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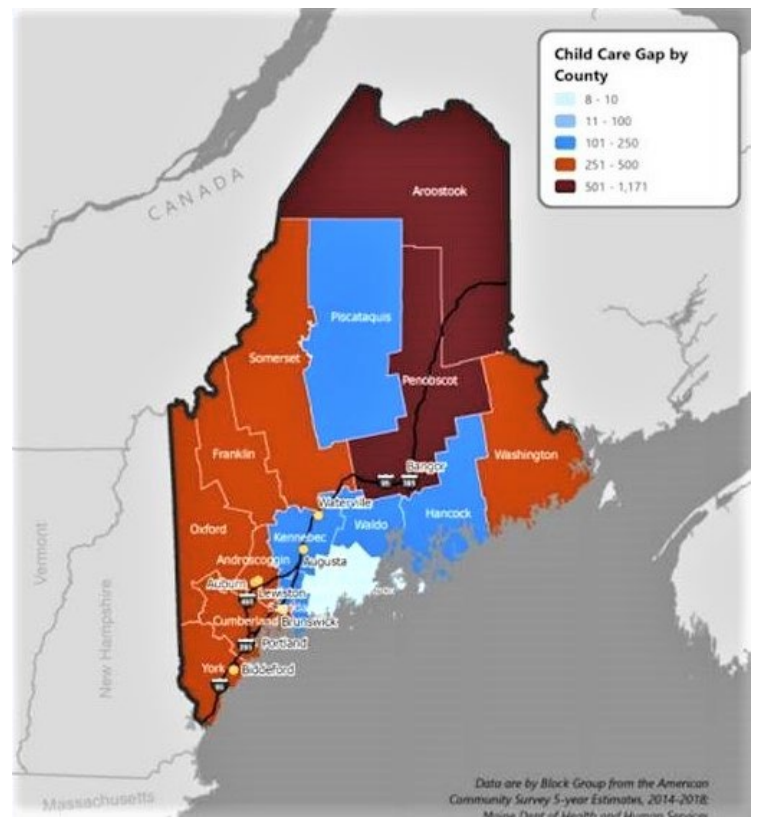
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Child Care Plan for Maine: October 2022 Update

Maine recognizes the importance of quality, accessible, affordable child care to support working families. The benefit of quality child care is multifold – it supports working parents to provide for their families while children benefit educationally, socially, and emotionally from a caring, nurturing environment. From an economic perspective, the Federal Reserve Bank of Boston states, “Research demonstrates child care problems lower worker productivity and cost U.S. employers and working parents billions of dollars annually. Furthermore, job stability and family income directly affect a child’s social, physical, and emotional health.” This Child Care Plan for Maine summarizes the system landscape pre-pandemic and support for providers and families during the pandemic, followed by strategies to support Maine families, children, and child care providers toward a sustainable recovery and brighter future. This plan contains updates based on Federal guidance, the State’s disbursement of funds, and new actions since the Plan was previously posted.

Pre-Pandemic

Prior to the COVID-19 pandemic, the Office of Child and Family Services (OCFS), in alignment with the Children’s Cabinet’s Strategic Plan for Young Children, established both long-and short-term goals to increase access to affordable quality child care in Maine and improve child care workforce recruitment and retention. Maine participated in the [Bipartisan Policy Center’s Child Care Gap Analysis Project](#) in the winter of 2019. The results showed overall there was a 9.2% need of care gap across Maine for children under the age of six with all available parents working. Rural areas of the state saw the most significant gap in the need versus the supply. While Maine does not have exact data on the gap specific to infants and toddlers, anecdotal evidence indicated this was a common challenge, with concerns expressed by several stakeholders. Maine was one of the two states participating with a gap under 10% which positioned the state to withstand the challenges of the pandemic better than other states. Despite this relative strength, the child care system was heavily impacted by the pandemic and continues to receive support for an effective recovery. Maine is partnering with the Bipartisan Policy Center on an updated gap analysis which should be completed by the end of 2022.



The Maine Department of Education, in collaboration with Maine Department of Health and Human Services, in 2019 was awarded the Preschool Development Planning Grant (PDG), Birth through Age 5. This initial PDG B-5, which expired in 2020, was a planning grant to study and improve the Early Child Care and Education mixed delivery system. This grant supported the Children's Cabinet goal that all Maine children enter kindergarten prepared to succeed. The planning grant provided valuable information gathered from stakeholders across the state through the needs assessment *B-5 for ME: Quality, Accessibility, and Affordability of Services for Maine's Children & Families*. This work informed the development of *The State of Maine Strategic Plan for Meeting the Needs of Vulnerable Children Birth to Age 5 and Their Families*, a roadmap for moving toward an aligned, efficient, and high-quality system for all children birth-age 5 and their families, especially those considered vulnerable.

These findings were the driving factors in initiatives implemented beginning in State Fiscal Year 2021, despite the challenges of the pandemic:

- Providers participating in the Child Care Subsidy Program (CCSP):
 - Receive a weekly stipend of \$100 per infant on CCSP. Since OCFS implemented the \$100 stipend in July 2020, the number of infants receiving care with this support has risen from 107 to 252 statewide.
 - Receive a 10% quality bump payment for infants and toddlers served through CCSP.
- OCFS, aiming to boost the recruitment and retention of early child care educators, began:
 - Covering the cost of licensing fees for both family child care providers and facilities.
 - Offering several quality awards in partnership with Maine Roads to Quality Professional Development Network (MRTQ PDN), including new Registry member awards, mini-grants for newly licensed providers, awards for moving up a quality level, reimbursement for the cost of accreditation, and mini-grants for maintaining accreditation.
 - Partnering with Maine Association for the Education of Young Children (AEYC) to create the TEACH scholarship program, which seeks to improve the knowledge and compensation of early childhood educators.
- OCFS also began efforts to enhance the Child Care Choices [website](#) to improve the availability and accessibility of information for families seeking child care.

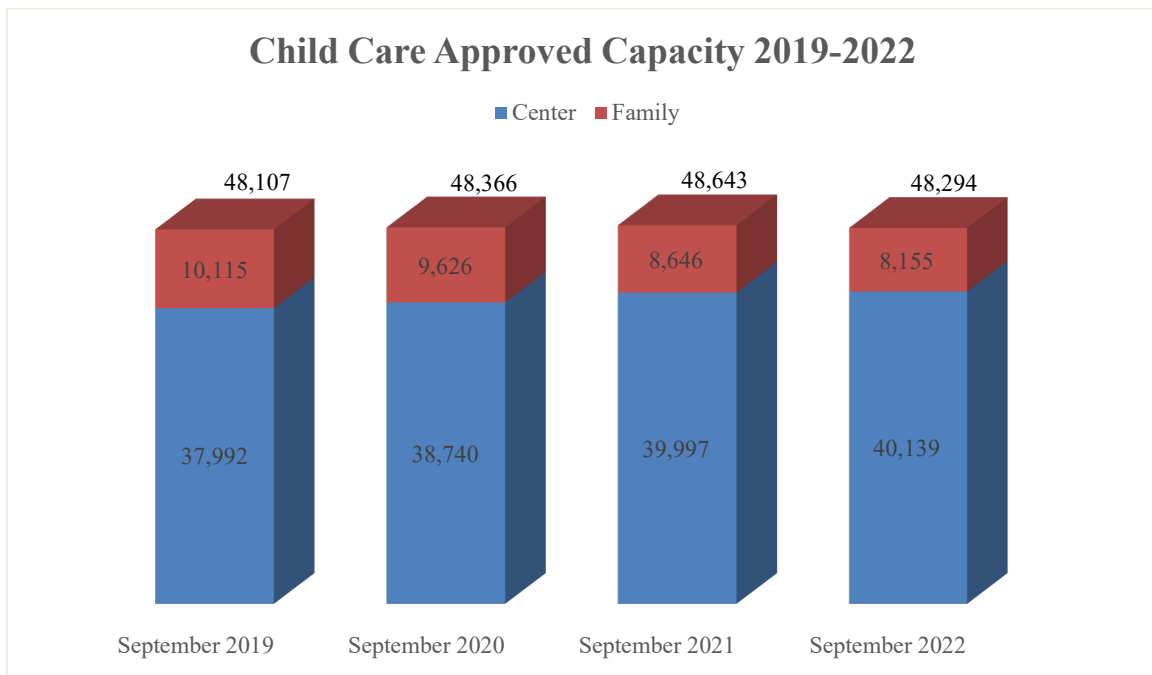
Prior to the pandemic, OCFS had been dedicating significant time and resources to ensuring CCSP was easily accessible to families and in full compliance with federal Child Care Development Block Grant (CCDBG) requirements set out in the 2014 Reauthorization Act. During 2020, OCFS achieved full compliance through the implementation of fingerprint-based background checks for providers. To date, approximately 20,000 background checks have been completed to ensure the safety of children served in Maine's child care settings. In addition, in January of 2020, OCFS simplified the CCSP application for families.

Impact of Pandemic on Child Care

The COVID-19 pandemic has had a significant impact on child care in Maine and nationally. Through unprecedented investment and targeted efforts, OCFS has supported providers in maintaining Maine's child care capacity. As of September 2022, 97% of programs that existed before the pandemic remain open and operating. Providers have increased licensed capacity, from 47,819 licensed slots in February 2020 to 48,294 licensed slots in September 2022.

In addition, the Child Care Subsidy Program (CCSP) has seen a steady increase in participation over the last four months. Currently, 3,195 families representing 4,828 children are served by the program. Participation in CCSP has increased by 5% for families and 6% for children since May of 2021.

<i>County</i>	February 2020 Total Providers	September 2021 Total Providers	September 2022 Total Providers
<i>Androscoggin</i>	291	281	306
<i>Aroostook</i>	121	108	115
<i>Cumberland</i>	514	492	481
<i>Franklin</i>	57	57	53
<i>Hancock</i>	89	90	86
<i>Kennebec</i>	231	206	211
<i>Knox</i>	57	59	57
<i>Lincoln</i>	51	49	44
<i>Oxford</i>	101	98	96
<i>Penobscot</i>	245	242	255
<i>Piscataquis</i>	26	26	31
<i>Sagadahoc</i>	67	57	55
<i>Somerset</i>	75	7173	69
<i>Waldo</i>	71	74	73
<i>Washington</i>	50	54	50
<i>York</i>	291	284	279
Total¹	2,337	2,248	2,261



Pandemic Support for Providers

Throughout the pandemic, OCFS provided both operational and funding support to providers.

¹ Total includes camps, CCSP licensed exempt resources, child care facilities and family child care providers.

This included regularly updated [guidance](#) to child care providers on health and safety measures related to COVID-19, such as recommended screening protocols, cleaning requirements, procedures when a staff person or child tested positive. OCFS also collaborated with Maine CDC to provide COVID-19 test kits to child care providers; 46,426 tests were ordered by these providers in 2022. This onsite testing allowed providers to ensure the health and safety of their staff, in turn limiting the spread of COVID-19 to children, while maintaining continuity of operations whenever possible.

OCFS in partnership with Maine Roads to Quality Professional Development Network (MRTQ PDN) made the COVID-19 vaccine available to all licensed child care programs in early March 2021 as a priority group, using the MRTQ PDN Registry as proof of employment in the field statewide.

OCFS also implemented procedures for emergency temporary licensing of child care providers to address access issues, particularly for critical personnel, supporting over 40 providers with a total capacity of nearly 2,200 child care slots.

For funding support, OCFS engaged stakeholders in developing plans to stabilize and strengthen the child care system. Since the onset of the pandemic, the Mills Administration has provided more than \$100 million in funding for child care, through multiple sources:

Coronavirus Aid, Relief, and Economic Security (CARES) Act

In May of 2020, Maine received \$10.9 million in CCDBG funding through the CARES Act. The funds were utilized in several ways, including grants directly to providers to cover COVID-19 related costs and to build capacity, providing child care subsidy for essential workers (regardless of income eligibility), and increasing support to low-income families receiving traditional CCSP by waiving parent fees through the first stage of Maine's Economic Recovery Plan.

Coronavirus Relief Funds (CRF)

In August of 2020 the Governor announced additional financial support would be provided to child care programs through CRF funding. The Governor allocated \$8.4 million to the initiative which provided reimbursement to providers for COVID-19 related business expenses. The grants distributed to providers through OCFS in December 2020 totaled \$2,176,464.

Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act

In March of 2021, Maine received \$30.5 million in CCDBG funding through the CRRSA Act. OCFS took a wholistic approach to utilizing the funds by focusing on supporting the child, family, and child care provider. This plan included allocating 75% of the funding directly to child care providers through stabilization grants. Remaining funds were used to: expand professional development for providers through the Maine Roads to Quality (MRTQ) Professional Development Network (PDN) system, provide mental health and social emotional learning support to children and providers through the Early Childhood Consultation Program (ECCP), further enhance the Child Care Choices website including the addition of a mobile app, waive copayments for CCSP families through 9/30/22, and reimburse CCSP providers based on enrollment rather than licensed capacity.

OCFS distributed four quarterly provider grant installments totaling \$15,322,730, making payments to providers in April, June, September, and December 2021. Providers used these grant funds to offset COVID-19 related costs and build capacity continuing the stabilization and recovery of the child care system in 2021.

CRRSA funds were also utilized to offer enhanced professional development for providers through MRTQ through an improved design of the *Strengthening Business Practices for Child Care Programs* trainings. Improvements included updating the training, recruiting 18 "train the trainers," offering added Communities of

Practices (CoP) (dedicated learning communities) for the trainings, and the inclusion of business software and technology training. In addition, the funds established a Statewide Apprenticeship Program for Child Care Providers, as well as provided mini-grants and awards for achieving or maintaining accreditation, and/or for completing one of the Maine Credentials (Director, Infant Toddler, Inclusion, Youth Development).

Payroll Protection Program (PPP)

Further support to Maine's child care industry was provided through PPP loans administered by the U.S. Small Business Administration (SBA). OCFs worked with the SBA's Region 1 Office to identify and provide outreach to identified eligible programs. 2020 data from SBA shows an increase in the total percentage of programs receiving a loan from 22.2% to 30.5%. Loan amounts increased from an average of \$16,044 for first draw (issued in 2020) to \$58,830 for second draw (issued in 2021).

American Rescue Plan Act (ARP)

Maine has received an additional \$121.9 million in CCDBG funds that were allocated to the state through the federal American Rescue Plan Act (ARP). Below are the amounts Maine received:

- 1. Discretionary - \$45,752,460**
- 2. Stabilization Subgrants - \$73,176,466**
- 3. Match- \$2,984,281**

These funds are being used to implement the Child Care Plan for Maine with a whole system approach to strengthening Maine's child care delivery system, supporting short-term stabilization and recovery as well as long-term growth and improvement. This includes strategies that align with the Children's Cabinet's strategic plan which focuses on access, quality, and workforce.

OCFS is utilizing the following strategies that build upon the goals of the Children's Cabinet as well as many of the cross-system initiatives that were part of the joint Department of Education (DOE) and Department of Health and Human Services (DHHS) Preschool Development Grant (PDG) Application. Each strategy below indicates the goal area the strategy supports (Access, Quality, or Workforce), as well as the amount allocated to each initiative. The information below is subject to change as additional guidance and information may become available from the federal Administration for Children and Families (ACF).

Note: Strategies that are planned or in-progress are *italicized*, while completed strategies are not italicized.

1. Access

- *Waive Child Care Subsidy Program (CCSP) parent fees for families at or below 60% of State Median Income to support low-income families until 9/30/23 (\$6,496,764)*
- *Financial eligibility for CCSP for families at 85%-100% State Median Income (SMI) from May 2022 through September 2022 (\$2,500,000)*
- *Continue waiving child care licensing fees for 2 years to support new and existing child care providers (\$300,000)*
- *Reimburse CCSP providers based on enrollment rather than licensed capacity for 2½ years (\$10,614,672)*
- *Expand the Parent Ambassador program to empower more parent advocates and to include parents from family child care providers (\$175,000)*
- Translate CCSP materials into identified languages for both families and providers (\$65,000)
- Hire a temporary staff position to create the technology and reporting procedures to process monthly stabilization subgrant payments (\$203,452)

- Two-year limited period position for a Children’s Behavioral Health and Child Development administrative assistant position (\$130,000)
- *Supply a one-time \$2,000 stipend to newly licensed family child care providers from 7/1/21-9/30/23 with a focus on increasing access to child care for families in rural and gap areas. (\$500,000)*
- *Supply a one-time \$10,000 stipend to recreational programs that are CCSP Providers and become licensed as facility programs (\$500,000)*
- *Support the Maine 211 and Help Me Grow partnership. 211 will serve as the telephone access point for triaging families to needed services, supports, and information related to the developmental, behavioral, and health related needs of children. (\$249,500)*
- *Incentivize licensed child care programs to accept the Child Care Subsidy Program (CCSP) (\$3,400,000)*
- *Increase incentive for infant care in licensed child care programs (\$500,000)*
- *Provide a one-time stipend for newly licensed child care facilities (\$500,000)*

2. Quality

- Support Maine Center for Disease Control (CDC) physical activity and nutrition program in early care and education work to align with Quality Rating and Improvement System (QRIS) revision standards through technical assistance, tools, and resources (\$66,700)
- *Complete an evaluation of the Early Childhood Consultation Partnership (ECCP) pilot (\$250,000)*
- *Invest in the Ages and Stages Questionnaire (ASQ) online screening tool for child care providers to screen and refer children to early intervention when delays in development are detected (\$557,250)*
- *Support the creation of the Early Childhood Integrated Data System (ECIDS) to assess outcomes of early childhood programs across the lifespan (\$256,000)*
 - Hire temporary project manager (\$215,000)
- *Provide the Second Step curriculum for child care to providers in order to support social emotional learning (\$200,000)*
- *Expand the Classroom Assessment Scoring System (CLASS) for providers to measure outcomes in child care and incentivize program participation with \$500 per program (\$800,000)*
- *Train early care and education providers on the Maine Early Learning Development Standards (\$115,000)*
- *Increase child care quality payments to 3%, 10%, and 15% for 2-years to support an increase in high-quality programs (\$650,000)*
- *Hire temporary OCFS staff position to support development and implementation of the child care information system (\$225,092)*
- *Hire temporary OCFS staff to manage all ARPA projects (\$244,230)*
- *Establish a statewide Early Childhood Health Consultation (ECHC) Network (\$117,175)*
- *Expand Strengthening Business Practices for Child Care Programs trainings by adding an additional technology incentive (\$37,800)*
- *Incentivize child care programs to participate in Maine’s Early Childhood Consultation Partnership (ECCP) Core Classroom Services (\$1,455,000)*

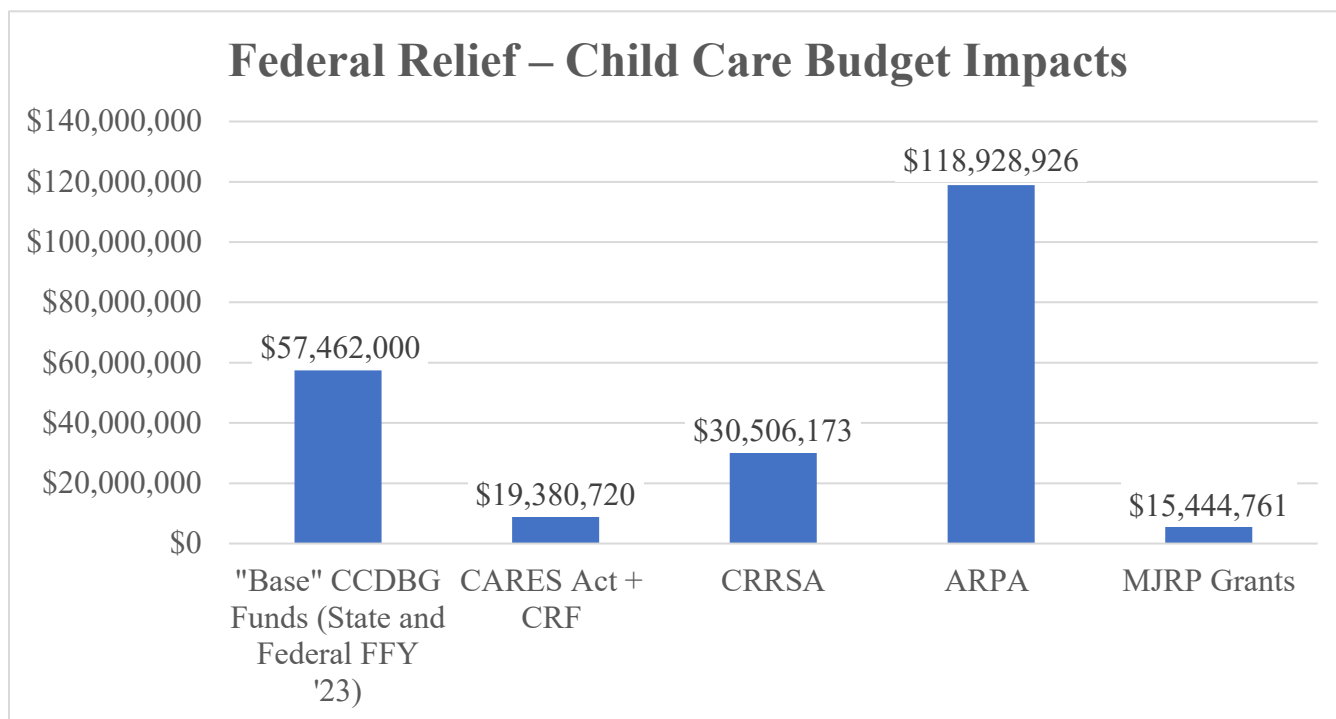
3. Workforce

- *Develop and deliver a Parent Engagement training to child care providers (\$50,000)*
- *Expand the use of consistent measurement tools including the Classroom Assessment Scoring System (CLASS) and Teaching Strategies Gold (TSG) for providers to measure outcomes in early care and education and incentivize program participation with \$500 per program (\$800,000)*
- *Expand PDN Statewide Apprenticeship Program to include a wage supplement (\$150,000)*
- Child Care Stabilization Grants included monthly payments from October 2021 to September 2022. The grants retained the CRRSA application elements. (\$73,176,466)

- Payments were:
 - On a rolling basis and prorated based on operating expenses
 - Based on capacity
 - Include increased payments for quality, for providers taking subsidy, and for providing nontraditional hours of care (6pm-6am or weekends)
 - Inclusive of stipends to child care providers at \$200 per staff member providing care to children, these payments are required to be paid directly to eligible staff.
- *Child Care Transition Grants to licensed child care providers will help further stabilize and support child care providers in Maine. Eight months of payments based on licensed capacity. For the months of October 2022 through January 2023, programs will be eligible to receive \$50 per slot based on licensed capacity. From February 2023 through May 2023, programs will be eligible to receive \$25 per slot based on licensed capacity. (\$13,600,000)*

In addition to the ARPA funds, OCFS will continue to support child care through ongoing efforts, including the infant/toddler stipend, workforce development through the TEACH scholarship, technical assistance through Maine Roads to Quality, and other efforts.

Taken together, the Federal funding from the coronavirus response laws is over three times the annual Federal and state block grant spending on child care in Maine. The White House describes ARPA as the single biggest investment in child care since World War II.



Maine Jobs and Recovery Plan (MJRP)

The Governor’s Maine Jobs and Recovery Plan infrastructure initiative includes \$15 million in grants for direct infrastructure support, including “bricks-and-mortar” expansion efforts, to expand existing capacity or build new child care facilities and programs. The applications for Family Child Care Grants opened in July 2022 and those for Facility Grants launched in August 2022.

Help Me Grow Maine

Help Me Grow Maine connects individuals to information and services about child development and community resources. In partnership with 2-1-1 Maine, any parent, caregiver, or provider can call for support. The Help Me Grow team will listen, link individuals to services, and supply ongoing support when needed. Enacted in July 2021, Sec. 1. 22 MRSA c. 1064§3921 establishes a comprehensive, statewide, coordinated system of early identification, referral, and follow-up for all children from prenatal care up to 8 years of age and their families. Under the statute, Help Me Grow will increase access to the early periodic screening, diagnosis, and treatment services required by Medicaid on a schedule recommended by the American Academy of Pediatrics or its successor organization; and support the Department of Education's Child Find efforts, increase access and referrals to early intervention services. The public launch of Help Me Grow in Maine will occur in November.

First4ME

The First4ME Early Care and Education Program is a two-generation, multidimensional framework for a community-based, coordinated birth to kindergarten-entry program providing quality early care to support a child's school readiness. Under the law enacted in July 2021, the Department will fund up to five pilot projects across the state of Maine. First4ME aims to: Achieve efficiencies across local and statewide systems to support at-risk children and their families, improve outcomes across all domains of development for increased kindergarten readiness regardless of risk factors, and support providers and early childhood educators in achievement of comprehensive, high-quality early childcare and education across the State of Maine. The pilot sites will commence in early 2023.

General Fund Supplemental Salary Program

Governor Mills' Supplemental Budget, enacted in 2022, included \$12 million in state General Funds to implement a system of state-funded salary supplements to child care providers and early childhood educators who provide direct services in licensed family child care and facilities. The approved budget also includes a new Associate Director position within OCFS dedicated to Early Care and Education.

On October 26, 2022, the Mills Administration announced the award of nearly \$5.5 million to current and new Maine child care providers in the latest round of investments to expand the availability of affordable, high-quality child care for Maine's working families. DHHS will use the \$5.4 million in discretionary ARP funding to:

- Further incentivize providers to offer infant care by increasing the existing stipend from \$100 to \$150 per infant per week.
- Attract new child care providers by offering a one-time \$10,000 stipend to child care centers newly licensed between October 1, 2022 and September 30, 2023.
- Incentivize child care providers to serve families with lower-income by awarding \$500 for each child newly served through the [Child Care Subsidy Program](#) (CCSP).
- Encourage child care providers to participate in Maine's Early Childhood Consultation Partnership, an evidence-based program that offers support and training to child care and early education providers to help them meet the social and emotional needs of infants and children up to age 8. DHHS will provide a one-time stipend of \$5,000 to child care providers that participate in the program, with at least \$1,500 going directly to classroom staff who complete the program.

The Governor's historic investments in child care are helping providers recruit and retain staff, maintain and expand capacity, and provide quality care to Maine children. Continuing this support is part of this plan to chart a sustainable recovery from the pandemic and brighter future for Maine's child care system.