DHS-7660-ENG 2-18

DEPARTMENT OF HUMAN SERVICES

Legislative Report

Status of Child Care in Minnesota (2017)

Office of Inspector General

Children and Family Services

February 2018

For more information contact: Minnesota
Department of Human Services
P.O. Box 64242
St. Paul, MN 55164

651-431-6500 (Licensing Division)

This information is available in alternative formats to individuals with disabilities by calling 651-431-6500.

TTY users can call through Minnesota Relay at 800-627-3529.

For Speech-to-Speech, call 877-627-3848.

For other information on disability rights and protections, contact the agency's ADA coordinator.

Minnesota Statutes, Chapter 3.197, requires the disclosure of the cost to prepare this report. The estimated cost of preparing this report is $1,925.00.

Printed with a minimum of 10 percent post-consumer material. Please recycle.

Table of Contents

I. Executive summary....4

II. Legislation....5

III. Introduction....7

IV. Summary Data....9

V. Changes to Statute, Rule, Policies, and Procedures 19

VI. Partnership with Counties.... 27

VII. Implementation of 2016 Task Force Recommendations 29

VIII. Report Recommendations 34

I. Executive summary

As required by Minn. Stat. 245A.153, the department wrote this report to document: summary child care data, changes to statute, rule, policies, and procedures, efforts to enhance state-county partnerships, and efforts to implement recommendations stemming from the 2016 Legislative Task Force on Access to Affordable Child Care. Key findings include:

- The Minnesota Department of Human Services has several programs that support affordable, high quality, and safe child care and early education programs. The Child Care Assistance Program (CCAP) provides financial assistance to help families with low incomes pay for child care so that parents may pursue employment or education leading to employment, and ensures that children are well cared for and prepared to enter school ready to learn. In fiscal year (FY) 2017, 29,168 children and 14,555 families received support from this program. Minnesota's quality rating and improvement system, Parent Aware, rates the quality of early care and education programs. These ratings help families make informed choices, and provide a framework for other initiatives in Minnesota aimed at helping low-income families afford high quality child care and early education programs. As of December 2016, 2,635 child care and early education programs held a Parent Aware rating. Finally, the department has a critical role in monitoring and supporting provider compliance with health and safety standards in over 10,300 licensed child care programs in Minnesota.

- The 2017 legislative session resulted in several legislative changes impacting child care, including changes to Minnesota's CCAP, Parent Aware, and licensing requirements. Many of these changes help bring Minnesota into compliance with the federal Child Care and Development Block Grant Act of 2014.

- The department continues to work to strengthen its relationship and work with Minnesota's 87 counties to enhance licensing practices as well as the administration of CCAP. Further, the department has implemented or partially implemented a number of recommendations set forth by the Legislative Task Force on Access to Affordable Child Care that specifically call for increased partnership with the counties.

II. Legislation

245A.153 REPORT TO LEGISLATURE ON THE STATUS OF CHILD CARE.

Subdivision 1. Reporting requirements.

Beginning on February 1, 2018, and no later than February 1 of each year thereafter, the commissioner of human services shall provide a report on the status of child care in Minnesota to the chairs and ranking minority members of the legislative committees with jurisdiction over child care.

Subd. 2. Contents of report.

(a) The report must include the following:

(1) summary data on trends in child care center and family child care capacity and availability throughout the state, including the number of centers and programs that have opened and closed and the geographic locations of those centers and programs;

(2) a description of any changes to statutes, administrative rules, or agency policies and procedures that were implemented in the year preceding the report;

(3) a description of the actions the department has taken to address or implement the recommendations from the Legislative Task Force on Access to Affordable Child Care Report dated January 15, 2017, including but not limited to actions taken in the areas of:

(i) encouraging uniformity in implementing and interpreting statutes, administrative rules, and agency policies and procedures relating to child care licensing and access;

(ii) improving communication with county licensors and child care providers regarding changes to statutes, administrative rules, and agency policies and procedures, ensuring that information is directly and regularly transmitted;

(iii) providing notice to child care providers before issuing correction orders or negative actions relating to recent changes to statutes, administrative rules, and agency policies and procedures;

(iv) implementing confidential, anonymous communication processes for child care providers to ask questions and receive prompt, clear answers from the department;

(v) streamlining processes to reduce duplication or overlap in paperwork and training requirements for child care providers; and

(vi) compiling and distributing information detailing trends in the violations for which correction orders and negative actions are issued;

(4) a description of the department's efforts to cooperate with counties while addressing and implementing the task force recommendations;

(5) summary data on child care assistance programs including but not limited to state funding and numbers of families served; and

(6) summary data on family child care correction orders, including:

(i) the number of licensed family child care provider appeals or requests for reconsideration of correction orders to the Department of Human Services;

(ii) the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services grants; and

(iii) the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services denies.

(b) The commissioner may offer recommendations for legislative action.

Subd. 3. Sunset.

This section expires February 2, 2020.

III. Introduction

All children and their families should have access to safe, healthy, and quality child care and early education programs. The first few years of children's lives are key to their intellectual, emotional and social development. Everyone wants to know that children are being well cared for while family members are at work or school. Quality child care that is available and affordable is important to children's safety and healthy development, and to families' self-sufficiency. The Minnesota Department of Human Services has several programs that support affordable, high quality, and safe child care and early education programs.

Licensing

Licensure provides the necessary oversight mechanisms to ensure child care is provided in a healthy and safe environment, provided by qualified people, and can meet the developmental needs of all children in care. The department has a critical role in monitoring and supporting provider compliance with health and safety standards in over 10,300 licensed child care programs in Minnesota.

The department, in partnership with counties, licenses and monitors child care programs and investigates reports of alleged licensing violations and maltreatment. DHS directly licenses child care centers and provides oversight to the county-delegated licensure of family child care programs. DHS and the counties are responsible for monitoring and enforcing the rules and statutes governing licensed child care.

Child Care Assistance Program

The Child Care Assistance Program (CCAP) provides financial assistance to help families with low incomes pay for child care so that parents may pursue employment or education leading to employment, and their children are well cared for and prepared to enter school ready to learn.

County and tribal agencies administer the program. There are three sub-programs:

- Minnesota Family Investment Program/Diversionary Work Program (MFIP/DWP) child care is for families currently receiving MFIP or DWP. Child care for these families is forecasted.
- Transition Year (TY) child care is for families who have received MFIP or DWP within the last year. Child care for these families is forecasted.
- Basic Sliding Fee (BSF) child care is for other low-income families. Basic Sliding Fee is a capped appropriation. Some counties have a waiting list for Basic Sliding Fee child care.

Parent Aware

Parent Aware is Minnesota's Quality Rating and Improvement System that offers tools and resources to help families find quality child care and early education, help programs improve their practices, and help children benefit from care and education that will prepare them for school and life. These ratings help families make

informed choices and provide a means through which programs such as CCAP and Early Learning Scholarships help low-income families access higher quality care.

This report summarizes the following:

- Summary data on licensing trends, including the number of providers and types of licensing actions taken, as well as CCAP and Parent Aware trends
- Changes to statute, rule, policies, and procedures impacting child care and early education
- The department's efforts to partner with counties to enhance and support communication between the department, county licensors and family child care providers
- The department's implementation of recommendations set forth by the 2016 Legislative Task Force on Access to Affordable Child Care to enhance cooperation with the counties
- Recommendations put forth by the department to support healthy, high quality, and affordable child care and early education programs and providers.

IV. Summary Data

Licensing

In fiscal year (FY) 2017, the department was responsible for directly licensing and monitoring over 1,700 child care centers and provided oversight of the county-delegated licensure of over 8,600 family child care programs. Licensure promotes healthy and safe child care settings through monitoring and oversight.

A. Capacity and Availability

At the end of FY2017, there were 8,654 licensed family child care programs and 1,725 licensed child care centers in Minnesota. These programs had the licensed capacity to serve over 228,000 children.[1]

Figure 1: Child Care Licenses (FY2013 - 2017)

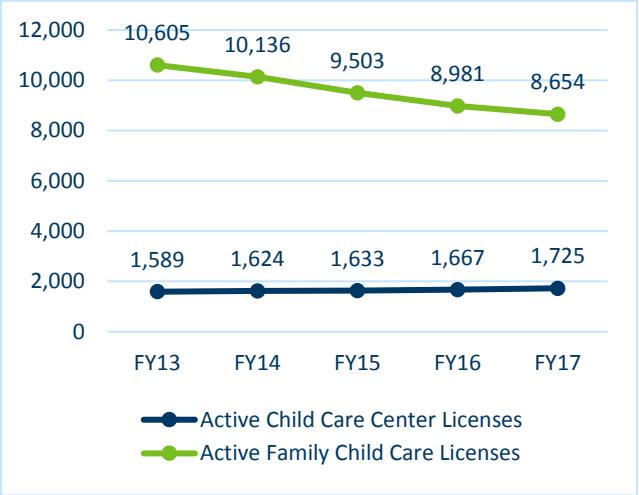


Figure 2: Licensed Child Care Capacity (FY2013 - 2017)

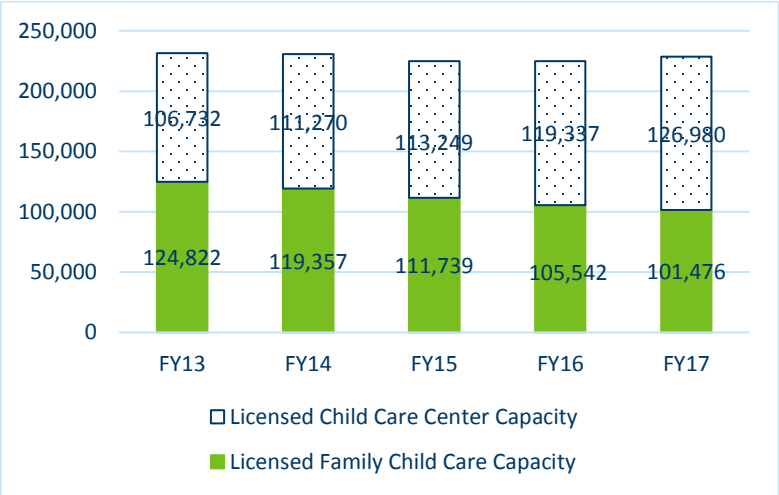


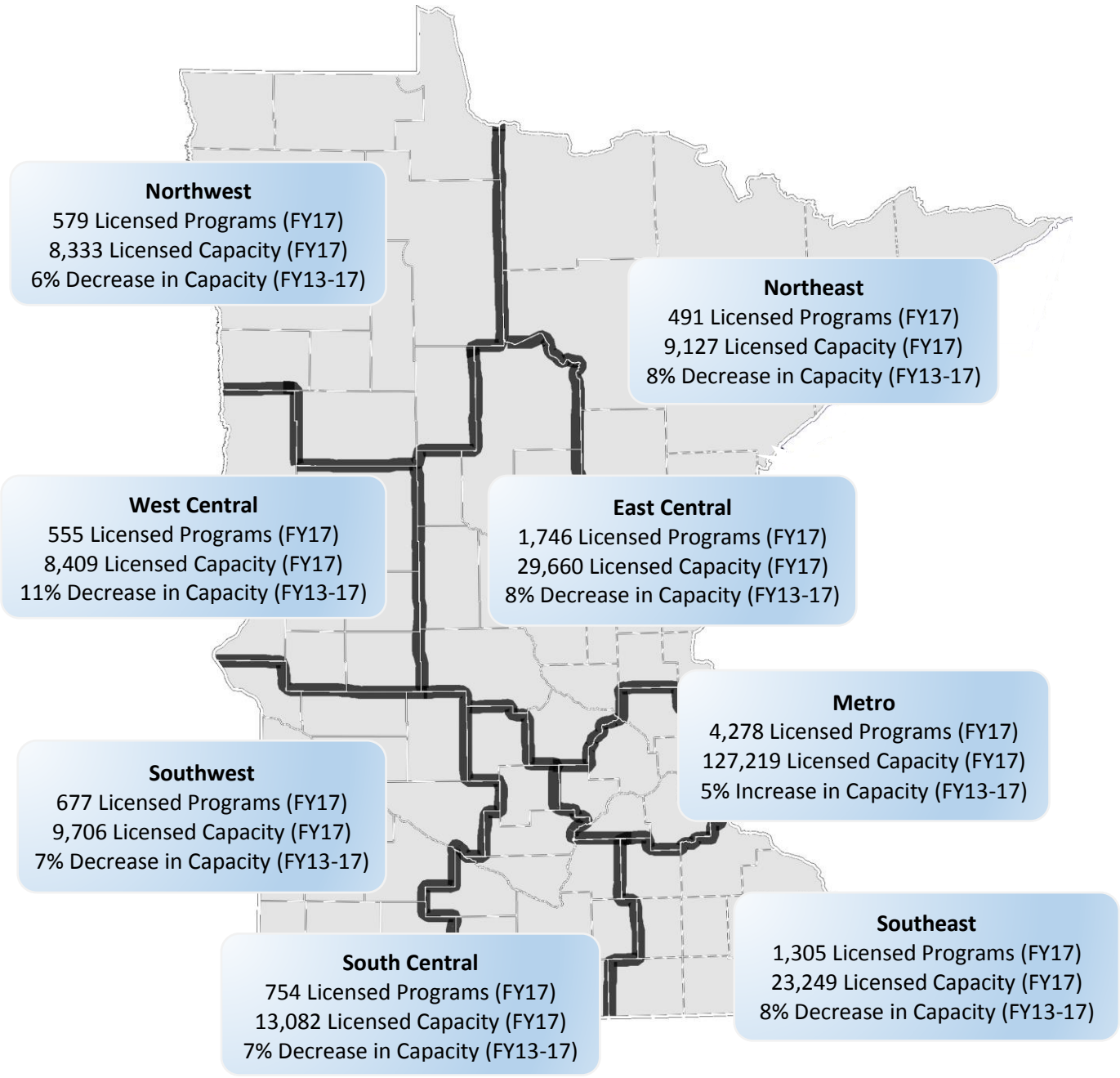
Figure 1 indicates that since FY2013, Minnesota has experienced a slight increase in the number of child care centers with a net gain of 136 centers. This figure also illustrates that Minnesota is also experiencing a steady decrease in the number of family child care programs, with a net loss of 1,951 licensed programs.

In terms of licensed capacity, between FY2013 and FY2017, Minnesota lost a net total of 3,098 licensed child care "slots" for which providers were licensed to provide care. Losses over this time, however, were not equal between licensed child care centers and licensed family child care programs. Most of the gained capacity stems

[1] Licensed capacity is the total number of children a child care program may care for at any given time. Please note, licensed capacity does not reflect the total number of children actually served in licensed care. The total number of children actually served by licensed programs is not collected by the department at this time.

from new or expanding child care centers, while most of the lost capacity is related to family child care program closures. Although the growth in capacity for child care centers is an encouraging development, a significant amount of growth occurred in the seven county metro area – leaving Greater Minnesota with far fewer licensed child care options.

Figure 3: Regional trends in licensed child care (centers and family child care programs) (FY2013-2017)



B. Openings and Closings

Overall, more child care programs are closing than newly licensed child care programs are opening in Minnesota. This is largely a result of family child care closures.[2] Recent data indicates that in the past five years, more child care centers opened compared to closures in each year. The opposite is true for family child care programs where more closed than opened during each fiscal year. In FY2017, Minnesota experienced a net gain of 60 centers and a net loss of 318 family child care providers.

	Child care centers		Family child care	
	Opened	Closed	Opened	Closed
FY2013	98	84	882	1,384
FY2014	98	63	953	1,422
FY2015	84	76	709	1,336
FY2016	111	79	703	1,225
FY2017	138	78	789	1,107

These trends illustrate the changing face of child care in Minnesota. The decline in family child care providers is not unique to Minnesota but is occurring across the country.[3] Explanations for why family child care programs are in decline include: many providers are reaching retirement age[4] or are seeking less demanding, more profitable and family-friendly positions (i.e., the ability to take flex-time or telecommute);[5] a general workforce shortage in the "caring" professions;[6] and young families being less likely to own their home and therefore living

---

[2] A child care program may close its license for a number of reasons, including the program chooses to stop operating, the program chooses to stop providing licensed care (for example, when a licensed family child care provider becomes a legally non-licensed provider), the program license is not renewed, or the license is revoked by DHS.

[3] Family child care brief, Administration for Children and Families, Office of Child Care, (https://www.acf.hhs.gov/sites/default/files/occ/occ_fcc_brief.pdf).

[4] The Minnesota State Demographic Center states, "The number of Minnesotans turning 65 this decade (around 285,000) will be greater than the past four decades combined." See http://mn.gov/admin/demography/data-by-topic/aging/ (last visited September 23, 2016).

[5] Work-life balance and the economics of workplace flexibility, The Council of Economic Advisers (June 2014), (https://obamawhitehouse.archives.gov/files/documents/100331-cea-economics-workplace-flexibility.pdf).

[6] Care Gap: US Facing Shortage of Direct Care Workers, Paraprofessional Healthcare Institute (October 15, 2012) (http://phinational.org/charts/care-gap-us-facing-shortage-direct-care-workers).

in settings not as conducive to starting a family child care business, such as apartments, condos and townhouses.[7]

For additional information on licensing trends, please see:

- *Understanding Licensed Child Care in Minnesota: 2016 Issue Brief*[8]
- *Licensed Child Care Trends (2005-2015)*[9]

C. Correction Orders and Sanctions

When a licensor finds a licensing violation that does not imminently endanger the health, safety or rights of children served by the licensed program, they issue a correction order. A correction order is not a sanction on the license; rather, it is a notification that the licensed program was out of compliance. After receiving a correction order, the license holder has a specified amount of time to either correct the violation or to request reconsideration if they disagree with the determination. DHS licensors issue correction orders to child care centers and county licensors issue correction orders to family child care programs.[10]

When there are serious or chronic violations, or maltreatment occurs, licensing sanctions may be issued.[11] Licensing sanctions include: fines, conditional licenses, revocation, suspension of a license, or temporary immediate suspensions (TIS). The DHS Licensing Division determines which of these sanctions is appropriate based on the nature, severity and chronicity of the violations. Temporary immediate suspensions are issued when there is an imminent risk of harm to children in care.

Licensed providers are afforded due process rights and may request reconsideration of a correction order or a conditional license, or appeal other sanctions or findings of maltreatment, if they believe the decision was improper or incorrect. The due process afforded to licensed providers differs depending on whether the provider was issued a correction order or conditional license, or other type of sanction. If a provider wishes to challenge a correction order or conditional license, the provider may request reconsideration from DHS. When requesting reconsideration, the provider must submit written evidence in support of the request for reconsideration. The commissioner reviews requests for reconsideration and issues a final disposition, which is

---

[7] Improving America's Housing 2015: Emerging Trends in the Remodeling Market, Joint Center for Housing Studies of Harvard University, page 9, (http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/jchs_improving_americas_housing_2015_final.pdf).

[8] https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3790-ENG.

[9] http://www.dhs.state.mn.us/main/groups/licensing/documents/defaultcolumns/dhs-292314.pdf.

[10] For more information about county responsibilities, please see *County Delegated Licensure of Family Child Care Programs* at http://www.dhs.state.mn.us/main/groups/licensing/documents/defaultcolumns/dhs-292313.pdf.

[11] For purposes of this report, "sanction" includes conditional licenses, license denials, fines, license revocations, temporary immediate suspensions, and suspensions.

not subject to further appeal rights. Unlike correction orders and conditional licenses, providers may request an appeal for the other types of sanctions that they may receive.

When providers are notified of the sanction against their licenses, they are informed of their appeal rights. To initiate an appeal, the provider must submit a request in writing to the commissioner within the statutory timeframe. Once the provider submits an appeal to the commissioner, the commissioner then issues a notice of hearing. This notice triggers the assignment of an administrative law judge who schedules a hearing. During a hearing, the provider may retain legal counsel, may examine and cross-examine witnesses, and the judge may request the presence of witnesses. Based on the findings of the hearing, the administrative law judge makes a recommendation to the commissioner who then orders the final action. Under Chapter 245A, providers may also enter into a settlement agreement with DHS to resolve their appeal. Providers have additional rights to appeal the commissioner's final actions under Chapter 14 (Administrative Procedure) and Minnesota Rules, parts 1400.8505 to 1400.8612.

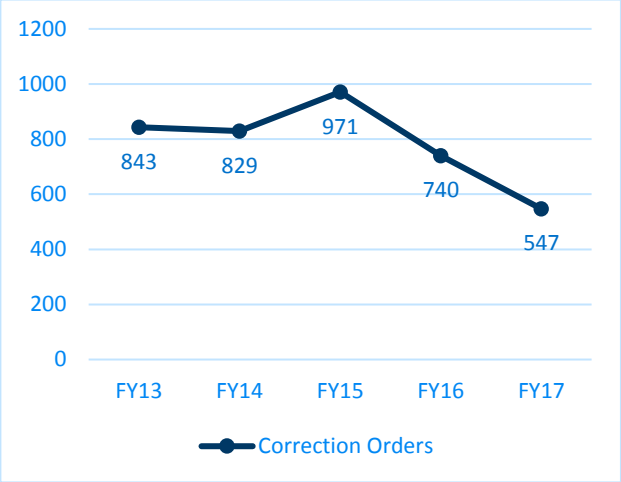
Correction Order Data

In FY2017, the department issued 547 correction orders to licensed child care centers. Of these 547 correction orders, providers requested reconsideration of 31 – or approximately 6 percent of all correction orders issued. The number of correction order reconsiderations has increased slightly since 2014. Figure 4 shows that the number of correction order issued has decreased significantly since 2015. This is decrease in orders issued coincides with a decrease in monitoring visits made to centers due to staffing turn over/hiring and training delays as well as temporary re-prioritization of staff time to develop legislative policy changes and electronic monitoring tools necessary to bring the Division into compliance with significant federal changes passed in 2014.

County licensors are responsible for issuing correction orders to licensed family child care providers. In FY2017, the department did not collect correction order data from counties, so the total number of correction orders issued to family child care providers is unknown. The department has begun implementation of an electronic tool that will allow the department to track the correction orders issued to licensed family child care programs. Beginning in January 2018, the department will collect data on the number of correction orders issued by counties to family child care providers.

DHS directly receives reconsideration requests from family child care providers. In FY2017, DHS received 46 requests for reconsideration of a correction order issued to family child care providers.

Figure 4: Correction Orders Issued to Child Care Centers (FY2013 - 2017)



Following a request for reconsideration, the department may make one of a series of determinations. The correction order, and the various licensing violations within it, may be fully affirmed; it may be affirmed in part and reversed in part; or it may be reversed in whole. Between FY2013 and FY2017, 70 percent of correction orders were affirmed in whole – meaning that, following reconsideration, it was determined that the licensing violation(s) in the correction order were properly issued. Twenty-two percent of all correction orders issued in FY13-17 were reversed either in whole or in part. Effective July 1, 2017, the department is now required to issue amended correction orders following a request for reconsideration that results in a full or partial reversal of the violations in the correction order.

Figure 5: Requests for Reconsideration of Correction Order Violations, By Year (FY2013 - 2017)

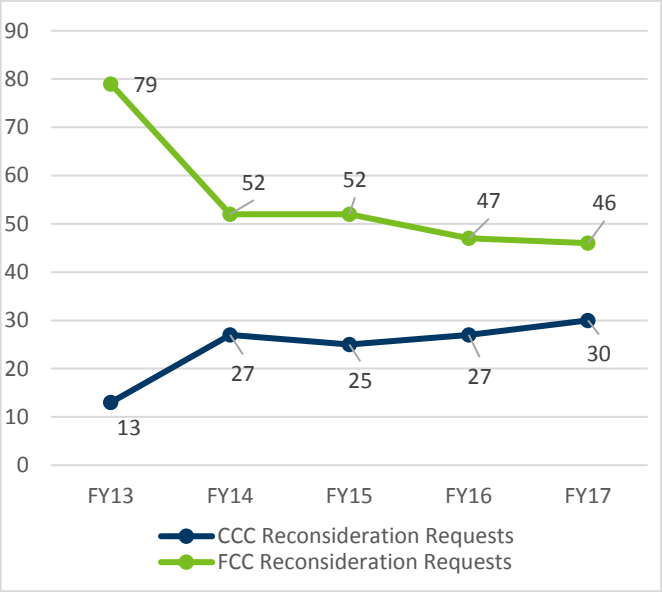
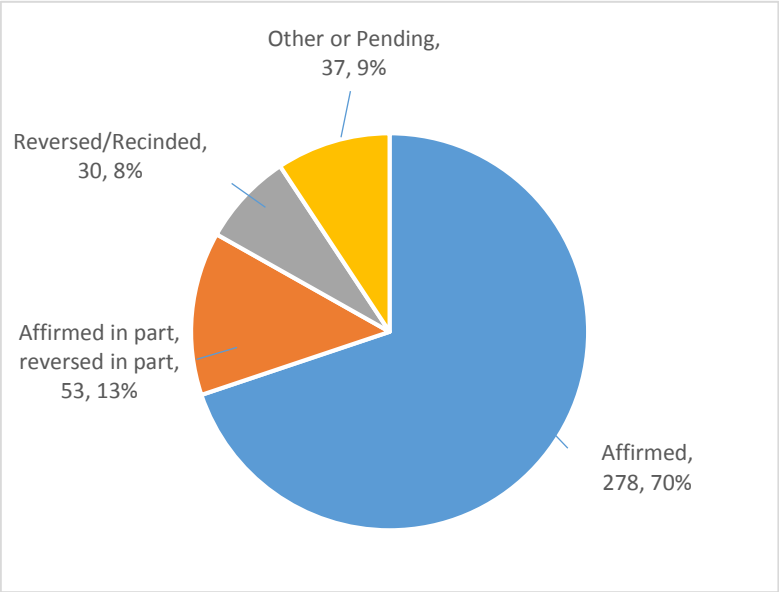


Figure 6: Outcomes of All FCC and CCC Requests for Reconsideration of Correction Order Violations for FY2013-2017



Sanction Data

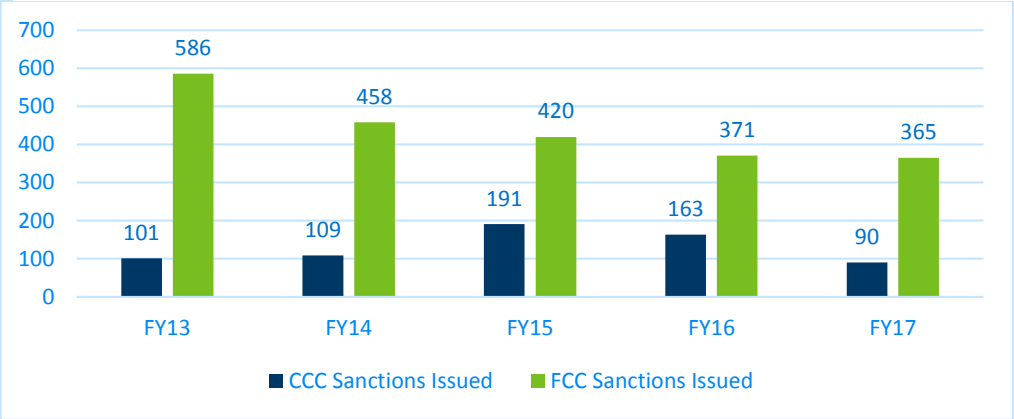
Unlike correction orders, the department issues all sanctions for both licensed child care centers and licensed family child care providers. Again, DHS determines which of these sanctions is appropriate based on the nature, severity and chronicity of the violation(s).

Table: Sanctions issued in FY2017

	Child care centers	Family child care
Fines	57	105
Conditional licenses	4	50
License suspensions	0	15
Temporary immediate suspensions	8	84
Revocations	18	83
Denials	3	28
Total	90	365

In FY2017, the department issued 455 sanctions to licensed child care programs – approximately 5 percent of all licensed child care centers and 4 percent of all licensed family child care programs received a licensing sanction. Fines are the most common sanction issued to both centers and family child care providers. Common reasons for a fine include: a safe sleep violation or background study violation.

Figure 7: Sanctions issued to licensed child care programs (FY 2013 - 2017)



Of the 2,854 licensing sanctions issued during FY2013 - 2017 to licensed child care providers, 783 sanctions (27.4 percent) were appealed. The outcomes of those appeals were as follows: 33.5 percent were affirmed, 20.7 percent were dismissed, 19.2 percent were settled, and 13.4 percent were reversed in part or whole. Other appeals were remanded or are still pending a final outcome.

For more information on sanction trends in licensed child care, please see *Licensed Child Care Sanctions (2011 - 2015).*[12]

[12] http://www.dhs.state.mn.us/main/groups/licensing/documents/defaultcolumns/dhs-292316.pdf.

Child Care Assistance Program (CCAP)

The department is responsible for oversight of the Child Care Assistance Program. This includes providing direction and technical assistance to county and tribal agencies administering the program.

A. Overview data

Basic Sliding Fee (BSF) families and children served, cost per family[13]

State Fiscal Year	Families	Children	Children per family	Cost per family
2017	6,911	13,241	1.9	$14,358

Minnesota Family Investment Program (MFIP) families and children served, cost per family[14]

State Fiscal Year	Families	Children	Children per family	Cost per family
2017	7,644	15,927	2.1	$21,079

B. Type of care data

The Child Care Assistance Program can pay for care provided by:

- Legal nonlicensed providers (unlicensed individuals who meet certain requirements, such as family or friends)
- License exempt centers (centers exempt from licensing, such as certain school age care providers)
- Licensed child care centers

---

[13] Counts based on average monthly payments issued during the reporting period. Families and children served by both Basic Sliding Fee (BSF) and Minnesota Family Investment Program (MFIP) Child Care Assistance programs are counted in both reporting categories. Basic Sliding Fee (BSF) child care includes portability pool. Costs per family reflect average annual costs. Data on children and families is drawn from the Minnesota Electronic Child Care Eligibility and payment system (MEC^2).

[14] Counts based on average monthly payments issued during reporting period. Families and children served by both Basic Sliding Fee (BSF) and Minnesota Family Investment Program (MFIP) Child Care Assistance programs are counted in both reporting categories. MFIP child care reporting includes Transition Year and Transition Year Extension. Costs per family reflect average annual costs. Data on children and families is drawn from the Minnesota Electronic Child Care Eligibility and payment system (MEC^2).

- Licensed family child care providers

Type of care, by percent, of children in the Child Care Assistance Program[15]

State Fiscal Year	Legal nonlicensed	License-exempt center	Licensed family	Licensed Center
2017	2.9	10.4	18.3	68.4

C. Waiting list data

As of September 2017 there were 2,499 families on the Basic Sliding Fee waiting list. A total of 12 counties had a waiting list including: Anoka, Carver, Cook, Dakota, Hennepin, Houston, Nicollet, Olmsted, Ramsey, Roseau, Scott and Washington.

D. Maximum rates reimbursed by CCAP

Child Care Assistance Program (CCAP) maximum reimbursement rates are set by the Legislature. If a provider serves children receiving CCAP, the provider may or may not charge the family the difference between what CCAP pays and what the provider charges.

History of CCAP maximum rates in Minnesota:

- Prior to 2003: maximum rates set at the 75th percentile of the most recent rate survey.
- July 1, 2003: Maximum rates frozen through state fiscal year 2005.
- July 1, 2005: Most maximum rates continue to be frozen. Some rural center maximum rates increase to the 100th percentile of the 2002 rate survey.
- Jan. 1, 2006: Maximum rates are set at the 75th percentile (100th percentile for some rural centers) of the 2005 rate survey or at 1.75 percent times the July 1, 2005 maximum rates, whichever is less.
- July 1, 2006: Maximum rates reflect a 6 percent increase in the Jan. 1, 2006 maximum rates.
- Nov. 28, 2011: Maximum rates reflect a 2.5 percent decrease from the July 1, 2006 maximum rates.
- Feb. 3, 2014: Maximum rates based on the 25th percentile of the 2011 rate survey, or the maximum rate in effect on Nov. 28, 2011, whichever is greater.
- March 3, 2014: providers with a three-star or four-star Parent Aware rating are eligible for higher rates for quality (15 percent higher for three-star, 20 percent higher for four-star).

Based on 2016 market rate survey data, Minnesota's current standard maximum rates for CCAP fully covered approximately 22 percent of the prices charged by family child care providers and approximately 29 percent of the prices charged by child care centers in Minnesota.

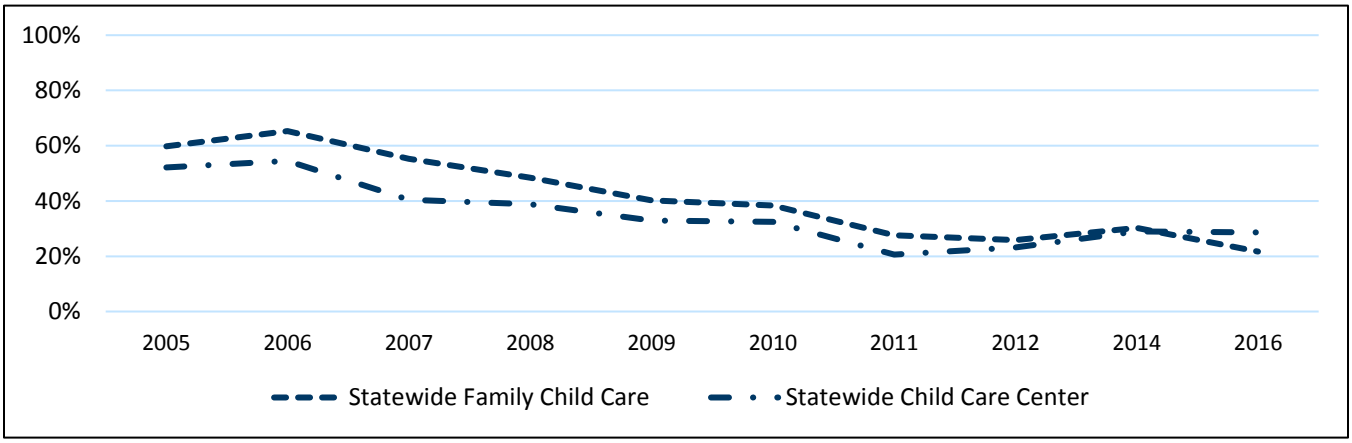
---

[15] Annual unduplicated children based on last provider paid on behalf of a child for services during the reporting period. Data on children is drawn from the Minnesota Electronic Child Care Eligibility and payment system (MEC^2).

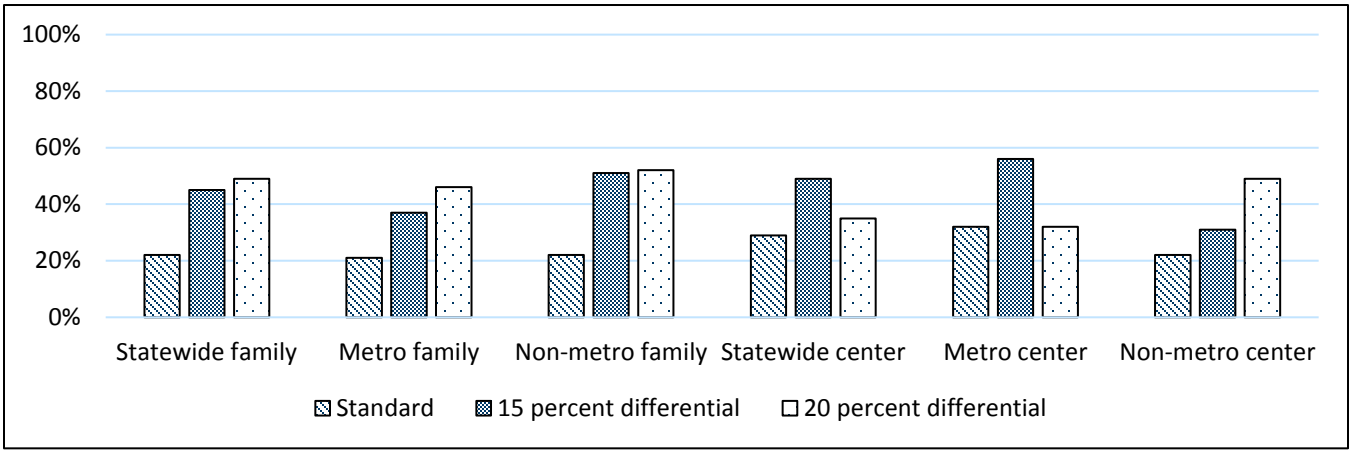
For child care providers meeting criteria for the quality rate differentials, these differentials pay more of the prices providers charged. The impact of the differentials on percent of rates covered varies dependent upon the differential type and the geographic region.

More information about CCAP maximum rates is included in the Child Care Assistance Program Family Profile. The Results of the 2016 Market Rate Survey are available in DHS-6226E.

Percent of provider prices fully covered by CCAP, Standard Maximum Rates statewide



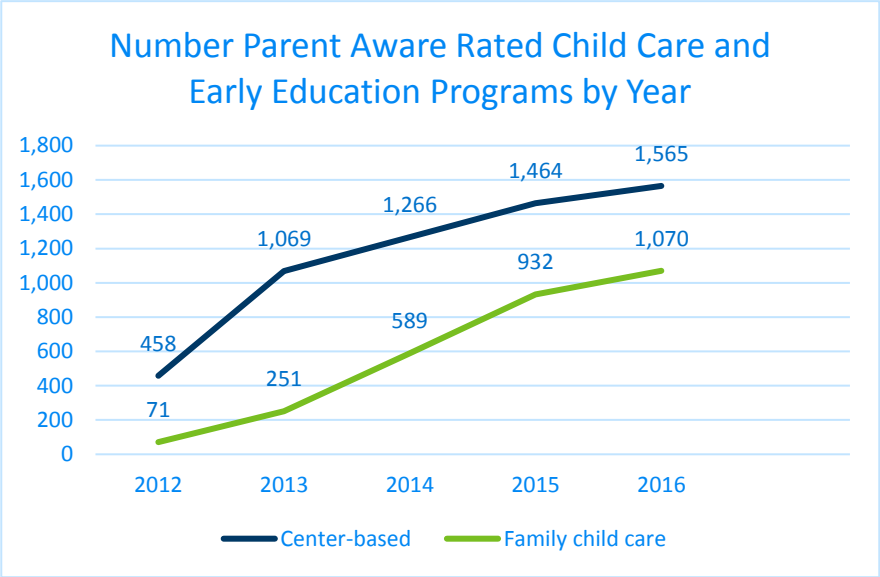
Percent of prices fully covered by CCAP, including Standard and Quality Differential Maximum Rates



Parent Aware, Minnesota's Quality Rating and Improvement System

The number of child care and early education programs with Parent Aware ratings has grown since it started in 2012. Parent Aware was initially available in just eight counties, and expanded to all Minnesota counties in January 2015. Programs eligible to be rated include public school pre-kindergarten sites, Head Start/Early Head Start sites, licensed child care centers and licensed family child care providers. The number of programs with Parent Aware ratings has increased from 458 center-based and 71 family child care programs in 2012, to 1,565 center-based and 1,070 family child care programs as of December 2016. As of December 2016, 22 percent of eligible programs in Minnesota held a Parent Aware rating.

The data in this chart are point in time, as of December of the year provided. For additional information on Parent Aware trends, please see Parent Aware by the Numbers.[16]



[16] http://edocs.dhs.state.mn.us/lfserver/Public/DHS-7086Aa-ENG

V. Changes to Statute, Rule, Policies and Procedures

Licensing

The 2017 legislative session resulted in several legislative changes impacting licensed child care. A summary of legislative changes impacting all license holders was emailed to authorized agents for child care centers on July 13, 2017, and was posted to the department's website.[17] Further guidance for licensed centers, licensed family providers, and county licensors was distributed in November 2017[18] and posted to the department's website. Major changes for licensed child care providers include the following:

Fix-It Ticket

The 2017 Legislature authorized a new enforcement mechanism for licensed family child care and child care centers – the Fix-It Ticket. Minnesota Statutes 245A.065 requires a fix-it ticket to be issued for certain violations identified by the commissioner that do not imminently endanger the health, safety or rights of children. The Fix-It Ticket provides an opportunity for the provider to correct eligible violations and avoid receiving a correction order for these violations if the violations are corrected within the allotted timeframe.

A report that identifies the violations eligible for a Fix-It Ticket will be submitted to the Legislature and be posted online in early 2018.[19]

Health and Safety Standards

Also enacted were several changes to health and safety requirements. Many of these changes help to bring Minnesota into compliance with the federal Child Care and Development Block Grant Act.

Changes for licensed family child care providers include:

- Modification of the existing Supervising for Safety training curricula to incorporate additional health and safety topics

---

[17] https://mn.gov/dhs/general-public/licensing/legislative-changes/

[18] DHS notified family child care providers of the guidance via a post card mailing as well as by sending an email to all those signed up on the family child care listserv. DHS notified child care centers of the guidance via an email to all authorized agents as well as to all those signed up on the child care center listserv. DHS notified county licensors of the guidance via email.

[19] The report will be made available at: https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7657-ENG

- Standards related to allergy prevention and response
- Standards related to handling and disposal of bodily fluids
- A requirement to have an emergency preparedness plan[20]
- Standards for parental access
- Clarification to the existing Child Growth and Development and Behavior Guidance training requirements
- An exemption to the existing Sudden Unexpected Infant Death and Abusive Head Trauma training requirements for family members caring for the provider's own children
- Modification to the definition of "annual" for training requirements to allow for the completion of annual training requirements within the one year period following the license effective date, or the one-year period following the anniversary of the license effective date.

Changes for licensed child care centers include:

- Modifications to orientation training requirements
- Modifications to the existing child growth and development
- A requirement to complete first aid and CPR training every two years
- Modifications to in-service training requirements
- A requirement to complete and document orientation training on health and safety training at least once each year
- Requirements related to allergy prevention and response
- Standards related to handling and disposal of bodily fluids
- A requirement to have an emergency preparedness plan

Annual Inspections

In addition to health and safety standards for licensed care, the federal Child Care and Development Block Grant Act requires states to conduct annual unannounced inspections of licensed child care providers. As of Aug. 1, 2017, the department and counties are authorized to conduct annual inspections of licensed family child care and child care center providers, and annual inspections will begin in 2018.

Background Study Changes

Both licensed family child care and child care center providers will be required to meet enhanced background study requirements to comply with the federal law. State law now requires a fingerprint-based background study for individuals affiliated with all licensed family child care and licensed child care centers. These studies

[20] Note: To meet the emergency preparedness requirements, both licensed family child care and child care centers will be required to use the department's emergency preparedness plan. Available at: https://mn.gov/dhs/assets/ChildCareEmergencyPlan_tcm1053-317028.pdf.

are not available as of this report's date, but the department is working with providers and counties to develop a plan that would have some child care programs obtaining the enhanced studies in mid-to-late 2018.

The enhanced background study, which will be valid for five years and will be conducted by the Department of Human Services, will include a review of Minnesota criminal records, predatory offender registry, and child abuse and neglect registry. It will also include a review the National Sex Offender Public Website and child abuse and neglect registries in any state where the subject has resided in the previous five years. For individuals over the age of 18, the study will also include a national criminal record check through the FBI. Individuals under the age of 18 will not have an FBI check unless they have a criminal record in Minnesota and an indication that there could be a record in another state. All household members, program employees, individuals whose activities involve the care or supervision of a child, and include people with unsupervised access to children will be required to obtain the new enhanced background study.

More information about the 2017 legislative changes to background study requirements is available online.[21]

Exit Interview Required

The Minnesota Legislature codified a common practice by requiring that state and county licensors conduct an exit interview following a licensing inspection. During the exit interview, the state or county licensor will discuss violations of law or rule observed during the inspection and offer technical assistance on how to comply with applicable laws and rules. The goal of the exit interview is open communication and transparency about licensing requirements in order to assist the provider in achieving ongoing compliance.

Amended Correction Orders

Following the 2017 legislative session, the department is required to issue amended correction orders following a reversal or rescission of a correction order violation. Further, the law clarifies that if all violations in a correction order are reversed or rescinded, the licensed provider can remove the original correction order from being posted in the family child care program or child care center.

Expedited Correction Order Review

Family child care providers may now request that DHS expedite their correction order reconsideration if the provider is challenging a violation for which the corrective action would require a substantial expenditure of funds, or a significant change to their program.

Communication Improvements

Licensed child care programs in Minnesota will experience improvements in communication from the department, the result of both additional resources appropriated by the 2017 Legislature and a new statutory requirement for the commissioner to provide information to child care license holders on a timely basis of

---

[21] https://mn.gov/dhs/general-public/background-studies/faqs/ccdbg/.

changes to state and federal statute, rule, regulation and policy relating to the provision of licensed child care, the Child Care Assistance Program, Parent Aware, and child care licensing functions delegated to counties, including information to promote license holder compliance.

More information about how the department has already begun implementing enhanced communications is detailed below.

Child Care Assistance Program

The 2017 legislative session resulted in many changes to the Child Care Assistance Program (CCAP). A summary of the changes was mailed to all families and child care providers receiving CCAP in October 2017. The summaries are also posted on the department's website[22,23]. Changes include the following:

Child Care and Development Block Grant Compliance – Program Improvements

Most of the changes were needed to bring Minnesota into compliance with the federal Child Care and Development Block Grant (CCDBG). These changes make the program work better for families, children and providers. During the 12-month eligibility period, there are fewer changes that impact the amount of benefits that families and children receive. This provides more stability for families and children and makes it easier for providers to predict the amount of payment they will receive.

Changes include:

- Payment must be made within 21 days after a bill is submitted.
- Education is added as an allowable activity for Transition Year and Transition Year Extension child care.
- Redeterminations of eligibility occur every 12 months rather than every six months.
- Copayment increases are not allowed during 12-month eligibility period.
- Income exit during 12-month eligibility period is 85 percent of State Median Income.
- Amount of care authorized generally does not decrease during 12-month eligibility period.
- Work hours can go below minimum requirements during 12-month eligibility period.
- Up to three month period of continued child care after work or school activity ends permanently.
- Fewer reporting and verification requirements during the 12-month eligibility period.
- License-exempt centers registered with CCAP will need to become certified; which includes meeting background study and health and safety standards to comply with federal law.

There are some outstanding changes needed to bring Minnesota into full compliance that were not enacted during the 2017 legislative session. Changes needed for full compliance include:

- Expedited application processing for families who are homeless

---

[22] https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7601A-ENG

[23] https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7601B-ENG

- Ensuring that families do not lose child care during the 12 month eligibility period, including:
    - Eliminating the six-month limit on use of Portability Pool child care
    - Changing the receipt of Minnesota Family Investment Program (MFIP) requirement to one month of last six months to qualify for Transition Year child care
    - Continuing eligibility until redetermination when a child turns 13, or a child with a disability turns 15
- Establishing an asset limit
- Updating rates following each market rate survey
- Expanding provider due process rights
- Establishing training[24] and monitoring requirements for legal nonlicensed providers.

Program Integrity

These changes improve program integrity and help ensure that existing resources go to eligible families:

- Establishes a limit of 25 children of center employees that CCAP can pay for. Replaces the law that limited CCAP payments if more than 50% of the children receiving CCAP at a center were children of center employees.
- Limits payment to a child's secondary provider when the child has multiple providers. Does not apply to children using legal nonlicensed providers.

Other Changes

These changes address other issues:

- Providers in the St. Cloud area will receive the highest maximum rate of those counties.
- Income of spouses for newly married couples will not be counted for MFIP families.

Parent Aware, Minnesota's Quality Rating and Improvement System

There were many changes to Parent Aware policies in 2017. A summary of the changes was posted on the Department of Human Services website in October 2017. [25] Licensed programs were notified of these changes through a mailing to licensed programs provided by Child Care Licensing. Changes include the following:

[24] Minnesota began enforcing some training requirements in 2017 for providers receiving Child Care Assistance Program based on a federal corrective action plan.

[25] https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/child-care-and-early-education/

Changes in Parent Aware Ratings Requirements for Early Learning Scholarships

Beginning July 1, 2017, all programs with a Parent Aware Rating or in a current cohort to earn a One, Two, Three or Four-Star Rating through the Full-Rating Pathway became eligible to accept Early Learning Scholarships. Families receiving Early Learning Scholarships are eligible to receive the following amounts per eligible child:

- Up to $7,500 if child is enrolled in a Four-Star Rated program
- Up to $5,000 if child is enrolled in a Three-Star Rated program
- Up to $4,000 if child is enrolled in a One- or Two-Star Rated program
- Up to $3,000 if child is enrolled in a program in a current Full-Rating Pathway Cohort

Starting July 1, 2020, families will again be required to use a Three or Four-Star Rated program in order to be eligible to receive Early Learning Scholarships.

For more information about this and other changes to the Early Learning Scholarships program, see the Early Learning Scholarships page[26] on the Minnesota Department of Education website.

Changes to Parent Aware Standards and Indicators

The department updated the way it measures quality of child care and early education programs through Parent Aware and assigns Star Ratings. These updates went into effect on July 1, 2017, and are summarized in the October 2016 *Parent Aware Quality Rating and Improvement System: Standards and Indicators* Report[27].

The updates are based on a rigorous process of continuous quality improvement that included research review, an evaluation, and a public engagement process that gathered input from families, early educators and the public.

Changes to the ways Parent Aware supports quality improvement

On July 1, 2017, the department rolled out new ways to help child care programs seeking a Parent Aware Full Rating improve their quality. The following improvements were made:

Increased flexibility:

- Provided more and different coaching options so that child care programs can decide if and when they want more or less coaching.

Improved experience:

---

[26] http://education.state.mn.us/MDE/fam/elsprog/elschol/

[27] https://edocs.dhs.state.mn.us/lfserver/Public/DHS-6346B-ENG

- Simplified the types of training that count toward a Parent Aware Rating. For more information, see the updated training requirements[28] for Parent Aware full-ratings.
- Incorporated technology[29] to make Parent Aware participation and training registration more efficient through improvements to Develop, Minnesota's online Quality Improvement and Registry Tool.
- Made professional development advising available to help early educators in child care programs to plan their professional development and education.

Greater financial incentives:

- Increased the amount of funding available to programs to help them improve in the following ways:
  - Child care programs participating in Building Quality, which helps programs improve quality before becoming Parent Aware Rated, are now eligible for a $1,000 grant.
  - Child care programs that have earned a One-, Two- or Three-Star Rating are now eligible for a $2,500 grant.

[28] For full-rating training requirements, see: http://parentaware.org/programs/full-rating-training-requirements/

[29] For more information about Develop, see: https://www.developtoolmn.org/

VI. Partnership with Counties

Licensing

DHS, in partnership with counties, licenses and monitors child care programs and investigates reports of maltreatment. DHS directly licenses child care centers and oversees the county licensure of family child care programs. DHS and the counties are responsible for monitoring and enforcing the rules and statutes governing licensed child care. Licensing and monitoring responsibilities for family child care providers is delegated to counties by Minn. Stat. 245A.16. DHS has taken several efforts to enhance its partnership and coordination of licensed family child care work.

To help coordinate the implementation of changes enacted during the 2017 legislative session, DHS provided training to over 100 county licensors and supervisors on Oct. 25, 2017, during a statewide county licensor training event. The DHS training on the Implementation Plan for 2017 Legislative Changes Impacting Licensed Family Child Care included an overview of each new or changed licensing requirement, what family child care providers need to do to comply with the new requirement (if any action is needed), and instructions for county licensors about how and when to monitor these new requirements.[30] DHS also emailed this guidance to every county licensor and had a DHS licensing consultant available on-call to answer any questions. A significant component of the Implementation Plan for family child care providers who have not yet come into compliance with newly required items by the time of their annual inspection in 2018 is that the county licensor will provide technical assistance on the new requirements and allow the provider additional time to meet the requirements without issuing a correction order.

To enhance consistency across the 87 counties, DHS has been in the process of developing a new monitoring tool called ELICI.[31] Between May and October 2017, the new ELICI tool was rolled out to each county throughout the state. During the roll-out of the ELICI tool, DHS provided over a dozen three-hour demonstrations in cities across the state and trained 150 individuals on how to use the tool. Most family child care licensors have completed the initial training and some have received additional training as DHS continues to travel around the state to provide technical assistance. Beginning Jan. 1, 2018, all family child care licensors will use this tool to document inspections that they complete for family child care programs. This will allow the department to review inspection data collected on ELICI.

Additional ongoing training and coordination efforts include: daily on-call phone triage telephone and email support and technical assistance for county licensors; hosting over 25 trainings;[32] publishing a monthly

---

[30] https://mn.gov/dhs/assets/2017ImplementationPlanforLicensedFamilyChildCare_tcm1053-317056.pdf.

[31] ELICI stands for Electronic Licensing Inspection Checklist Information.

[32] In 2017, the department hosted the following types of trainings for county licensors: New Licensor 101, Family Child Care 201, How does a complaint become a negative action, ELICI demonstration and rollout, ELICI

newsletter with guidance and relevant information to all county licensors and supervisors, and participation in the Minnesota Association of County Social Service Administrators (MACSSA) workgroup on licensing and background study issues.

Child Care Assistance Program

The Child Care Assistance Program is administered by local county and tribal agencies.

DHS provided updates about the Child Care Assistance Program 2017 legislative changes to the Minnesota Association of County Social Service Administrators (MACSSA), Minnesota Association of Financial Assistance Supervisors (MAFAS) and other local gatherings of county agency staff. DHS presented three well-attended sessions on the Child Care Assistance Program changes at the Minnesota Financial Worker Case Aid Association conference Oct. 25 and 26, 2017.

DHS engaged a group of Child Care Assistance Program caseworkers who reviewed and provided input on detailed policy guidance as changes were rolled out during the fall of 2017.

In November, 2017, DHS staff traveled to various locations to train Child Care Assistance Program caseworkers and supervisors on the CCBDG changes. The one-day trainings were held at 10 to 15 locations throughout the state.

DHS also provided guidance to caseworkers through policy manual updates, bulletins, tip sheets, and a resource page. Help desk staff respond to case specific questions and requests related to MEC[2]. DHS also has staff whose primary responsibility is to provide case specific policy guidance to county and tribal Child Care Assistance Program case workers. These policy specialists respond to numerous questions every week through phone, email and PolicyQuest (an electronic system that county and tribal agencies use to ask questions and search for previously answered questions).

---

refresher and review, and the Implementation Plan for 2017 Legislative Changes Impacting Licensed Family Child Care.

VII. Implementation of 2016 Task Force Recommendations

On Jan. 15, 2017, the Legislative Task Force on Access to Affordable Child Care issued a report and recommendations to the Minnesota Legislature.[33] Many of the recommendations focused on enhancing cooperation with the counties.

A. Task Force Recommendation: Uniformity in interpretation and implementation of statute, rule, policies, and procedures (Adopted)

The department is working to enhance uniformity in interpretation and implementation of licensing requirements through several key efforts:

ELICI: As noted above, to enhance consistency across the 87 counties, DHS is in the process of developing a new monitoring tool called ELICI.[34] Between May and October 2017, the new ELICI tool was rolled out to each county throughout the state. All family child care licensors will use this tool to document inspections that they complete for family child care programs. The implementation of ELICI will allow the department to review correction orders issued at the county level. This data will allow the department to determine the number and types of violations being issued at each county.

Trainings and technical assistance: The department provides a significant amount of training and technical assistance to county licensors regarding the interpretation of licensing requirements set forth by state law. The department conducts trainings across the state and the department has dedicated staff responsible for answering emails and phone calls. Further, the department releases a newsletter to each of the county licensors and supervisors each month. This newsletter offers guidance and other important updates.

Communication: Finally, the department has continued to enhance its communication strategies with both county licensors and family child care providers, such as by finding new ways to share information and receive questions and comments. More information about the department's communication efforts is included under "B. Task Force Recommendation: Improve communication with county licensors and child care providers regarding changes to statute, rule, policies, and procedures."

---

[33] https://www.lcc.leg.mn/tfcc/meetings/Child%20Care%20Report%202017.pdf.

[34] ELICI stands for Electronic Licensing Inspection Checklist Information.

B. Task Force Recommendation: Improve communication with county licensors and child care providers regarding changes to statute, rule, policies, and procedures (Adopted)

The department is required to provide information to licensed child care providers on a timely basis of changes to state and federal statute, rule, regulation and policy relating to the provision of licensed child care, the Child Care Assistance Program, Parent Aware, and child care licensing functions delegated to counties, including information to promote license holder compliance.[35] To meet this requirement, the department communicated directly with licensed family child care providers and licensed child care centers on several occasions.

Communication with family child care providers:

- On Nov. 1, 2017, the department mailed post cards to all licensed family child care providers to share information about the changes enacted during the 2017 legislative session. The post card also contained instructions about how to sign up on the Department listserv to receive more information electronically have been posted online.
- On Nov. 1, 2017, the department posted an Implementation Plan on 2017 Legislative Changes Impacting Licensed Family Child Care on the DHS website, including an overview of each new or changed licensing requirement, what providers need to do to comply with each new requirement (if any action is needed), and instructions for county licensors about how and when to monitor these new requirements.[36] Providers were also notified there were changes to background study requirements, the Child Care Assistance Program and Parent Aware and were sent to a department website for more information.[37]
- Since May 2017, staff from the Licensing Division attended, presented, and/or hosted over 15 stakeholder events throughout the state for family child care providers to discuss the changes stemming from the 2017 legislative session and Child Care and Development Block Grant Act of 2014.[38] For a full list of stakeholder engagement events, please see the appendix.

---

[35] Minn. Stat. 24A.1434.

[36] https://mn.gov/dhs/assets/2017ImplementationPlanforLicensedFamilyChildCare_tcm1053-317056.pdf.

[37] For information about changes to background studies: https://mn.gov/dhs/general-public/background-studies/faqs/ccdbg/

For information about CCAP and Parent Aware: https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/child-care-and-early-education/.

[38] During many of these stakeholder events staff from the Background Studies Division, Child Care Assistance Program, and/or the department's Child Development Services Unit were also available to present or answer questions.

Communication with child care centers:

- On July 13, 2017, the department sent an email to all authorized agents[39] sharing a summary of legislative changes impacting their centers. This summary is also posted to the department website.[40]
- On July 28, 2017, the department sent an email to all authorized agents sharing a summary of legislative changes to background study requirements. This summary is also posted to the department website.[41]
- On Nov. 30, 2017, the department posted guidance about the 2017 legislative session on the DHS website, including relevant statutory language, an overview of each new or changed licensing requirement, and what child care centers need to do to comply with each new requirement (if any action is needed).[42] Providers were also notified there were changes to background study requirements, the Child Care Assistance Program, and Parent Aware and were sent to a department website for more information.[43]
- On Dec. 1, 2017, the department emailed all authorized agents and all individuals on the child care center listserv to notify them that additional guidance about legislative changes is available on the department website.
- Staff from the Licensing Division attended, presented, and/or hosted stakeholder events for child care centers to discuss the changes stemming from 2017 legislative session and Child Care and Development Block Grant Act of 2014.[44] For a full list of stakeholder engagement events, please see the appendix.

Other communication efforts with child care providers includes:

- On Oct. 19, 2017, the department mailed a summary of changes to the Child Care Assistance Program to all providers registered to receive payments from the Child Care Assistance Program.

---

[39] An authorized agent is the individual that the Licensing Division will contact concerning licensing matters, such as legal notices and relevant updates. All licensed child care centers have an authorized agent.

[40] *Licensing's legislative changes in 2017*, available at https://mn.gov/dhs/general-public/licensing/legislative-changes/.

[41] https://mn.gov/dhs/general-public/background-studies/faqs/ccdbg/.

[42] https://mn.gov/dhs/assets/GuidanceDocumentforLicensedChildCareCenters_tcm1053-319357.pdf.

[43] For information about changes to background studies: https://mn.gov/dhs/general-public/background-studies/faqs/ccdbg/

For information about CCAP and Parent Aware: https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/child-care-and-early-education/.

[44] During many of these stakeholder events staff from the Background Studies Division, Child Care Assistance Program, and/or the department's Child Development Services Unit were also available to present or answer questions.

- The department created email listservs for licensed child care centers and licensed family child care providers to allow licensed to receive timely, electronic information from the department.

Communication efforts with county licensors are documented above under the sections *Partnership with Counties* and *Recommendation: Uniformity in interpretation and implementation of statute, rule, policies, and procedures.*

C. Task Force Recommendation: Provide notice to child care providers before issuing correction orders or sanctions relating to recent changes to statutes, administrative rules, and agency policies and procedures (Adopted)

As mentioned earlier in this report, the department has undertaken several initiatives to enhance communication with family child care providers, centers, and county licensors following changes in law or policy. Specifically, following the 2017 legislative session, the department issued guidance to centers, family child care providers, and county licensors to provide an overview of each new or changed licensing requirement and what the center or family child care provider needs to do to comply with the new requirement (if action is needed).[45] Further, family child care and county licensors received instructions provided for county licensors about how and when to monitor these new requirements.

A significant component of the guidance released to centers, family child care providers, and licensors is related to providers who have not yet come into compliance with newly required items by the time of their annual inspection in 2018. In those cases, state and county licensors have been instructed to provide technical assistance on the new requirement(s) and allow the provider additional time to meet the requirement without issuing a correction order.

More generally, beginning in 2018, state and county licensors are required to offer an exit interview to centers and family child care providers at the conclusion of each annual licensing inspection. If a provider agrees to participate in an exit interview (participation is optional), state and county licensors have been instructed to discuss the items found out of compliance with law or rule during the visit and that will be included in a Fix-It Ticket or correction order and to offer technical assistance on how to comply with the law or rule. The goal of the exit interview is open communication and transparency about licensing requirements in order to assist the provider with achieving ongoing compliance.

---

[45] Guidance for centers is available at https://mn.gov/dhs/assets/GuidanceDocumentforLicensedChildCareCenters_tcm1053-319357.pdf.

The Implementation Plan for 2017 Legislative Changes Impacting Licensed Family Child Care is available at https://mn.gov/dhs/assets/2017ImplementationPlanforLicensedFamilyChildCare_tcm1053-317056.pdf.

D. Task Force Recommendation: Implement confidential, anonymous communication processes for child care providers to ask questions and receive prompt, clear answers (Not adopted)

Licensed providers have several avenues through which to ask questions about their licensed programs. Child care centers, which are licensed directly by the department, may contact their DHS licensor at any point about questions that they have about their program or applicable licensing requirements. Family child care programs, which are licensed by the county and not licensed directly by the department, have several options to ask questions. As with child care centers, family child care providers may contact their county licensor with questions about requirements for their program. In addition, family child care providers may contact the department directly using a web-based form[46] that allows the provider to ask questions about licensing requirements. The department provides a response to both the county licensor and the provider so that both receive consistent information about the interpretation of the licensing requirements. The department also posts frequently asked questions for providers to reference for additional guidance.[47]

The web form is not anonymous or confidential for a few reasons. First, questions asked through this portal frequently relate to interpretation of rules or statute, as enforced by the county. Without a license number or name, the department would be unable to provide accurate interpretive guidance to counties to address the questions raised by providers for a particular county. Therefore, the department requests that providers identify themselves when submitting questions so that consistent information can be provided to the parties that require the information. Second, interpretation of licensing regulation often depends on the specific factual situation of a licensed program. Providers may not always provide all of the information needed to provide an accurate answer to fact-specific interpretive questions; by knowing the identity of the family child care provider asking a question, the department is able to obtain all of the information needed to provide an accurate interpretation of licensing regulation to both the provider and the county licensor. The department recognizes that providers have expressed the preference to have communications be anonymous, but this anonymity creates logistical hurdles that would lead to the dissemination of potentially inaccurate information. The department will continue to work with counties to provide training and guidance on how to interpret and monitor licensing requirements so that county licensors are well-equipped to maintain their primary regulatory relationship with family child care providers.

---

[46] http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=DHS-285366.

[47] http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=DHS-288390.

E. Task Force Recommendation: Streamline processes to reduce duplication or overlap in paperwork and training requirements for child care providers (Adopted)

In an effort to streamline processes for child care providers, the department took the following actions:

- Several licensing forms were updated to reduce the amount of physical paperwork completed and kept on file by licensed programs.
- Legislation was enacted that incorporated training topics required by federal law into existing training structures so that additional hours were not added to a provider's total amount of training required annually.
- Parent Aware training requirements were streamlined to align with Minnesota's Knowledge and Competency Framework for Early Childhood Professionals
- Paperwork for programs participating in Parent Aware was reduced through improvements to Develop, Minnesota's on-line Quality Improvement and Registry Tool

F. Task Force Recommendation: Compile and distribute information detailing trends in the violations for which correction orders and negative actions are issued (Adopted)

The department has compiled and made publicly available several fact sheets detailing trends in licensing violations for which correction orders and negative actions were issued including:

- *Licensed Child Care Sanctions (2011-2015)*, available at http://www.dhs.state.mn.us/main/groups/licensing/documents/defaultcolumns/dhs-292316.pdf.
- *Licensed Child Care Trends in Minnesota (2005-2015)*, available at http://www.dhs.state.mn.us/main/groups/licensing/documents/defaultcolumns/dhs-292314.pdf.
- *Understanding Licensed Child Care in Minnesota (2016 Issue Brief)*, available at https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3790-ENG.

Additionally, the department intends on making the Status of Child Care in Minnesota (2017) report publicly available.

G. Other Task Force Recommendations

In addition to the task force recommendations outlined above, the department has implemented or begun implementing the following recommendations:

Develop and implement uniform training for county licensors, including rules, statutes, and providers' rights: County family child care licensors must receive training from the department on the licensing standards for family child care. For newly hired licensors, the training must occur within 90 days of the licensor's employment.

DHS has developed a course titled "Family Child Care—The Basics Plus" that will include the required licensing standards component. On an ongoing basis, DHS will schedule training events so that newly hired licensors can attend both Licensing 101 and the new Basics Plus within the first 90 days of their employment with the county. Beginning in January 2018, DHS will offer additional regional Basics Plus training events to allow current licensors to take the training.

In addition to the above requirement, the Legislature approved additional funding for DHS to increase staffing to improve oversight of county licensing activities through increased training, technical assistance and partnering with county agencies. The Family Systems, Family Child Care Unit will soon be split into two units. One unit will focus on the increased technical assistance and partnering with county licensing agencies. The other unit will focus on operations and the work related to general technical assistance regarding the licensing process, providing information and tools for the licensing process, and processing recommendations for licensing sanctions. The additional licensing consultants for the increased technical assistance and partnering will be assigned regionally. The regional consultants will have frequent contact with county licensors, including visits to county offices and accompanying county licensors on site visits to family child care programs. In addition, the regional consultants will be available to provide regional training events for licensors and participate in regional provider stakeholder meetings.

Ensure ample notice time to providers about statutory or rule changes before violations are issued on those changes: For changes stemming from the 2017 legislative session, state and county licensors have been instructed to provide technical assistance on the new requirement(s) and allow the providers additional time to meet the requirements without issuing a correction order.

Initiate regular, uniform communications from DHS or licensing staff to providers: Child care providers can now subscribe to receive important information, including legislative changes, by email. The information will be periodically sent from DHS Licensing.

Consider developing tiered, consistent discipline levels that reflect the severity of an issue: Beginning Jan. 1, 2018, state and county licensors are required to issue a Fix-It Ticket for certain violations identified by the commissioner that do not imminently endanger the health, safety or rights of children. The Fix-It Ticket provides an opportunity for the provider to correct eligible violations and avoid receiving a correction order for these violations if they are corrected within the allotted timeframe.

Implement an immediate feedback system of potential compliance orders before the licensors leave the home or center: Beginning Jan. 1, 2018, state and county licensors must offer an exit interview to the provider at the conclusion of each annual licensing inspection. The goal of the exit interview is open communication and transparency about licensing requirements in order to assist the provider in achieving ongoing compliance.

Allow providers the opportunity to fix issues on the spot: Upon receipt of a Fix-It Ticket, a provider may correct the violation at the time of the inspection. If the violation is corrected, the violation is considered resolved and a correction order will not be issued.

Allow for the removal of public posting of correction orders that have been overturned: If all violations in a correction order are reversed or rescinded, the licensed provider can remove the original correction order from being posted in the family child care program or center.

Align "annual" and "license period" training requirements: The definition of "annual" was modified for the purposes of family child care training requirements to allow for the completion of annual training requirements within the one year period following the license effective date, or the one-year period following the anniversary of the license effective date.

Coordinate nighttime and statewide meetings with providers, not just day-time metro meetings, before initiating any changes: Since May 2017, the department has held and/or participated in over 20 meetings with providers across the state. Meetings for family child care providers have been held in the evening (generally beginning after 6 p.m.) in recognition that many providers are providing care to children during the day and cannot attend daytime meetings. Further, the department is committed to using WebEx or a remote call-in option for any providers who are unable to attend meetings held at DHS. A list of recent engagements is available in the appendix.

Assess and clarify who needs training (e.g., the husband of a child care provider): An exemption was added to the SUID/AHT training requirement to allow a person who is "related" to the provider, and who is not designated to be a caregiver, helper, or substitute in the family child care program, to care for the provider's own infant or child without completing the SUID/AHT training.

Example: The provider's own teenage child is not used as a helper in the family child care program. The teenager can care for their own infant or under school age sibling and is not required to complete SUID/AHT training. If the teenager assists in the care of any child who is not related to the provider, the teenager must complete SUID/AHT training. This exemption also applies to spouses and other relatives of the provider as defined in section 245A.02, subd. 13.

Promote and look into ways to reduce the cost of training: Free and low-cost training, as low as $5 per hour, is available both in person and online throughout Minnesota for child care trainings most in demand. This training is provided through funding from the Child Care Development Fund through department contracts with local Child Care Resource and Referral organizations.

Determine ways to broaden and deepen the trainer pool, and encourage providers from communities of color and American Indian communities to become trainers: The department provides funding for an initiative to recruit and train trainers throughout Minnesota. This initiative also provides specialized outreach to recruit and support bilingual, bicultural trainers. So far 39 bicultural, bilingual trainers have been trained who speak eight different languages including: Spanish, Somali, Hmong, Oromo, Arabic, Karen, Bhutanese, and Amharic. In addition, a new pathway for tribal elders was developed this year, eliminating rules that presented barriers, and making it possible for more tribal elders to become approved trainers. Finally, the department will conduct an analysis this year of all training offered to child care providers, with one goal being to reach trainers serving communities of color and American Indian communities and encourage them to become approved if they are not already.

Provide better access to training that reflects cultural competencies: Approved trainers and coaches are offered training on cultural competence and responsiveness ongoing. Training is also offered on these topics for child care providers. In addition, most training developed with funding from the department includes cultural adaptations. Key participant handouts in these trainings are translated. Finally, our grantees are beginning to

use learning communities that leverage the strengths of cultural communities. For example, a new learning community is about to be launched that will give Somali providers the opportunity to support each other while learning more about health and safety, best practices in serving infants and toddlers, and providing care for children with special needs.

VIII. Department Recommendations

The department offers the following recommendations to support affordable, high quality, and safe child care and early education programs:

- Support legislative proposals that bring Minnesota into compliance with federal Child Care Development Block Grant changes, including rate increases for the Child Care Assistance program that will better align with the private pay market.

- Address Minnesota's child care shortage by encouraging more people to enter and stay in the child care and early education workforce by investing in scholarships for credentials and higher education degrees, loan forgiveness, tax credits and retention bonuses.

- Support systems modernization efforts that could make it easier for child care providers to exchange and update information with counties and DHS.

- Implement the recommendations developed by the initiative on Transforming Minnesota's Workforce made in collaboration with the National Academy of Medicine, and those from Minnesota's Workforce Compensation Advisory Group and the National Governor's Association Center for Best Practices.

- Consider the creation of an independent child care advisory board, which would be tasked with providing recommendations about potential changes to statute, rules, and administrative policies to enhance health and safety in licensed child care while also reducing regulatory barriers.

IX. Appendix

Members from the Licensing Division traveled across the state to present information and/or meet with family child care providers and child care centers to discuss the changes stemming from 2017 legislative session and Child Care and Development Block Grant Act of 2014.[48]

Date	Location	Audience	Topic
May 31	St. Paul (DHS)	Family and Centers	Changes to DHS Licensing webpage and ELICI
July 18	St. Paul (DHS)	Family and Centers	Posting licensing information
August 8	Bloomington	Centers	Legislative changes and CCDBG
August 10	Dakota County	Family Child Care	ELICI
August 17	St. Paul (DHS)	Family and Centers	Fix-It Ticket
August 17	St. Cloud	Centers	Legislative changes and CCDBG
August 22	Stearns County	Family Child Care	Legislative changes and CCDBG
September 11	Eagan	Family Child Care	Background studies
September 26	Little Canada	Family Child Care	Background studies
October 2	Olmstead County	Family Child Care	ELICI
October 3	Mankato	Centers	Legislative changes and CCDBG
November 1	Minneapolis	Centers	Legislative changes and CCDBG
November 2	Anoka	Family Child Care	Legislative changes and CCDBG
November 3	Bloomington	Centers	Legislative changes and CCDBG
November 6	Morris	Family Child Care	Legislative changes and CCDBG
November 7	St. Paul	Centers	Legislative changes and CCDBG
November 8	Alexandria	Family Child Care	Legislative changes and CCDBG
November 13	Fergus Falls	Centers	Legislative changes and CCDBG
November 16	Chaska	Family Child Care	Legislative changes and CCDBG
November 17	St. Cloud	Centers (Head Starts)	Legislative changes and CCDBG
November 21	Brooklyn Center	Family Child Care	Legislative changes and CCDBG
December 4	Moorhead	Family Child Care	Legislative changes and CCDBG
December 5	Arden Hills	Family Child Care	Legislative changes and CCDBG
December 11	Marshall	Family Child Care	Legislative changes and CCDBG

[48] During many of these stakeholder events staff from the Background Studies Division, Child Care Assistance Program, and/or the department's Child Development Services Unit were also available to present or answer questions.