



COLORADO
Department of Human Services

FY 201 5-16
Annual Report
on
Colorado Child Care Assistance Program

Submitted to

Senate Health and Human Services Committee
House Public Health Care and Human Services Committee

December 1, 2016

by

Colorado Department of Human Services
Office of Early Childhood
Division of Early Care and Learning

Colorado Child Care Assistance Program FY 2015-16 Annual Report

The Department of Human Services is submitting the following report on House Bill 14-1317 and the Colorado Child Care Assistance Program (CCCAP) in accordance with 26-2-809, C.R.S.:

(1) On or before December 1, 2016, and on or before December 1 each year thereafter, the state department shall prepare a report on CCCAP. The state department shall provide the report to the public healthcare and human services committee of the House of Representatives and the health and human services committee of the Senate, or any successor committees. The report must include, at a minimum, the following information related to benchmarks of success for CCCAP:

- (a) The number of children and families served through CCCAP statewide and by county;
- (b) The average length of time that parents remain in the workforce while receiving CCCAP subsidies, even when their income increases;
- (c) The average number of months of uninterrupted, continuous care for children enrolled in CCCAP;
- (d) The number and percent of all children enrolled in CCCAP who receive care at each level of the state's quality and improvement rating system;
- (e) The average length of time a family is authorized for a CCCAP subsidy, disaggregated by recipients' eligible activities, such as job search, employment, workforce training, and postsecondary education;
- (f) The number of families on each county's wait list as of November 1 of each year, as well as the average length of time each family remains on the wait list in each county;
- (g) The number of families and children statewide and by county that exit CCCAP due to their family incomes exceeding the eligibility limits;
- (h) The number of families and children statewide and by county that re-enter CCCAP within two years of exiting due to their family incomes exceeding the eligibility limits; and
- (i) An estimate of unmet need for CCCAP in each county and throughout the state based on estimates of the number of children and families who are likely to be eligible for CCCAP in each county but who are not enrolled in CCCAP.

Background and Program Description:

The Colorado Department of Human Services (CDHS), Division of Early Care and Learning is the lead agency for the administration of the Colorado Child Care Assistance Program (CCCAP). The program provides child care assistance to low-income families who are income eligible and are employed, searching for employment, are in post-secondary education or training; families who receive TANF basic cash assistance and/or state diversion and need child care services to support their efforts toward self-sufficiency; and families that have an open child welfare case.

The Colorado Child Care Assistance Program is administered through local County Departments of Human Services under the direction of the CDHS, Division of Early Care and Learning. Counties set income eligibility limits for families, but must serve families who have income of 165% or less of the federal poverty level and may not serve families who have income of over 85% of the State median income.

The funding sources for the Colorado Child Care Assistance Program are a mixture of federal, state, and county dollars. The State must adhere to federal regulations of the Child Care and Development Fund (CCDF). In addition to CCCAP, CCDF funds a variety of services and programs that are administered by the State. Specifically, CCDF supports child care licensing, Colorado Shines (the State's quality ratings and improvement system), early childhood mental health services, and various child care quality initiatives. Additionally, CCDF funds are critical to support the maintenance of the Child Care Automated Tracking System (CHATS). The State reports how CCCAP is administered every three years to the federal government through the Colorado State Plan for CCDF Services.

Purpose:

Pursuant to House Bill 14-1317, the Colorado Department of Human Services (CDHS) has authored this report to the Senate Health and Human Services Committee and the House Public Health Care And Human Services Committee of the Colorado General Assembly. The purpose of this report is to provide information and data about the Department's implementation of this Bill. On December 1st of each year, CDHS is required to report on the data included below.

FY 2015-16 Utilization Data:

The numbers contained in the report were obtained from the Colorado Child Care Automated Tracking System (CHATS) and Colorado Shines Quality Rating and Improvement System (QRIS). Throughout this report, these will be referenced as the CHATS and QRIS, respectively

a) The number of children and families served through CCCAP statewide and by county

- 30,848¹ = the unduplicated count of children who utilized CCCAP at any point during the fiscal year.
- 19,041 = the unduplicated count of cases² with at least one child utilizing care during the fiscal year.

Table 1: Child and Case Counts by Program Type		
Program Type	Child Count	Case Count
Low Income Child Care	23661	14483
TANF Child Care	8180	4686
Child Welfare Child Care	2389	1629

Table 2: Child and Case Utilization Counts by County and Program Type						
County	Low Income Child Care		TANF Child Care		Child Welfare Child Care	
	Child Count	Case Count	Child Count	Case Count	Child Count	Case Count
Adams	2542	1484	946	501	256	183
Alamosa	176	101	51	36	30	15
Arapahoe	2833	1634	1523	807	211	148
Archuleta	33	23	5	4	11	4
Baca	13	7	4	2	0	0

¹ This count represents all children who utilized care at least one time between July 1, 2015 and June 30, 2016. Care is “utilized” if it was paid for using CCCAP subsidy dollars or parental copay.

² Cases represent families/households.

Table 2: Child and Case Utilization Counts by County and Program Type

County	Low Income Child Care		TANF Child Care		Child Welfare Child Care	
	Child Count	Case Count	Child Count	Case Count	Child Count	Case Count
Bent	30	19	17	8	6	5
Boulder	1412	900	303	180	119	91
Broomfield	111	66	16	10	19	16
Chaffee	36	24	6	5	3	3
Cheyenne	6	2	0	0	0	0
Clear Creek	40	23	6	5	11	6
Conejos	30	19	10	5	10	6
Costilla	28	17	0	0	2	1
Crowley	28	17	7	5	0	0
Custer	6	3	3	1	0	0
Delta	147	83	36	21	29	17
Denver	3444	2102	1412	819	239	160
Dolores	3	2	0	0	1	1
Douglas	416	255	23	14	16	9
Eagle	182	127	27	16	5	2
El Paso	3804	2267	1277	724	450	284
Elbert	45	27	7	4	2	3
Fremont	315	176	113	74	0	0
Garfield	142	95	31	18	9	6
Gilpin	23	17	2	2	4	4

Table 2: Child and Case Utilization Counts by County and Program Type

County	Low Income Child Care		TANF Child Care		Child Welfare Child Care	
	Child Count	Case Count	Child Count	Case Count	Child Count	Case Count
Grand	73	46	19	9	0	0
Gunnison	34	19	15	10	9	6
Hinsdale	8	3	0	0	2	1
Huerfano	30	19	6	6	1	1
Jefferson	1924	1202	413	262	187	137
Kit Carson	12	8	0	0	0	0
La Plata	165	115	44	30	22	17
Lake	18	15	14	8	4	3
Larimer	1161	727	487	275	155	115
Las Animas	98	67	38	24	30	15
Lincoln	8	7	0	0	3	1
Logan	120	75	34	22	54	40
Mesa	1111	655	364	204	129	90
Mineral	1	1	0	0	0	0
Moffat	16	9	4	2	5	3
Montezuma	157	100	9	7	6	4
Montrose	284	165	34	22	38	22
Morgan	76	42	23	11	14	8
Otero	81	45	14	9	27	20
Ouray	7	4	1	1	0	0

Table 2: Child and Case Utilization Counts by County and Program Type

County	Low Income Child Care		TANF Child Care		Child Welfare Child Care	
	Child Count	Case Count	Child Count	Case Count	Child Count	Case Count
Park	32	21	9	5	1	1
Phillips	32	17	8	3	1	1
Pitkin	35	25	2	1	4	3
Prowers	68	37	40	17	13	7
Pueblo	992	520	500	265	91	65
Rio Blanco	2	2	1	1	3	2
Rio Grande	96	52	20	12	13	9
Routt	99	73	11	8	5	3
Saguache	15	9	0	0	11	3
San Juan	1	1	1	1	0	0
San Miguel	26	14	0	0	2	1
Sedgwick	17	10	0	0	1	1
Summit	132	80	5	5	3	3
Teller	90	61	28	14	8	5
Washington	26	15	8	6	4	3
Weld	1243	715	365	184	110	71
Yuma	30	17	2	1	5	4

- b) The average length of time that parents remain in the workforce while receiving CCCAP subsidies, even when their income increases
- 7 months³ = The average length of time that a parent utilized CCCAP when declaring employment as their eligible activity over the fiscal year.
- c) The average number of months of uninterrupted, continuous care for children enrolled in CCCAP
- 7 months = The average number of months that children received continuous, uninterrupted care over the fiscal year.
- d) The number and percent of all children enrolled in CCCAP who receive care at each level of the state's quality and improvement rating system
- 17,815 = The total unduplicated number of children utilizing care at least one time between June 1, 2016 and June 30, 2016.
 - Table 3 below displays the number and percent of children utilizing care at each level of the Colorado Shines Quality Rating and Improvement System in June 2016⁴. These counts may be duplicated across rating level because children may attend multiple facilities. Percentages are based on the unique count of children utilizing care in the month.
 - 17,815 = The total unduplicated number of children utilizing care at least one time between June 1, 2016 and June 30, 2016.

³ This number is an average of the *total months* that parents used child care over the 12 month period. This number does not represent consecutive/continuous months of care.

⁴ This count is a monthly utilization count because quality ratings change over the course of the year. The count reflects the rating level at the time of service.

Table 3: Care Utilization by Colorado Shines Quality Rating Level		
Colorado Shines Quality Rating Level	Child Count	Percent
Level 1	3785	21.2%
Level 2	5915	33.2%
Level 3	2775	15.6%
Level 4	3408	19.1%
Level 5	48	0.3%
No Rating ⁵	2617	14.7%

- e) The average length of time a family is authorized for a CCCAP subsidy, disaggregated by recipients' eligible activities, such as job search, employment, workforce training, and postsecondary education

These data are currently unavailable within the existing legacy Child Care Automated Tracking System (CHATS). OEC is working with OIT to make these data available within the existing system, and will work to ensure they are more readily available within modernized CHATS currently under development.

- f) The number of families on each county's wait list as of November 1 of each year, as well as the average length of time each family remains on the wait list in each county
- Table 4 displays the number of children and families requesting care but on a waitlist as well as the average number of days that families had been on the waitlist on November 1, 2016.

⁵ Some child care providers are not currently eligible for Colorado Shines ratings including (but not limited to): School Age Child Care facilities and Qualified Exempt Child Care Providers.

Table 4: Waitlist Data by County			
County	Child Count	Case Count	Average number of days on waitlist
Douglas	10	6	90
Eagle	24	16	64
Grand	2	2	26
Gunnison	24	19	324
Larimer	131	71	31
Mesa	374	218	96
Routt	13	11	61
Statewide	578	343	92

g) The number of families and children statewide and by county that exit CCCAP due to their family incomes exceeding the eligibility limits

- Table 5 displays the number of cases that have closed due to the family exceeding income eligibility limits (i.e. county limits or federal limit)

Table 5: Case Closures by County			
County	Case Closures	County	Case Closures
Adams	103	Larimer	140
Alamosa	4	Las Animas	1
Arapahoe	363	Lincoln	1
Archuleta	5	Logan	3
Bent	1	Mesa	51
Boulder	86	Moffat	1
Broomfield	28	Montezuma	8
Chaffee	6	Montrose	10
Conejos	1	Morgan	4
Crowley	1	Otero	1
Custer	2	Park	2
Denver	139	Phillips	1
Dolores	1	Pitkin	4
Douglas	26	Prowers	4

Table 5: Case Closures by County			
County	Case Closures	County	Case Closures
Eagle	32	Pueblo	27
El Paso	82	Rio Grande	2
Elbert	2	Routt	14
Fremont	8	Saguache	1
Garfield	12	San Miguel	3
Gilpin	5	Sedgwick	2
Grand	6	Summit	13
Gunnison	2	Teller	6
Jefferson	136	Weld	126
La Plata	27	Yuma	3
Lake	3	Total	1509

- h) The number of families and children statewide and by county that re-enter CCCAP within two years of exiting due to their family incomes exceeding the eligibility limits

These data are currently unavailable within the existing legacy Child Care Automated Tracking System (CHATS). OEC is working with OIT to make these data available within the existing system, and will work to ensure they are more readily available within modernized CHATS currently under development.

- i) An estimate of unmet need for CCCAP in each county and throughout the state based on estimates of the number of children and families who are likely to be eligible for CCCAP in each county but who are not enrolled in CCCAP.

Approximately 13.2% of the children eligible for child care subsidies (CCCAP) in Colorado currently receive them at some level throughout a year. This is a relatively stable number over time, which indicates that CCCAP does not currently, and never has, served the majority (or even a large minority) of the potentially eligible population for CCCAP.

Answering this question requires some interpretation and assumptions. The following assumptions were made as part of this response:

- **Service = ANY Level of Service** - For this analysis, OEC identified all children who received *ANY level of CCCAP service, regardless of the amount of service, the frequency of the service, the type of the service, the rated quality of the*

service and/or the relative cost of service. As such, a child who received a single part-time unit of care over a year at a L1 facility in a home in a relatively inexpensive county is counted as “1”, just as is a child who received daily full time care for a year, at a highly rated center in a relatively expensive county. Thus, while the amount, frequency, type, rated quality and cost of these two children’s experience differs dramatically, for these purposes, both are counted as “1” child receiving service during the time period.

- **Reduce Impact of County Options** - In Colorado, counties have many options in the ways in which they administer the CCCAP program. This estimate attempts to reduce the impact of these county options on the estimate by limiting the estimate to the portion of children that could be served under State and Federal law, rather than the number that could be served under each of the 64 counties’ various policies as those policies dramatically impact the potential universe of those served. Chief among these is the county ceiling for income eligibility. All counties must, under state law, have a ceiling at or above 165% FPL. However, under both state and federal law, counties may serve up to 85% of the State median income. Thus, counties’ self-defined income thresholds can dramatically impact the percent of children deemed eligible (i.e., when counties reduce the limit, they also reduce the universe of those eligible; when they increase the limit, they also increase the universe of those eligible). As such, this analysis uses numbers associated with the population that could be eligible according to state and federal law.

Using these assumptions, OEC used payment data from the Child Care Automated Tracking System (CHATS) and calculated the total number of children and families that utilized care for the most recent full 12 month period available (July 1, 2015 and June 30, 2016). Utilization was defined as ANY amount of care provided through subsidy OR any subsidy dollars spent on a child, during this time frame. This number is the estimate of those “served”: 30,848 children served by CCCAP at any level from July 1, 2015 and June 30, 2016. Though this number has varied slightly over time, it has remained fairly close to 30,000 children served for several years.

To get to the number of potentially eligible population, OEC used the United States Department of Health and Human Service’s estimates of Colorado’s eligible population for Federal Fiscal Year 2012 (the most recently available published data).⁶ As described above, these data are related to the estimate based on federal parameters, as opposed to the estimate “Under State-Defined Rules”, because in

⁶ ASPE Issue Brief (2015). *Estimates of Child Care Eligibility and Receipt for Fiscal Year 2012* (DHHS Publication). Washington, DC: U.S. Government Printing Office. Accessible at:

<https://aspe.hhs.gov/sites/default/files/pdf/153591/ChildEligibility.pdf>

Colorado, counties have the ability to set their own thresholds within State rule. That is, the variable that most impacts the universe of those that could be served, income thresholds, is set at the county, not the State, level. Thus, this estimate reduces the impact of county-option by using the universe that *could* be allowed under State rule (though may not be within certain counties, due to the exercise of county option). This number is the estimate of those eligible: an estimated 232,850 children were eligible for CCCAP in Colorado calendar years 2011 and 2012, based on State and Federal Law [Lower Estimate = 189,860; Upper Estimate = 275,850]. It should be noted that, given that these numbers are from 2011 and 2012, this is likely an underestimate of the current eligible population.

Using these two estimates, approximately 13.2% [30,848 / 232,850] of the eligible population for CCCAP in Colorado is currently being served. Based on the confidence intervals used in the eligibility estimates, the range for this estimate is from 16.2% [30,848 / 189,860] to 11.2% [30,848 / 275,850].

To approximate eligibility at the county-level, OEC used the Census estimates of children under 18 in poverty by county (ACS 2014 5 Year Estimates) and assumed the relative portion of this population would be similar to the relative portion of the eligible population. That is, the estimated eligible population (232,850) was multiplied the relative portion of children under 18 in poverty for each county. Table 6 below displays these estimates.

Table 6: Estimated Portion of Eligible Population Served by County

County	Estimated Eligible Population*	Unique Children Served**	Estimated Percent of Eligible Served	County	Estimated Eligible Population*	Unique Children Served**	Estimated Percent of Eligible Served
Adams	27,866	3433	12.3%	Kit Carson	469	12	2.6%
Alamosa	1,456	226	15.5%	La Plata	1,275	217	17.0%
Arapahoe	26,379	4041	15.3%	Lake	298	31	10.4%
Archuleta	466	45	9.7%	Larimer	8,880	1632	18.4%
Baca	181	17	9.4%	Las Animas	655	154	23.5%
Bent	270	47	17.4%	Lincoln	186	10	5.4%
Boulder	10,221	1705	16.7%	Logan	1,246	184	14.8%
Broomfield	1,136	137	12.1%	Mesa	7,610	1434	18.8%
Chaffee	446	44	9.9%	Mineral	-	1	100.0%
Cheyenne	37	6	16.3%	Moffat	557	25	4.5%
Clear Creek	226	54	23.9%	Montezuma	1,968	169	8.6%
Conejos	531	48	9.0%	Montrose	2,699	349	12.9%
Costilla	379	28	7.4%	Morgan	1,477	105	7.1%
Crowley	328	33	10.1%	Otero	2,040	119	5.8%
Custer	194	9	4.6%	Ouray	65	8	12.4%

County	Estimated Eligible Population*	Unique Children Served**	Estimated Percent of Eligible Served	County	Estimated Eligible Population*	Unique Children Served**	Estimated Percent of Eligible Served
Delta	1,670	190	11.4%	Park	269	40	14.9%
Denver	40,721	4598	11.3%	Phillips	270	40	14.8%
Dolores	96	4	4.2%	Pitkin	280	38	13.6%
Douglas	4,385	439	10.0%	Prowers	1,124	111	9.9%
Eagle	1,817	205	11.3%	Pueblo	10,931	1426	13.0%
El Paso	30,067	4892	16.3%	Rio Blanco	298	6	2.0%
Elbert	761	53	7.0%	Rio Grande	907	118	13.0%
Fremont	2,485	385	15.5%	Routt	483	106	22.0%
Garfield	2,253	171	7.6%	Saguache	575	26	4.5%
Gilpin	196	27	13.8%	San Juan	12	2	16.3%
Grand	490	86	17.5%	San Miguel	155	27	17.4%
Gunnison	662	53	8.0%	Sedgwick	115	18	15.7%
Hinsdale	12	10	81.6%	Summit	996	137	13.7%
Huerfano	295	36	12.2%	Teller	468	117	25.0%
Jackson	72	0	0.0%	Washington	191	35	18.4%
Jefferson	15,594	2345	15.0%	Weld	14,147	1583	11.2%
Kiowa	65	0	0.0%	Yuma	449	36	8.0%

* This is the estimated eligible population according the United States Health and Human Services multiplied by the portion of the under 18 population in poverty for each county.

** This is the unique number of children who utilized CCCAP care at least once between July 2015 and June 2016 in each county.

Summary:

The implementation of HB14-1317 has changed the CCCAP landscape in many ways. In summer of 2016, the State implemented a tiered rate structure that supports quality child care for children and families. Families now receive a 20% discount when their children are enrolled in care with a provider who is considered high-quality according to the Colorado Shines Quality Rating and Improvement System. The State anticipates that these incentives will generate an increase in the number of children who are receiving care from a high-quality child care provider. Additionally, children and families now benefit from longer eligibility timelines. The State is experiencing waitlists in a number of counties for the first time due to changes in both state statute and federal reauthorization of the Child Care and Development Fund (CCDF). The data contained in this report is evolving as the State continues to implement the provisions of HB14-1317.