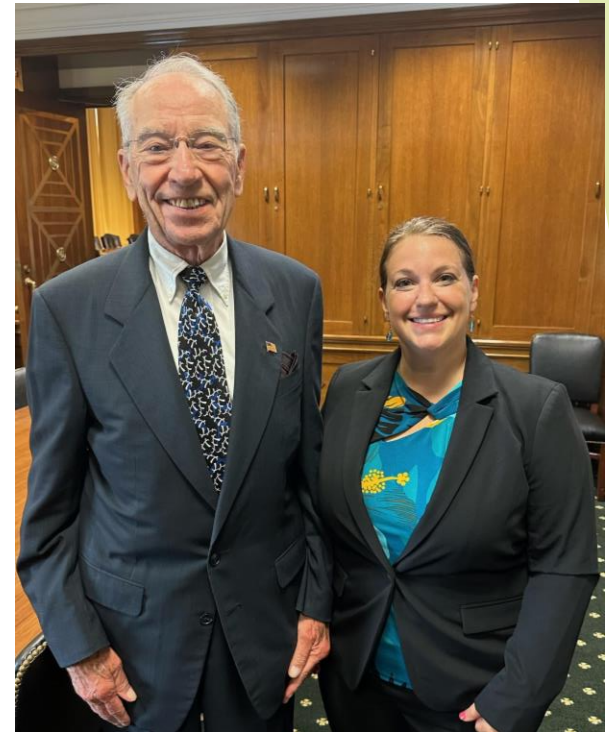
Iowa Leads the Nation

► National presentations

- 2024 National Shared Services Technical Conference (pre-conference, plenary, and two sessions)
- Opportunities Exchange webinar featuring Iowa's work (December 5th)

► Technology/education publications

- GovTech – “Can Real-Time State Data Ease Parents’ Child Care Woes?” Nikki Davidson, 9/23/24
- Actionable Intelligence for Social Policy (AISP) Newsletter – “Iowa introduces Child Care Connect” October 2024
- EdSurge – What If Finding Child Care Online Were as Easy as Making a Dinner Reservation? | EdSurge News November 2024
- Digital Service Network, Beeck Center, Georgetown University – Spotlight article, anticipated release date early 2025



Pictured: Senator Charles Grassley and Iowa HHS Child Care Director, Ryan Page, at the U.S. Senate Committee on Finance's hearing on child care on July 9, 2024.

Focusing on the Future

2024 CCDF Final Rule

- Paying programs prospectively
- Paying programs based on enrollment
- Grants/Contracts

Completion of Administrative Rules Red Tape Reviews

- Licensed Child Care Center Regulatory Review and updates (7/1/25)
- Child Care Home Regulatory Review

Change Planning and Implementation

- Iowa received a State Plan approval letter with areas of non-compliance in four areas. Appendix with implementation plans submitted 1/8/25.
- Iowa's transitional waiver for 4 of the new requirements was approved. Required to become compliant by 8/1/26.



Questions

Nick Crawford
Legislative Liaison
Nicholas.Crawford@hhs.iowa.gov



Health and
Human Services

Appendix A: Child Care Assistance Provider Rates Over Time

Child Care Assistance Provider Rates Over Time

Centers

	Infant/Toddler	Preschool	School Age
7/2016	\$16.78	\$13.53	\$12.18
7/2019	\$17.00	\$14.75	\$12.18
7/2021	\$19.30	\$17.00	\$13.50
7/2023	\$23.21	\$18.98	\$15.00
7/2024	\$25.66	\$19.50	\$16.50

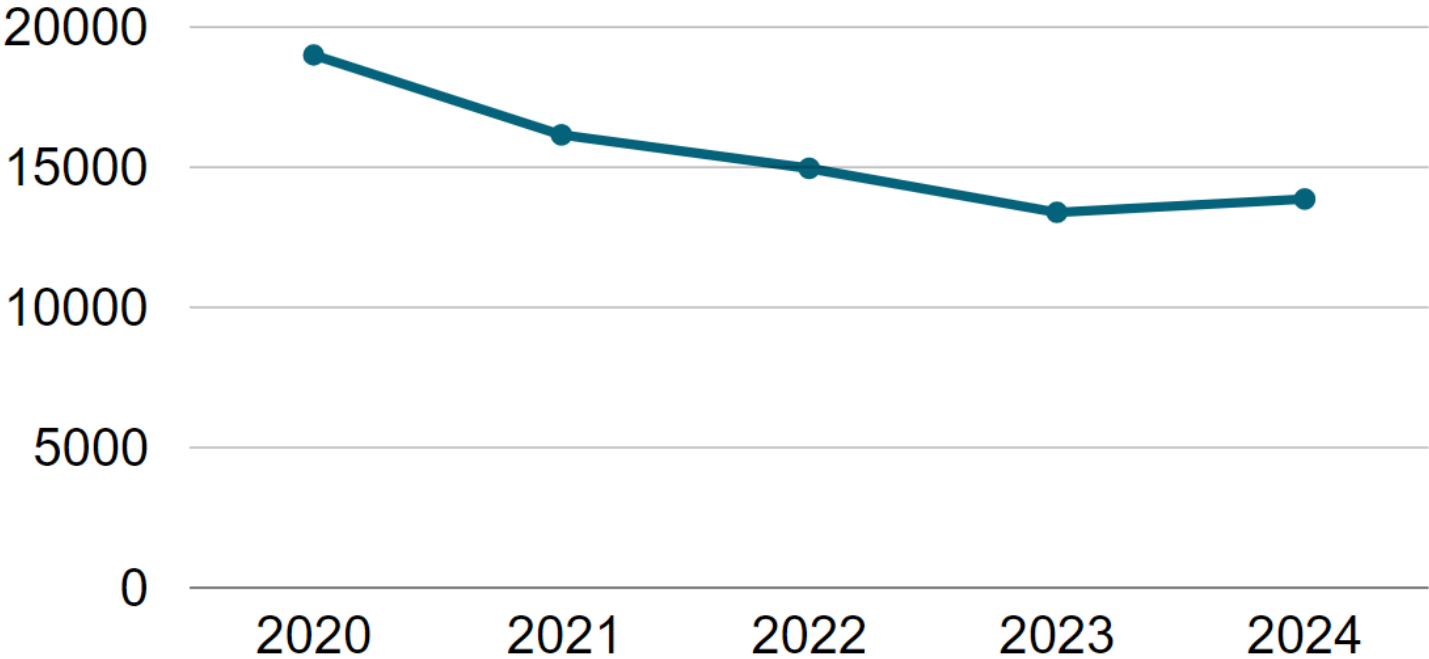
Child Development Homes

	Infant/Toddler	Preschool	School Age
7/2016	\$12.98	\$12.18	\$10.82
7/2019	\$12.98	\$12.50	\$10.82
7/2021	\$12.98	\$12.50	\$10.82
7/2023	\$14.00	\$12.75	\$11.25
7/2024	\$16.63	\$15.00	\$15.00

Appendix B: Child Care Assistance Enrollment Data

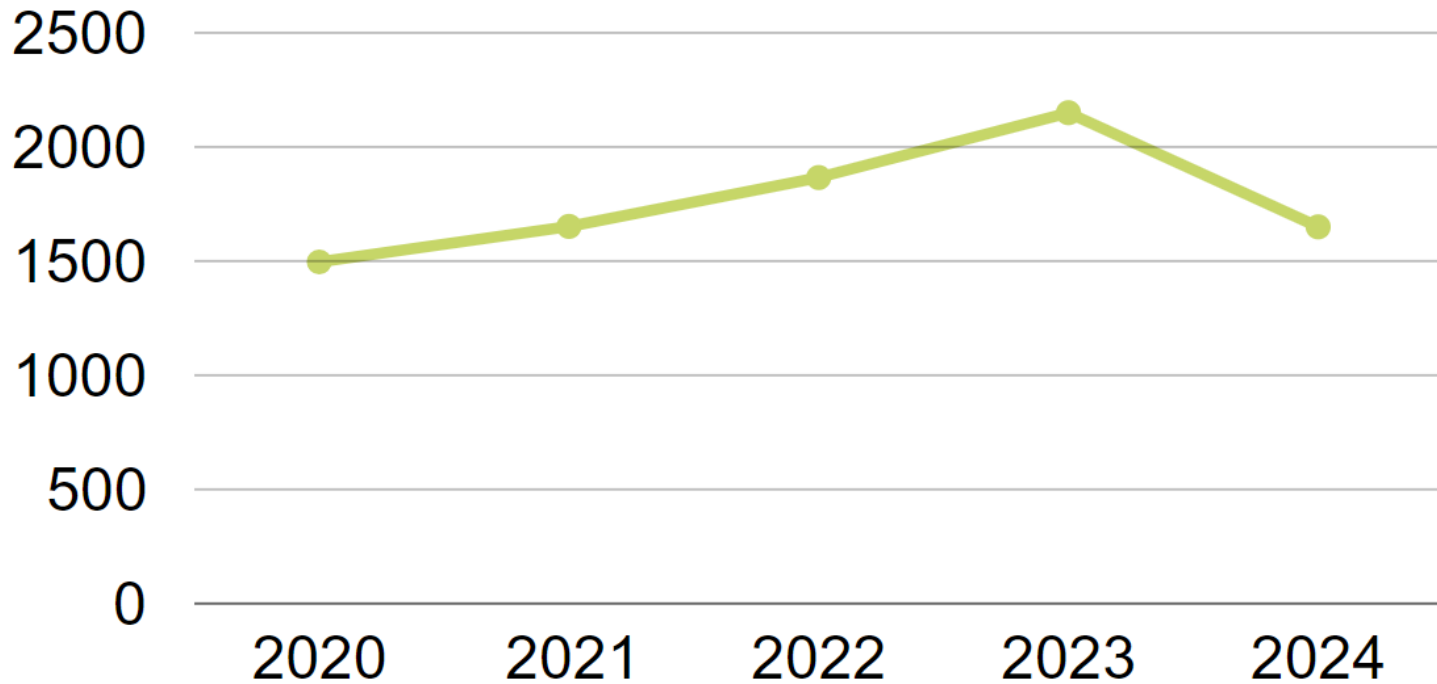
Data reflects the number of children enrolled in CCA programs over time

Child Care Assistance (CCA)



SFY	Count
2020	19,003
2021	16,155
2022	14,960
2023	13,388
2024	13,866

Child Care Assistance (CCA) Plus



SFY	Count
-----	-------

2020	1,496
------	-------

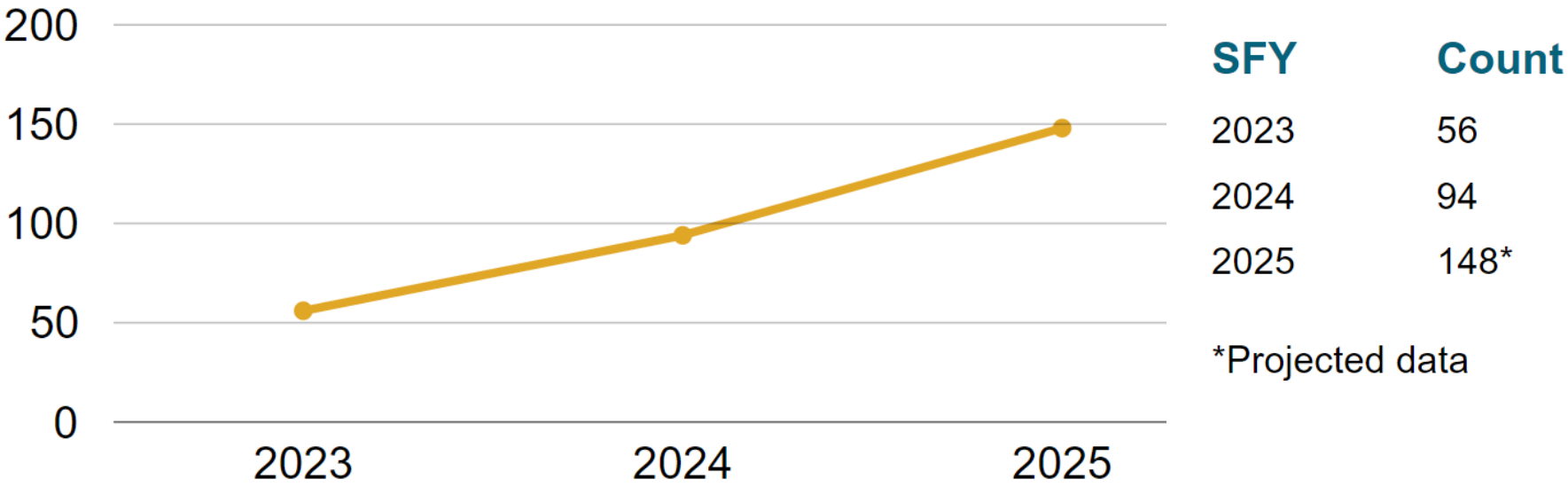
2021	1,652
------	-------

2022	1,866
------	-------

2023	2,150
------	-------

2024	1,650
------	-------

Child Care Assistance (CCA) Exit (Child care cliff protection)



Co-pay Structure

Parentheses indicate special needs rates.

Family Income	225-235% FPL (225-245%)	235-245% FPL (245-265%)	245-250% FPL (265-275%)
Co-pay	33%	45%	60%