

Members

Rep. William Crawford, Chairperson
Rep. Mary Kay Budak
Sen. Connie Lawson
Sen. Rose Antich
Marcia Hearn-Lindsey
Carol Johnson
Nathan Samuel
Ellen Clippinger
Cheryl Seelig
Sven Schumacher
Kimberly Tracy Armstrong
Judith Ganser
James Hmurovich
Mara Snyder
Judy Nevins
Sharon Pierce



BOARD FOR THE COORDINATION OF CHILD CARE REGULATION

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MEETING MINUTES¹

Meeting Date: October 15, 2001
Meeting Time: 10:00 A.M.
Meeting Place: State House, 200 W. Washington St., Room 156B
Meeting City: Indianapolis, Indiana
Meeting Number: 5

Members Present: Rep. William Crawford, Chairperson; Rep. Mary Kay Budak; Sen. Connie Lawson; Sen. Rose Antich; Marcia Hearn-Lindsey; Carol Johnson; Kimberly Tracy Armstrong; Judith Ganser; James Hmurovich; Sharon Pierce.

Members Absent: Nathan Samuel; Ellen Clippinger; Cheryl Seelig; Sven Schumacher; Mara Snyder; Judy Nevins.

Rep. Crawford called the meeting to order at 10:10 A.M. and informed those present that the final meeting of the Board, to be held on October 22, 2001, is scheduled to begin at 9:00 A.M. in Room 156B of the State House. The final report and proposed legislation will be on the agenda for approval at that meeting.

Quality of Care in Licensed and Unlicensed Child Care Settings

Marilyn Solomon, representing the Marion County Step Ahead Council, provided a copy of her testimony². Ms. Solomon stated that she represents center based child care and that

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

²See Exhibit 1.

the unfairness of the regulatory environment is causing centers to lose clients and unregulated child care providers to gain clients. She reports that 2/3 of children in child care settings are being cared for by "unregulated or under-regulated providers". Ms. Solomon noted, as an example of the disparity in regulatory requirements, the administrative rules that apply to diapers in child care settings³. She discussed new proposed rules regulating child care centers and her dissatisfaction with the rule making process that has been followed by the Family and Social Services Administration (FSSA) with regard to these proposed rules. Ms. Solomon recommended that "best practices" documents not be directly incorporated into administrative rules. She requested that: (1) FSSA review the current child care center rules; (2) the severity of the child care center rules be decreased; and (3) rules be made consistent for all types of child care providers.

There was general discussion regarding whether the statutory rule making process (IC 4-22-2) was followed with regard to the proposed child care center rules, and regarding the timing and notice that is provided under that process. Rep. Crawford expressed his belief that proposed child care rules should be provided to the Board by the administrative agency proposing the rules and should be reviewed by the Board before adoption. Mr. Hmurovich stated that he would review the process that was followed with respect to the proposed child care center rules and that he would report to the Board at the meeting on October 22, 2001, regarding: (1) the actual process followed; and (2) the public testimony that was provided with regard to the proposed rules and any changes that might be made in response to the testimony.

Rep. Budak provided a copy of a letter written by a child care center in Rep. Budak's district to Mr. Hmurovich concerning the proposed child care center rules⁴. Rep. Budak explained that the changes are creating the need for very expensive changes to facilities in order to stay in compliance with the rules.

In response to a question from Rep. Crawford, Ms. Solomon described the economic impact on parents of more stringent regulation of child care centers using an example of the difference in the type of formula that must be provided by parents to child care centers as opposed to formula that may be used by other child care providers. Rep. Crawford requested that Ms. Solomon provide a comparison of regulations of licensed and unlicensed providers. Ms. Johnson explained that Child Care and Development Fund (CCDF) vouchers only pay a percentage of the average cost of child care and that the effect of that is that parents may choose a provider based on the out of pocket cost of the care. Mr. Hmurovich offered to work on a comparison of economic factors that influence decisions made by parents regarding licensed and unlicensed care. Ms. Pierce expressed her belief that administrative rules are intended to increase the quality of child care, but that the actual effect of the rules may not serve the intended purpose.

Pat Cole, Project Coordinator, Healthy Child Care, Indiana, stated that she has compared the number of each type of child care provider in Indiana, and increases and decreases in those numbers over time and that she will provide that information to the Board.

In response to a question from Rep. Crawford, Ms. Lindsey stated that if licensure were required of all child care providers that receive CCDF voucher reimbursement, there is currently an insufficient number of licensed providers to care for the children. She recommended that if such a requirement were proposed, the proposal should include an

³See Exhibit 2.

⁴See Exhibit 3.

efficient and expedient method of provider licensure. Ms. Lindsey stated that there has been a 30% decrease in enrollment in the CCDF program by licensed child care providers. Rep. Crawford commented on the role that economic factors play in this.

Playground Equipment Safety

Ms. Solomon referred again to the proposed child care center rules stating that the playground standards included in the rules are so stringent that it will be extremely expensive for providers to comply. There was general discussion regarding: (1) playground safety requirements in Indiana and other states; (2) the need for monitoring of compliance with minimum standards if minimum standards are to have an impact on care; and (3) the impact of minimum standards on parent choice of a child care provider.

CCDF Voucher Funding

Marsha Thompson, Director, Indiana Association of Child Care Resource and Referral Agencies, states that the Child Care Resource and Referral Agencies (CCRR) work in partnership with the state to verify compliance with minimum standards. She provided the results of a survey by CCRR concerning observations by CCRR personnel⁵. Ms. Thompson stated that CCRR personnel struggle with approvals of child care providers for CCDF reimbursement when the providers meet the minimum standards, but the personnel observe other things in the provider's environment that seem unsatisfactory.

In response to a question from Sen. Lawson, Ms. Lindsey stated that the CCRRs began working under a contract with FSSA on October 1, 2001, to conduct surveys. She stated that if CCRR personnel observe illegal or unsafe situations the CCRR reports the situation to FSSA, but that the CCRR does not have authority to deny eligibility of the provider to receive CCDF reimbursement. There was general discussion regarding (1) the process that is followed when illegal or unsafe situations are observed; and (2) the history and scope of CCRR monitoring. There was clarification that CCRRs monitor only license exempt child care providers for compliance with minimum standards and that licensed providers are monitored by licensing authorities.

Rep. Budak asked for a discussion of licensure of child care providers as a condition of eligibility for CCDF reimbursement. Dr. Ganser stressed the need for more consistent standards across the child care provider spectrum. Ms. Johnson commented on kinship care and licensure requirements for child care providers caring for both relatives and other children.

Kathryn Azhar, Infant Daycare, commented on the various requirements for different types of providers, the different levels at which standards are met by child care providers, and additional observations that may be made by CCRR monitors. Ms. Azhar expressed her concern that parent choice of a child care provider is being restricted.

Ms. Thompson emphasized that the determination of eligibility of a child care provider for CCDF reimbursement is not at the discretion of the CCRRs, but is FSSA's responsibility.

Ms. Cole discussed the content of the minimum standards enacted in SEA 110-2001, reflecting that those standards are less stringent than the minimum standards that were

⁵See Exhibit 4.

previously applied. Ms. Armstrong stated that the licensing requirements for child care homes are the minimum standards for licensure of the home. She stated that "child care in Indiana is not just about taking care of children, it's about helping parents take care of children". Ms. Armstrong expressed her belief that layers of licensing requirements for different types of child care providers is not the best means of regulating child care. She stated that minimum standards should apply to every child care provider.

Rosellen Adams, CCRR monitor, described her work as a CCRR monitor. She expressed concern that providers may meet the statutory minimum standards for CCDF reimbursement, but may not have basic health and safety measures in place. She stated that CCRR monitors report observed deficiencies of child care providers to FSSA, but that CCRR does not receive feedback on followup measures so she is not aware the results of her reports. She stressed her view of her responsibilities as an advocate for improvement of child care given by providers rather than as an adversary.

There was general discussion concerning minimum standards and followup visits by CCRR personnel when deficiencies are observed.

Roselyn Cole, Executive Director, Auntie Mame's Child Development Center, Inc., expressed concern regarding more stringent regulation of one type of child care provider and the impact on quality of care provided by child care providers.

Dreama Love, Purdue University Child Development and Family Studies Program, stated that regulation of child care is important and that a core set of standards should be developed for all providers so that standards are more fair and consistent.

Ms. Solomon recommended that the child care provider regulation system be reviewed and rewritten. She suggested that licensure of the individual provider might be more appropriate than licensure of entities. Ms. Solomon also referred to a letter submitted to the Board from the Step Ahead councils⁶. She stated that she questions whether the intake system for the CCDF reimbursement system is working effectively, citing delays in notification of eligibility for reimbursement. Amy Brown, Legislative Liaison, Division of Family and Children (DFC), FSSA, offered to report at the October 22, 2001, meeting of the Board regarding the intake system, particularly since September 30, 2001.

Carolyn Dederer, Executive Director, Day Nursery, commented on the request for proposals process with regard to the central reimbursement office.

There was general discussion regarding the number of relatives who are uncounted when determining whether a child care provider must be licensed.

Immunizations of Children in Child Care Settings

Ms. Lindsey remarked on the reported decrease in immunization rates of children in child care contained in a report submitted to the Board by the Indiana State Department of Health at the September 17, 2001, meeting. There was general discussion regarding: (1) the reason for this reported decrease; (2) immunization reporting requirements; (3) forms utilized by child care providers in maintaining immunization records; and (4) licensure requirements of immunizations on admission to a child care setting, but not ongoing immunizations.

⁶See Exhibit 5.

General Discussion

Sen. Lawson noted the short period of time available for drafting of the final report and proposed legislation between this meeting and the meeting on October 22, 2001, and stated that recommendations and requests for proposed legislation should be provided to staff as soon as possible.

There was general discussion concerning a recommendation to allow the Board and subcommittees of the Board to meet throughout the year, and establishing a subcommittee to address revision of the child care system over 2 to 3 years.

Sen. Lawson stated that the agenda for October 22, 2001, will include: (1) the reports from Mr. Hmurovich and Ms. Brown; and (2) approval of the final report of the Board, including proposed legislation.

The members commented on the information submitted by Ms. Clippinger concerning school aged child care⁷.

With no further business to discuss, Sen. Lawson adjourned the meeting at 12:10 P.M.

⁷See Exhibit 6.