



The Massachusetts Child Care Voucher Study: Progress and Possibilities

Under the auspices of The Bessie Tartt Wilson Children's Foundation, a team of researchers led by Principal Investigator, Valora Washington, Ph.D. and Bessie Tartt Wilson Children's Foundation President, Mary L. Reed, spent the past three years evaluating the Massachusetts child care voucher system. On February 14, 2006 the comprehensive Massachusetts Child Care Voucher Study was released at a public briefing followed throughout the year by a host of meetings with key legislators on Beacon Hill and an op-ed piece in the Boston Globe. From 2007-2009, that major effort was followed by targeted investigations including voucher administration; wait list, translation, and transportation .

After three years, we conclude that Massachusetts has made important policy and program improvements, partly as a result of the "Voucher Study" However, the policy, fiscal and program environment for child care subsidies has changed since the original study. This report is a synthesis of both the progress in the voucher system from 2006 to 2009, and a review of what remains to be done in order to better serve young children and their families.

KEEPING THE PROMISE:

Findings from the 2006 Massachusetts Child Care Voucher Study

Keeping the Promise:
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Massachusetts and other states have fully implemented a voucher system for low-income families seeking child care. The strategy of demand subsidy theoretically increases families' choice, purchasing power, and the quality of care, as providers must compete for parent use. To explore how well these goals are realized, the Voucher Study used the following methodologies: collected original data about the flow of vouchers for one year; conducted surveys with families, research and referral (R&R) agency staff, and child care center directors; held in-depth interviews with mothers, child care center directors, family day care providers, and R&R staff; and convened a forum of three hundred and fifty interested parties. The study benefited from having the perspectives of four key players in the system: families, family child care providers, child care centers, and resource and referral agencies.

Common themes quickly emerged. Everyone recognized the value of the voucher program

and acknowledged that families had problems navigating the system. One consequence of the administrative challenges was that most children were subject to discontinuous, unstable care. Indeed, low reimbursement rates restricted parent choice, forcing providers to subsidize the system, raising serious questions about the impact on the quality of care that children actually received. From all four perspectives, the documentation required of families was considered to be excessive; worse, such documentation was usually required twice in the certification process. Parents commented on being treated uncivilly, on employers being unsympathetic to their needs, and on having to wait for several weeks to get appointments with the resource and referral (R&R) agencies.

R & Rs were caught between enforcing the regulations and meeting the families' needs. This undermined their efforts to be a "resource" to families.(relative to serving as "voucher police.") Most respondents in this study felt that

the system could and should be more accessible and less complex.

Despite these common views, the lack of a common vision of the system was apparent. Families clearly saw child care centers and providers as allies. However, families often recounted suffering and confusion throughout their experiences with resource and referral agencies, state government, and inconsistent voucher policies. Providers demonstrated a remarkable commitment to and synergy with the families. Simultaneously, providers bore the brunt of the unreimbursed cost of accepting subsidized care and expressed frustration with low rates, slow payment, and paperwork hassles, laying blame at the feet of resource and referral agencies and state government. Resource and referral agencies universally wanted to serve families better, but felt restrained by state policies coupled with years of state budget cuts that reduced staff and available services. R&Rs were concerned that families and providers understood that

they implement – but do not establish – state policies.

To address these concerns the Voucher Study recommended that Massachusetts develop a vision of universal early care and education that provides equal access to all, financed by a mix of private pay, contracts, vouchers, Head Start, and other means. Four strategies for action were suggested:

- Lengthen the certification period of child care vouchers to one year;
- Ease administrative burdens by eliminating the prevalence of “double documentation” among agencies, address transportation issues and office service hours, address unsubsidized time periods such as school vacations, provide translation services, and reduce the waiting list;
- Increase reimbursement rates for providers; and
- Strengthen the resource and referral function.

Progress from 2006-2009: What has been accomplished?

From January 2007 to February 2009 the Voucher Study team continued to focus on the issues and advocate for regulatory change to the voucher system. Our collective efforts included conducting town meetings in all five regions of the Massachusetts Department of Early Education and Care (EEC). In total, team members interviewed twenty center based staff from eight different agencies, (some of whom were also parents with vouchers), seventeen parents, and nineteen staff from six resource and referral (R & R) agencies. In addition, we organized and held a community forum at the Kennedy Library where more than one hundred and forty providers, R&R staff, and public officials attended. We held several meetings with officials from the Massachusetts Department of Early Education and Care (EEC) and the Department of Transitional Assistance (DTA), as well as hosted a focus group with nine transportation companies. In December 2008, follow up interviews were conducted with eleven state officials, R & R staff and program staff, about the progress over the past few years.

From these efforts we conclude that progress has been realized in three of the four areas in which we offered recommendations, including:

- Greater continuity of care for children by extending the voucher certification period to one year;
- Reduced administrative burdens of the voucher system as a result of interagency collaboration, ending the prevalent practice of requiring “double documentation for families”, paying more attention to the needs of families with Limited English Proficiency (LEP), and using technology

to improve the waiting list for child care services; and

- Enhanced resource and referral function.

1 The voucher certification period for families was extended from six months to one year in November 2006.

In 2007 we examined the immediate effects of these new policies. Compared to 2005, we found a decline of 24% in the number of new vouchers per month. The vouchers issued were, on average, 25 days longer. The certification change reflects an improvement in the continuity of care. More than one-third of programs (38%)



reported that the gap between the expiration and the renewal of the voucher had improved. In addition, 42% of programs reported that vouchers are now more likely to help families achieve stable employment or schooling. We saw a dramatic drop in the termination and interruption rates – on average, 30% of all vouchers were interrupted or terminated in 2005, compared to only 13% in 2007.

Everyone interviewed, who were familiar with voucher certification, felt the benefits of the one year certification period were greater than the barriers; one year vouchers are making a positive difference for families, providers, and resource and referral agencies. It is now easier for families to handle the renewal process, eliminating gaps in service as often as possible. Providers do not have to remind families about renewals as often and do not face as many instances of providing free or reduced child care during gap periods. Some R & Rs reported having more time to work with families, process paperwork, and return calls. Many R & Rs reported that they still had communicated with many families before the end of the year, but that the longer certification had eased the administrative burden for everyone.

However, our interviews did reveal frequent questions about whether families were reporting changes in status such as income,, work searches or changes in work. One interviewee concluded that that it is too early for data to be accurate about "how many families are receiving improper payments or are not qualified before their year is up." Others seemed sure that there are lapses.

"Families are not reporting changes when it affects their subsidies in a negative way. They do report in when it is beneficial to them."

"The burden is on the families to communicate changes to their status. If you don't renew, you lose your voucher. EEC is sending the message to R & Rs: NO EXCEPTIONS."

2 Significant steps have been taken to ease the administrative burden of the voucher system. We see improved interagency collaboration, elimination of "double documentation", translation initiatives, and new technology.

A. The Massachusetts Departments of Transitional Assistance (DTA) and Early Education and Care (EEC) formed a work group to better coordinate their efforts and ease the

administrative burden on families. Everyone who addressed this change felt that the work group had been positive. There was

"... a lot of streamlining of the process."

"We changed a lot of policy around communications. It's not that we had poor communications before, we had a poor process."

"We looked at everything from A to Z and made it easier for clients. We changed the language in notices and literature to make them more readable for clients to understand."

"If we continue together as part of the process so when there are policy change issues, we can issue memorandums JOINTLY (with a different set of instructions pertinent to departments) and different letters but we now check with each other for consistency and accuracy."

"One of the side issues that came out of our meetings was making childcare more available to homeless children."

B. The issues of families being required to face "double documentation" and unsubsidized time periods have been addressed.

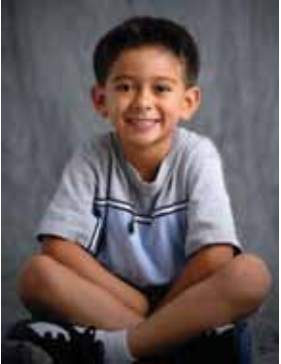
Since the 2006 study, policy has changed so families are no longer required to submit all of the documentation a second time when they transition from DTA to EEC oversight. Changes in policy have helped alleviate the issues of losing childcare during semester and summer breaks for full time students.

"For transitional clients, DTA can authorize childcare up to two weeks. EEC had one week so now they have matched DTA and everyone has two weeks."

"DTA families have an end date, and we don't need to collect documentation again."

"The initial double documentation has stopped. Presently when a DTA voucher comes our way (R & R), we only have to verify with a picture ID as opposed to starting over again. Policies regarding maternity and paternity leave changed to the federal number of twelve weeks. They have also changed "full time student" in college so courses could be anytime, including summer, evening and online. Full time is considered twelve credits, four courses. If you are in college, you need time to study so summer and semester breaks were allowed for continued childcare. They have allowed more time for transporting and commuting between childcare and school. They have loosened some ways that clients were restricted."





C. Beginning efforts have been made to address the issue of translation. In our 2007 policy paper “Communication in Any Language,” we found that families with Limited English Proficiency (LEP) have a greater difficulty understanding Massachusetts voucher policies and procedures, partly because the state does not have a systemic, reliable approach to translation. Since the publication of our report and our Boston Globe op-ed piece entitled “Speaking the Same Language” on the issue of translation, EEC’s voucher notifications, wait list updates, and family child care and financial forms have been translated into six languages (Spanish, Portuguese, Khmer, Traditional Chinese, Haitian Creole, and Vietnamese.) EEC is creating a “babble notification,” a two-sided document with several languages on it for families to use when visiting a resource and referral agency. The family identifies its native language, helping the R&R address the family’s needs. Further, the EEC has made the Qwest TeleInterpreters phone service available to referral and resource agencies to enable communication with LEP families. Finally, EEC staff reported that they are working more closely with the Massachusetts Office of Immigration and Refugees.

“Everything that could be translated had been. Not everything is online as of yet.

“...new website is being developed, and then all forms will be available on the new EEC website.”

D. There have been significant efforts to implement an on-line wait list system, a major technological innovation for Massachusetts. While this system has not been perfected, it provides the framework to streamline and create efficiencies in the voucher system. EEC has provided training for providers on how to

use the system. The system allows providers and the resource and referral agencies to put families on the wait list and to check on their status. The on-line system allows families to find out information on their status more easily. The system allows EEC and the R & Rs to allocate vouchers to families based on the EEC’s priority categories and a first come, first serve basis.

3 R and R’s have taken steps to ensure more consistent quality. Since 2007, all thirteen resource and referral agencies in Massachusetts have participated in a national quality assurance process. At the time of this publication, the R & Rs are awaiting word on the results. R & Rs report that this process has been positive for their agency and families. Although the process was intensive and demanding, it can enable resource and referral agencies to have “a level of consistency across the state.”

“The quality assurance process gave us an opportunity to take a hard look at our program to see where we needed work. It was like a self assessment.”

“It is a much more comprehensive process with the types of care and quality and can take up to twenty minutes now. It is a more engaging outreach to families around trends, child development, educational info and outreach about our services. It is more targeted and deliberate. We flooded the gate with pamphlets and magnets so we hope to keep the direct contact going.”

“There is an increasing number in caseloads but not an increase of staff. Quality assurance needs more time. We received great literature from the quality assurance process but not enough time for the face to face to use the literature.”

Possibilities: What remains to be done?

Significant work remains to be done in each of the four areas of the Massachusetts Child Care Voucher Study. However, the most significant need still to be addressed is to ease the administrative burden of the voucher system on families. The six areas of greatest concern are voucher administration, transportation, waiting lists, staffing, translation and financial processes (including rates).

1 Voucher administration needs ongoing adjustment. In our follow up study, only one-third of child care program directors reported improvements in voucher administration, including how quickly they are able to fill vacancies when a voucher ends and how well they are able to track each child's voucher termination dates. The resource and referral agencies are still understaffed and underfunded. They have difficulty referring families to programs that offer services to infants and toddlers, evening and weekend care, part time care, transportation services, or programs that can serve parents with a variable or rotating work schedules, because there are very few providers who offer these services.

2 No one we interviewed felt that Massachusetts has made headways in the area of transportation. "Complex, expensive, scarce, non-existent, at a standstill." were some of the adjectives used by an interviewee. In February, 2009 we issued a policy paper entitled "Transporting Young Children in the Commonwealth of Massachusetts" in which we found that, instead of a coherent "system" of transportation, what exists is a number of individually administered programs that are not linked in any meaningful way. Consequently, there are inconsistent procedures in providing transportation vouchers to families across the state. Many early care and education programs are hesitant to offer transportation because of liability concerns, inadequate transportation rates, safety concerns, and philosophical issues. Even when dealing with transportation in small ways, it is "a big headache". Not all families with child care vouchers have equal access to transportation subsidies.

"25 out of 28 towns in my region lack a public transportation system."

"Reimbursement is never enough money. There have been no changes since 2006."

Staff at the state level, have not figured out how to work together in this area. DTA told us that their responsibility is with "mandate to work" and EEC's responsibility is transportation to programs. Some EEC staff questioned: "If our agency is about childcare, then transportation should come from an agency with economics of scale to enable us to do it right. We only have one mode of reimbursement. Why can't we have a "T" pass? Why one mode of process? We reimburse the least amount of any state agency."

3 Waiting lists continue to plague access to child care; the state's new technology to manage the waitlist is not yet effective. In our 2007 follow up study, almost one-quarter of child care center directors (23%) reported that the affordability of parental co-payments has worsened in the past six months, and 17% reported that the time families spend on the voucher waitlist has worsened. In 2008, the majority of people interviewed felt that the waitlist has worsened, stayed the same or "is a disaster". As of September, 2008 the wait list for subsidized child care was 21,968. EEC staff expects that the number of children on the wait list will increase as the Department implements limitations on priority groups for vouchers, as a result of the state budget cuts.

While the new wait list technology is innovative, it is not without its challenges. Providers are responsible for spending significantly more time and resources on wait list management tasks using the new wait list technology. Despite EEC training programs and other efforts to clean up the wait list, wait list information is often inaccurate.

"There are a lot of hands on the waitlist. That data is not accurate. Multiple hands have access to the waitlist (Errors occur) if you can't code correctly or even spelling can impact outcomes."

"If families are being told that they could be on the waitlist for two to three years, why have a waitlist? In our region there are six



hundred fifty to seven hundred children on the list. With the economy, phone calls are off the hook with families in tears;It's not something that is reflected in the waitlist when you hear their stories."

"Worse now than ever..... The reduction of our workforce is going to impact our extremely high need families. More children are going to be at risk for harm until we can provide access to services. "

"I hear from directors that it (the waitlist) hampers enrollment. EEC's efforts to make sure there was equity across the state have not served families in the best ways."

"If families are being told of the freeze and the wait, why bother?"

4 The EEC financial reimbursement system and its procedures continue to cause challenges. Issues of rates, billing and "multiple pots of funding" continue to create confusion and distrust.

A. The rates provided by EEC for early care and education services still do not cover the full cost of care including adequate salaries and benefits for staff, supplies and materials needed for high quality programming for young children, and ongoing maintenance of providers' equipment and facilities.. Rate increases for child care providers have been included in the EEC budget each year since 2006. In FY 07' the increase was \$12.5 million; in FY 08' the increase was reduced to \$7 million; unfortunately, the FY 09' rate increase was recently cut to only \$2.0 million (a reduction of 87.5% over the FY 07 level, due to the Commonwealth's budget problems)

"It is nowhere near where it needs to be. It's a Catch 22 with no monies and cuts. If you are going to be real about quality, you can't afford to pay a teacher with a bachelor's degree on a \$36 a day reimbursement."

"It is nowhere near paying for what the costs of care are. The quality is not even in the equation. The need to help providers provide care is "bare minimum wages, slave wages."

B. The parent fee structure requires revision. Unlike the housing model, the EEC parent fee scale does not allow for any deductions such as rent, health insurance, or utilities. There is a need to build into the fee schedule an allowance for a transition time. If parents' income levels change due to changes in work

status or a move from DTA to an income eligible voucher, parents do not have time to build up savings before they are charged a higher parent fee, according to the fee scale. A family-friendly policy change could include: a 90 day waiting period before parent fees are increased due to a job change or a move from a DTA voucher to an income eligible voucher. Another policy change could be to revise EEC's sliding fee scale to include allowable deductions.

C. Multiple "pots of funding" create confusion. Parents, providers, and resource and referral agency staff are confused by the current system of separating vouchers, contracts, or community partnerships slots. Currently, electronic billing occurs only in one pilot region of the state and it has received positive feedback. It would be helpful to have one EEC billing system using identifiers for different funding streams. The electronic billing system should be implemented across the whole state.

5 Staff shortages continue to impact services. R & R caseloads were reported as increasing without additional staff. One DTA staff member described this as a "double whammy", an increase in clients with fewer staff.

6 Support for families with Limited English Proficiency is fragile and requires ongoing support.

In this regard we have received two different messages. A typical response from resource and referral agencies is that their staff has the language capabilities to translate in- house and that they are meeting the needs of language diverse populations.

"We have staff in almost all languages. We have our own internal list of people. "

"I have master's level on staff to translate for us. I'm the only one who is not bilingual".

On the other hand, at gatherings of providers and other professionals, one of the most prominent areas of concern is around translation.

"With literacy issues whether it is in their native language or English, folks need face to face. There is no mandate or commitment to hire community folks who speak their languages. They don't think it's a problem because they don't see the families. I don't think we have made headway here."



CONCLUSION

The Massachusetts Child Care Voucher Study has documented the challenges of serving young children in Massachusetts and serves as a catalyst for change. The work has been comprehensive as well as targeted to key areas such as voucher management, transportation and translation.

We commend and celebrate the achievements that the Commonwealth has made in making child care more accessible and more stable for young children and their families. At the same time we recognize the severe strain that the current fiscal crisis places on the Commonwealth, child care providers, and families and the need for continuous reform. One of our interviewees described the current time:

“Just as things get better, and then it gets worse again. We were on the right path to get caseloads lightened with less stress. Now we’re back to the beginning again.”

In our view, Massachusetts is not “back at the beginning,” but we do recognize the need to protect the progress achieved, as well as to meet the challenges identified in the Massachusetts Child Care Voucher Study. To do this, Massachusetts must address three important questions and three suggestions for long term change:

Questions we must bear in mind:

First: How can we keep continuity of care with the child in mind?

We must sustain and enhance continuity of care for young children through one year vouchers.

Second: How can we promote greater equity in the system?

We must review wait list policies and procedures with a focus on the examination of priority groups to ensure a more equitable system for all low income families in the Commonwealth.

We must provide more services to families with limited English proficiency

We must reform transportation policies and procedures to ensure that all families with vouchers who need such services, not just those from certain priority categories, receive them.

Third: How can we improve auxiliary services that make child care possible such as transportation?

We must initiate an interagency task force to address transportation policies.



Suggestions for long term change include:

- 1 Identify ways to create an attitudinal shift so that all children and families are treated with dignity and respect, even in these economically challenging times.
- 2 Shift more of the focus on the issue of poverty as a root cause of the plight of many families. A recent report by Massachusetts Citizens for Children found that Massachusetts continues to be one of the wealthiest states in the nation. However, Massachusetts is also a state with a child poverty rate that has hovered around thirteen percent for a decade.
- 3 Increase support for a universal system that does not distinguish private vs. subsidized pay. We continue to recommend that Massachusetts develop a vision of universal early care and education that provides equal access to all, financed by a mix of private pay, contracts, vouchers, Head Start, and other means.

As our three years of investigations of the Massachusetts Child Care Voucher System comes to a close, we are encouraged by the widespread support for young children at all levels of government, and by a wide array of organizations in our state. We believe that with continued vigilance and advocacy, Massachusetts can become an even better place for children to thrive.

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Bessie Tartt Wilson Children's Foundation

Who We Are

The Bessie Tartt Wilson Children's Foundation (BTWCF), a 501c3 non-profit, was founded in 2002 and enhances the lives of children and families through advocacy and early education policy reform initiatives supported by research.

Who We Serve

The Bessie Tartt Wilson Children's Foundation focuses on children and families across the Commonwealth of Massachusetts who receive government subsidies for childcare, and who face the burden of poverty and other factors that put children at risk of physical, emotional, cognitive and other developmental delays.

Our Success to Date

"Keeping the Promise: A Study of the Massachusetts Child Care Voucher System" is representative of our grassroots approach to policy reform. Keeping the Promise was launched in 2005. By 2006, the Foundation's efforts led to the Massachusetts Department of Early Education and Care (EEC) policy reform that extended the child-care voucher certification period from six-months to one year, impacting over 52,000 children and families across the state.

Where We Are Going

Building on the success of Keeping the Promise, the Foundation will focus its next phase of research, advocacy and policy reform work on the issue of professional development and educational access among the state's early education workforce, with a focus on those who are from immigrant populations, populations of color and those who are themselves among the working poor.



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