

Early Childhood Care and Education FY23 Budget Initiatives

American Rescue Plan Act + General Operating Budget Investments to support young children and families

Rhode Island’s [Early Childhood Care and Education \(ECCE\) Strategic Plan](#) is grounded in the vision that all Rhode Island children will enter kindergarten educationally, social-emotionally, and developmentally ready to succeed, putting them on a path to read proficiently by third grade.

Governor McKee’s FY23 budget proposes investments that will make significant progress on each of the five strategic objectives that support the shared vision.

Strategic Objective 1

Rhode Island’s early childhood programs meet high-quality standards for care and education as defined by our Quality Rating and Improvement System (BrightStars)

Improve early learning quality and sustainability:

- Child Care Assistance Program Rate (CCAP) Increase for Increased Equity (\$4.7M).** Increase the rates paid to child care providers through the Child Care Assistance Program (CCAP) to move towards the federally defined equal access standard to child care in Rhode Island. The new rates will ensure that the over 7000 children who utilize CCAP will have increased access to high quality programs, and that programs have increased resources to invest in staff compensation and quality improvements. The rates are based on the [2021 Market Rate Survey](#) and are for center-based care (see table). Note: Family Child Care rates are determined by the SEIU 1199 Collective Bargaining Agreement.
- CCAP Reimbursement Based on Enrollment Rather than Attendance (\$1.4M).** Due to the ongoing COVID-19 public health emergency, continue paying providers based on program enrollment and the allowable absence policy is waived. Retaining this policy provides a more equitable child care experience for all Rhode Island families and ensures that young children who are not eligible for vaccines as of January 2022 can remain home when sick while also supporting child care provider stability.
- Program Quality Improvement Grants (\$1M ARPA):** Quality grants to early learning programs offer dedicated resources for providers to make progress on increasing their rating on the Quality and Rating Improvement Scale. This includes investing in new curriculum, facilities improvements, professional development planning, and more.

BrightStars Rating	Current Rate	Proposed Rate	Proposed Percentile (2021 MRS)
Infant/Toddler			
1 star	\$236.36	\$260	40th
2 star	\$244.88	\$265	45th
3 star	\$257.15	\$270	60th
4 star	\$268.74	\$289	75th
5 star	\$284.39	\$300	80th
Preschool			
1 star	\$207.51	\$217	40th
2 star	\$212.27	\$220	45th
3 star	\$218.45	\$225	50th
4 star	\$223.50	\$250	75th
5 star	\$231.39	\$260	80th
School Age			
1 star	\$180.38	\$188	40th
2 star	\$182.77	\$196	45th
3 star	\$185.17	\$200	50th
4 star	\$187.57	\$205	55 th
5 star	\$189.97	\$210	60th

Invest in early learning educators:

- Educator Pandemic Retention Bonuses (\$37.4M ARPA):** Invest in early educators through a retention bonus program that will provide up to \$3,000 a year for two years to over 6,000 educators. 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. *(Year 1 has already been approved for FY22 as part of RI Rebounds)*

- **TEACH Early Educator Scholarship (\$2M ARPA):** Support early educators in attaining college credentials that are vital to improving the quality of early education and support educators in attaining higher compensation. TEACH is a nationally recognized, evidence-based model for supporting early educators in accessing higher education while continuing in their current positions.

Increase capacity of high-quality early learning programs:

- **Family Child Care Start-up Grants (\$0.6M ARPA):** Invest in increasing the number of Family Child Care providers by providing \$2,000 start-up grants and technical assistance to help up to 200 new Family Child Care providers to open. This will increase capacity in a vital part of the mixed-delivery system that has faced significant challenges during the pandemic. *(Year 1 has already been approved for FY22 as part of RI Rebounds)*

Strategic Objective 2

Children and families can equitably access and participate in the early childhood care, services, and supports that will help them reach their potential and enter school healthy and ready to succeed.

Expand eligibility for vital early childhood programs:

- **Cover All Kids (\$1.9M):** Extend full benefit medical assistance to children who would otherwise be eligible for Medicaid, but for their immigration status. Currently, 98% of RI children access health insurance; this initiative is vital to ensuring access to health insurance for all children and achieving health equity.
- **Expand CCAP Eligibility to 200% of the Federal Poverty Level (\$2.7M):** For the first time in decades, expand CCAP income eligibility threshold from 180% of the federal poverty level to 200% of the federal poverty level. This will increase the proportion of low-income families who benefit from the state’s Child Care Assistance Program.
- **Expand Child Care Assistance Program (CCAP) for College Students (\$0.375M).** After piloting access to CCAP for full time college students in FY22, lift the sunset on the pilot and permanently include low-income college students as eligible for CCAP.

Support a whole family approach:

- **Extend Medicaid Postpartum Coverage to 12 months (\$4.3M General Revenue, \$6.6M All Funds):** Extend full benefit Medicaid coverage to women 12-months postpartum, compared to the current 60-days. This coverage is critical, as a significant proportion of pregnancy-related deaths occur more than two months after the end of pregnancy. This coverage will also extend to women if their only barrier to the benefit is their immigration status.

Stabilize and support ECCE services to recover from the pandemic:

- **Support and Stabilize Early Intervention (\$11M ARPA):** Support Early Intervention programs through stabilization grants and performance bonuses. Stabilization grants will help cover staff salaries and retention bonuses, technology for outreach, safety supplies, and professional development. Performance bonuses will be available for providers who hit certain targets, such as recovering referral numbers and achieving reduced staff turnover. (The first \$5.5M was approved for FY22 as part of RI Rebounds)
- **Pediatric Recovery and Relief (\$15M ARPA):** Provide stabilization grants and pay for performance bonuses to over 200 pediatric primary care providers who serve more than 110,000 children insured by Medicaid. Additionally, it is recommended that funding be provided to pediatric practices for enhanced health screenings to better account for social-emotional needs and social determinants of health. Together, these two initiatives will help children catch up on preventative care and engage them in services to address the trauma of the pandemic.

Strategic Objective 3

All four-year olds in Rhode Island have access to high-quality Pre-K, inclusive of parental choice and student needs.

Maintain existing RI Pre-K capacity:

- **Maintain all RI Pre-K Capacity:** The FY23 budget maintains all 2,364 RI Pre-K seats for four-year-olds that are available in 18 communities for the 2022-2023 school year. The 127 classrooms are delivered through a mixed-delivery system that includes community-based organizations, Head Starts, and Local Education Agencies. Most of the current RI Pre-K seats are funded with General Revenue, but over 800 of the existing seats are funded through time limited federal funding that expires at the end of 2022-2023 school year.

Strategic Objective 4

Secure the quality and delivery of ECCE through increased and sustainable funding and operational improvements

Implement innovative and sustainable funding approaches:

- **Eligibility expansion:** The FY23 budget proposes permanently expanding eligibility for Medicaid and CCAP.
- **RI Pre-K Fund Braiding:** An interagency team of DHS, RIDE, and the Governor's Office have collaborated to develop [new funding models](#) that braid and blend funding to maximize resources across the budget.

Strategic Objective 5

Expand the depth and quality of data accessible to and used by agencies, programs, and partners to drive decisions.

Enhanced data systems:

- **Develop an Early Education Workforce Registry (\$1M ARPA):** Develop a workforce registry for early childhood – a national best practice – to allow for ongoing communication of educational and professional development opportunities and serve as a foundation for future direct-to-workforce programs, such as the Educator Pandemic Retention Bonus program. Data collected through Year 1 of the Educator Pandemic Retention Bonus program will form the foundation of the registry.
- **Enhance HealthyRhode application for CCAP (\$6.7M ARPA):** During the pandemic, the Department of Human Services and HealthSource RI pivoted to remote services to engage customers, including the system's first mobile application, HealthyRhode. Customers could check their benefit eligibility and EBT card balance, and upload required documents. Adding functionality to the application so that individuals can digitally submit CCAP applications, recertifications, and reports will reduce the need for in-person services, prevent the loss of needed benefits, and improve efficiencies. Additionally, this Bridges enhancement would develop mobile attendance tracking for child care providers.