



QUALITY COMMITTEE MEETING AGENDA

Wednesday, October 5, 2022, 2:00 – 3:15 p.m.

Hybrid Meeting – In-Person and by Videoconference

The meeting of the San Mateo County Child Care Partnership Council Quality Committee will be held at the San Mateo County Office of Education, 101 Twin Dolphin Dr., Redwood City, CA 94065.

Members of the public will be able to participate in the meeting remotely via the Zoom platform or in-person. For remote participation:

Website Link: <https://smcoe.zoom.us/j/91557246735?pwd=MkwwckloRjIHVVpIemZEkzc3QXdTUT09>

Meeting ID: 915 5724 6735

Passcode: 101

Dial-In Option: 1-669-900-9128

Call to Order	Edirle Menezes
Action to Set Agenda for October 5, 2022 Meeting and Approval of Minutes for June 2, 2022 Meeting <i>ATTACHMENT 1 - Minutes</i>	Edirle Menezes <i>ACTION</i>
Welcome & Check-In	Edirle Menezes/Liz Scully
Review of Rate & Quality Workgroup Recommendations & Implications for Local Work and Advocacy <i>ATTACHMENT 2A – Rate & Quality Workgroup Executive Summary</i> <i>ATTACHMENT 2B – California Cost Model: Difference between Cost of Quality and current rates by setting and age</i>	Edirle Menezes/Liz Scully <i>(link to full report)</i> <i>(link to full Cost Model report)</i>
Confirm meeting schedule for 2022-23	Edirle Menezes
Adjournment	Edirle Menezes

San Mateo County Child Care Partnership Council
Quality Committee
Meeting Minutes
Thursday, June 2, 2022
Virtual Meeting via Zoom

CCPC Members Present: Cheryl Oku, Elizabeth Scully

Members of the Public: Andrea Burnett, Edirle Menezes (Chair)

Staff/Minutes: Sarah Kinahan

1. Call to Order

Edirle called the meeting to order at 2:04 pm.

2. Action to adopt a resolution finding that, as a result of continuing COVID-19 pandemic state of emergency, meeting in person for the Child Care Partnership Council’s Quality Committee would present imminent risks to the health or safety of attendees (Attachments #1A and #1B)

- Moved by: Cheryl Oku Seconded by: Elizabeth Scully
- Vote: All voted in favor

3. Approval of Quality Committee Meeting Minutes from January 24, 2022, and Agenda for June 2, 2022 Meeting

- Moved by: Cheryl Oku Seconded by: Andrea Burnett
- In Favor: Burnett, Menezes, Oku
- Abstain: Scully

4. Review of CCPC’s Strategic Goal Area: Quality (Sarah Kinahan)

- Sarah walked through a review of the four strategic priorities listed under the “Quality” goal in the CCPC’s strategic plan.
- The group discussed which activities had been completed and which still needed to be acted on.
- The group tried to distinguish between activities that would be work for the Committee or the whole CCPC membership versus work for SMCOE/CCPC staff.
- The activities that still need to be worked on were documented in a jamboard.

5. Set priorities for Quality Committee for 22-23 Year (Edirle Menezes)

Edirle and Sarah reviewed the list of activities that were generated in the previous discussion, and the group narrowed down to three focus areas for 2022-23:

- 1) Engage in state-level advocacy related to current quality supports (Quality Counts & quality indicators, QI strategies) and future developments (“Rate & Quality Workgroup”) to ensure that state policies and resources directed at quality improvement include family engagement, children with special needs, dual language learners, infants & toddlers, and children at risk.

- 2) Engage in local and state-level advocacy to support a mixed-delivery system for Universal PreKindergarten, highlighting best practices from all settings.
- 3) Advocate for funding to support quality improvement to assist programs in delivering high quality for children with special needs, dual language learners, infants & toddlers, and children at risk.

6. Adjournment

Edirle adjourned the meeting at 2:56 pm.

Executive Summary

The Rate and Quality Workgroup was established under AB-131 (codified as Welfare and Institutions (WIC) Code 10280.2) to assess the methodology for establishing reimbursement rates and the existing quality standards for child care and development and preschool programs and to make related recommendations. The Rate and Quality Workgroup included early learning and care¹ providers, alternative payment providers, child care experts, families, and state agency representatives. **The recommendations in this report reflect those of the Workgroup and not those of the California Department of Social Services or the California Department of Education.** The Rate and Quality Workgroup convened over a dozen times between January and August 2022, and members reviewed extensive materials and provided comments as recommendations were developed.

Building on its statutory charge, the Rate and Quality Workgroup established a vision and values to inform its work.

Vision: *California will create a Single Reimbursement Rate structure that addresses quality standards for equity and accessibility while supporting positive learning and developmental outcomes for children.*

Values: *equity, quality, children and families, early educators, and accessibility*

The Rate and Quality Workgroup recognized that to establish a reimbursement rate structure that supports positive outcomes for children, families, and the early learning and care workforce, California must first acknowledge and address the systemic racism, classism, sexism, and stereotypical beliefs embedded in current early learning and care funding and policies.

Over time, these policies and structures have yielded an **early learning and care market failure**. In response to this context and its statutory charge, and guided by its vision and values, the Rate and Quality Workgroup assessed the current rate-setting methodology and developed recommendations for the state to advance equity, accessibility, and positive outcomes for children, families, and educators.

¹ Statute (Welfare and Institutions (WIC) Code 10280.2) uses the terms “California’s child care and development and early learning system” and references “child care and development and preschool programs.” For consistency throughout this report, and in alignment with the Master Plan for Early Learning and Care, the Workgroup will use the term “early learning and care.”

Assessment Findings

Despite the strengths and quality currently present in California’s early learning and care programs, and the critical and nurturing role that the predominately women of color workforce plays in educating and caring for California’s young ones, the current reimbursement rate-setting methodology establishes rates that are not sufficient to cover the true cost of providing early learning and care services in accordance with current state licensing and program quality requirements. The historic Standard Reimbursement Rate approach failed to account for or differentiate for the cost of meeting the various program quality standards required of different early learning and care programs. The current approach of using a Regional Market Rate survey of prices that programs are charging families institutionalizes race- and income-based inequities by establishing low rates in low-income areas where programs are offsetting their prices so that families can afford to pay. In addition, a history of opaque policy choices and changes have resulted in an exceptionally complex and unaligned set of base rates and adjustment factors that are virtually un navigable by programs, educators, and families. The result is inequitable access to early learning and care opportunities that meet child and family needs, and exceptionally low compensation for program owners and educators.²

Recommendations

The Rate and Quality Workgroup has identified specific equity considerations and recommendations, including the need to elevate the voices of early educators and families and the need to take a Targeted Universalism approach to implementing changes to California’s reimbursement rate and program quality systems. The Workgroup has identified four core recommendations, each of which are detailed in the full report and associated appendices.

1. **Ensure equity is foundational to all change**—Work toward equity as an outcome and implement equity as a process.³
2. Replace the current methodology of using a market price survey to set rates with an **alternative methodology**, which uses cost estimates/models to set base rates to compensate early learning and care programs. The cost of care for meeting current state requirements will become the basis of the reimbursement rate, including wage scales that set a living wage floor.

² U.S. Department of the Treasury. (2021). *The economics of child care supply in the United States*. <https://home.treasury.gov/system/files/136/The-Economics-of-Childcare-Supply-09-14-final.pdf>

³ Equity is the condition achieved when personal characteristics outside children/families’ control (e.g., race, ethnicity, gender, sexual orientation, ability status, religion, age, class) no longer statistically predict how they fare. As a process, equity is applied when children/families most impacted by structural inequity are meaningfully involved in the creation and implementation of the institutional policies and practices that impact them. See Appendix A for additional information on the Workgroup’s definition of quality.

3. Create a **single rate structure that specifies base rates** and that is designed to address historical inequities. This structure should specify separate base rates for Family, Friend, and Neighbor care and Home-Based and Center-Based early learning and care and should differentiate base rates for meeting different sets of state standards.
4. **Continuously evaluate** the rate-setting methodology **to address equity** and adjust for changing conditions and rising costs.

The Rate and Quality Workgroup has recognized that achieving comprehensive reimbursement rate and quality reform will require changes to systems and policies beyond its charge and focus. As such, the Workgroup has developed a set of broader recommendations to support rate and quality reform, including those related to systems; outcomes for children, families, and educators; accessibility; and alignment across programs.

The Workgroup proposes that its recommendations be implemented in three stages:

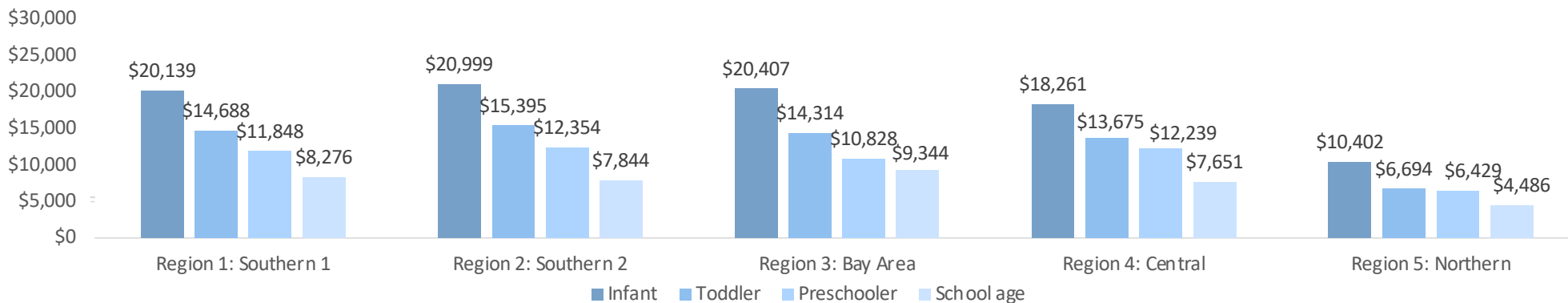
- Stage 1.** Increase reimbursement rates immediately, even before an alternative methodology can be implemented. Simultaneously, obtain federal approval for an alternative methodology and state change to delink subsidy rates from those charged to private pay families.
- Stage 2.** Implement a federally approved alternative methodology to set base rates that are informed by the cost of providing early learning and care services. Do not increase requirements on early learning and care programs and educators until the new base rate using the alternative methodology is fully funded.
- Stage 3.** Continuously evaluate the new alternative methodology and base rate and make appropriate changes and broader system investments based in part on this evaluation and recommendations laid out in the Recommendations Beyond August 2022 section.

California is poised to make considerable advancements for its children, its families, and the tireless early educators who serve them by creating a Single Reimbursement Rate structure that addresses quality standards for equity and supports positive learning and developmental outcomes for children. By fully implementing the recommendations contained in this report, California will make considerable progress in providing quality, easily accessible early learning and care opportunities for the diverse range of children and families who call California home and for compensating and valuing the early educators who serve them.

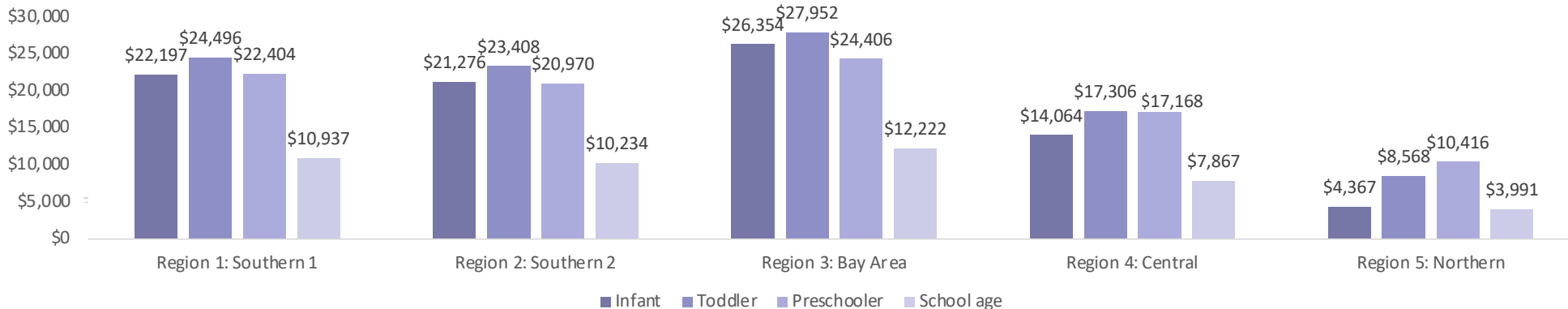
Difference between cost of quality and RMR, SRR, by region



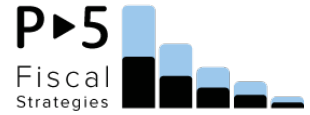
Difference between Cost of Quality and RMR, Annual, by Region



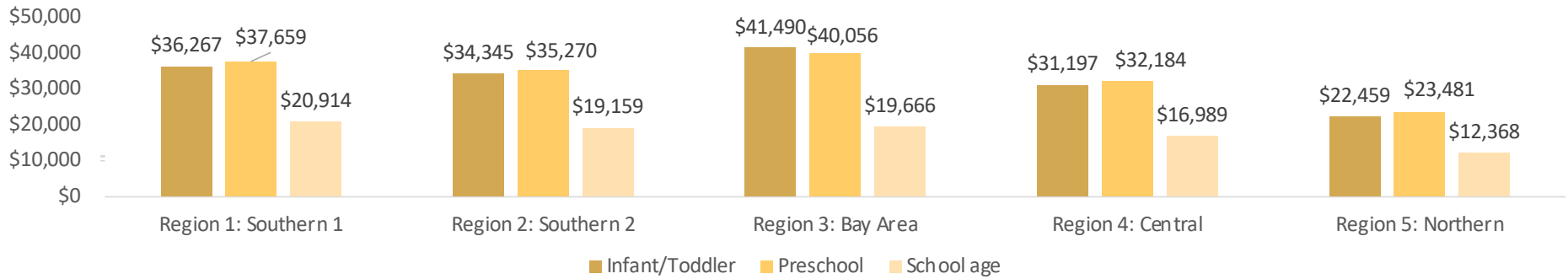
Difference between Cost of Quality and SRR, Annual, by Region



Difference between cost of quality and RMR, by region



Small FCC: Difference between Title 22 Cost of Quality and RMR



Large FCC: Difference between Title 22 Cost of Quality and RMR

