Blog Post | July 2024

Strengthening Child Care Access: Key Updates to OSSE's Subsidy Policy Manual

The Office of the State Superintendent of Education (OSSE) recently released exciting updates to its Child Care Subsidy Policy Manual, marking a step forward in making high-quality, affordable child care more accessible. Under 3 DC encourages OSSE to work closely with child care providers and families to ensure the implementation of these policy changes meets stakeholders' needs. If implemented well, these changes would make more families eligible to receive child care subsidies and make the application process and timeline easier to navigate. In this blog, we highlight some of the major changes, how they work to strengthen the program, and what's next.

Key Changes

1 Simplified eligibility criteria and $0 co-pays for more families

One of the most important updates is simplifying eligibility criteria and the application process for families so more children face fewer barriers to accessing the quality care and education they deserve. Parents are no longer required to participate in work or education activities IF their child(ren) has a qualifying need through a special circumstance.1 Families needing to work or be in school to qualify no longer need to meet a minimum hour requirement to be eligible for subsidies. Additionally, family interviews are no longer part of the application process, and documentation can be legible copies, including electronic.

Families participating in the subsidy program currently have a co-pay based on their household income via OSSE's sliding fee scale. With these updates, more families are eligible for $0 co-pays, including children who qualify under protective services, have disabilities or whose parents/guardians have disabilities, are in families experiencing homelessness, have teen parents or elder caregivers, are in families experiencing domestic or family violence, have parents or guardians participating in addiction recovery programs, are enrolled in Head Start, Early Head Start, or the Quality Improvement Network (QIN), are in families receiving TANF, where parents are engaged in job search activities or come from families with income below 150% of the FPL. This eliminates the financial burden of child care for families in the most challenging circumstances and reduces cost barriers to accessing high quality early childhood education and care.

2 Excludes income for staff employed at licensed child development facilities

In a transformative move for child care professionals, OSSE will now exclude any income earned from employment at a licensed child development facility when calculating family income for subsidy eligibility. Income from operating a licensed child development home will also be excluded. This means that early educators can now qualify for child care subsidies for their own families if they are DC residents and any additional household income is below 300% of the federal poverty level (FPL).2 In addition to more early educators being able to afford child care, this policy change means less missed work, increased financial stability, and access to licensed child care programs that may have been previously out of reach.

3 Faster processing of subsidy applications

Timely access to affordable child care is critical for families. Under the new guidelines, OSSE states that eligibility workers must determine a family's subsidy eligibility within 10 business days of receiving a complete application. We need more information to understand how OSSE plans to implement this requirement with the Department of Human Services (DHS), the District agency that processes subsidy applications.

Removing the original documentation requirement and applicant interviews could free up case workers' time to process applications more quickly. This streamlined process is critical as currently, applications often take 30 days or longer – sometimes even months – to be processed. These delays have serious consequences for families and providers. Families are left without care for extended periods, often risking their employment or schooling, while providers lose revenue when spaces remain unfilled.

4 Expanded eligibility for children in Quality Improvement Network (QIN) and Prek-K Enhancement and Expansion Programs (PKEEP)

The updated policy manual expands access to affordable child care by ensuring that children participating in the QIN or PKEEP could be eligible for subsidy, regardless of their citizenship or immigration status.3 While families no longer need to verify their child's immigration status, they still must meet other eligibility requirements. By easing some barriers related to immigration status, OSSE is expanding access to affordable child care for a population that has long been excluded in the District.

5 Fast-track enrollment for certain populations

Another important change is that OSSE will speed up enrollment for children in protective services, experiencing homelessness, enrolled in Head Start, Early Head Start, QIN, or in families experiencing domestic violence. Once parents submit their application and one required document verifying they are in the population described above, they are temporarily approved for a child care subsidy and can enroll in a program. They then have 60 calendar days to provide any other necessary paperwork. This quick approval process is effectively presumptive eligibility and can greatly improve access to affordable, high-quality child care, without the long wait times families currently face.

What's Next: Moving Toward a More Equitable System

While these updates are promising, more work is needed to make child care accessible and equitable in DC. One recommendation is for OSSE to transition to prospective payments for providers, rather than the current system of retrospective reimbursements. The federal government already requires this, and it would ensure providers receive timely payments upfront, helping them maintain financial stability and keep their doors open for families.

Additionally, OSSE should consider adopting presumptive eligibility for all families. Presumptive eligibility would allow families to access care while their applications are under review, ensuring that children can enroll in child care without delays. We are hopeful the fast-track for certain populations and the new 10-day processing timeline generally will significantly improve timeliness. Presumptive eligibility would further reduce the access gap, ensuring that children do not miss out on early learning opportunities due to application delays.

By simplifying eligibility, supporting the child care workforce, and expanding access to more children, OSSE is working to address the affordability and accessibility challenges that have long plagued the child care system. These are important steps toward realizing the goals of the Birth to Three for All DC law, but there is still much to do to ensure every family has access to the care they need.
We encourage you to read more about these updates by checking out the full OSSE Child Care Subsidy Policy Manual and the summary document. Stay tuned for more updates as Under 3 DC continues to track how these changes impact the child care system in DC and work towards a system that truly serves all families.