

**APPENDIX L
SOUTH CAROLINA**

**Survey Results on the Status of State Implementation Efforts
October 1, 2002 to May 31, 2003**



Southern Regional Initiative on Child Care: Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South

**Survey on the Status of Implementation Efforts
Current Report Period: October 1, 2002 to May 31, 2003**

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Goal 1 - Federal, State, Local and Private Funds Should Be Sufficient to Meet 100% of Need for Direct Child Care Assistance, Based on Initial Eligibility Levels at 85% of the State Median Income. Redetermination Levels Should Allow Families to Retain Child Care Assistance Until They Reach 100% of State Median Income.

(Action Step 1.1) - Educate federal and state policymakers on the need for action.

2003 Response:

Please see 2002 response. DHHS continues the 2001 initiative.

2002 Response:

DHHS is partnering in the National Universal Financing for Early Care and Education for America's Children Project with a team of Columbia University and University of Washington researchers. This is an 18 month initiative to conduct a cost analysis of the infrastructure for a quality early care and education (child care) system designed specifically to SC specifications. A SC task force of 53 public and private stakeholders is working intensively with the national partners using their pilot protocol to provide the SC specifications for the system. Those specifications, coupled with results of a statewide household survey and other SC data, will provide the basis for the cost analysis to aid policymakers and stakeholders in establishing long-range directions for the quality early care and education system to positively benefit children and families in SC. Initial specifications, the household survey and data collection have been completed.

2001 Response:

Current Initiatives:

- DHHS educates federal and state policy makers on the need for action through collaboration with:
 - First Steps
 - Advisory Committee on Regulation of Child Day Care Facilities
 - Alliance for South Carolina's Children– child care was one of Alliance's legislative initiatives
- DHEC created and sustains the HCCSC Steering Committee which has as one of its' primary functions the education of state and federal policymakers on the need for action through collaboration with partners, such as:
 - The Alliance for SC's Children
 - South Carolina Christian Action Council
 - South Carolina Child Care Association
 - Success By Six
 - Institute on Family & Neighborhood Life
 - South Carolina Association of Christian Schools & Childcare Network
 - State agencies – DHHS, DSS, DMH, SC Kids Count – Budget & Control Board, First Steps
 - Child Care Resource and Referral
 - Governor's Office

- The “Who Cares?” booklet was distributed to each legislator during the 2001 legislative session. The Steering Committee supported selected bills introduced in the 2001 legislative session and is in the process, in collaboration with our partners, of identifying and setting priorities for the 2002 legislative session.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 1.2) - Educate the business community on the need for leadership in achieving state, federal and community resources to meet 100% of need.

2003 Response:

In addition to the partnership with the United Way of South Carolina, SCDHHS is continuing to work with the Child Care Coordinating Council, which is implementing South Carolina’s Strategic Plan for child care.

2002 Response:

A partnership with United Way of South Carolina (UWSC) and the South Carolina Department of Health and Human Services (SCDHHS) has been established in order to encourage employers to use a variety of strategies to expand the affordability and availability of quality child care for working families. SCDHHS will provide grant funds to the UWSC who will sub-grant resources to local United Ways. Each sub-grantee selected will receive training from the UWSC about effective methods for educating employers on strategies to enhance child care quality, affordability, and availability. Local United Ways will use funds to educate employers on the following:

- The bottom line benefits associated with public and private child care assistance;
- Establishing a pre-tax dependent care plan that results in savings for employees;
- Providing scholarships, incentives, or in-kind support to local child care facilities;
- Providing incentives to help child care facilities become nationally accredited;
- Promoting parent education and involvement in child care; and
- Promoting early literacy.

In January 2002, Governor Jim Hodges presented Family Friendly Workplace awards to South Carolina businesses that consistently demonstrated family friendly practices through programs, policies and procedures in the following categories: small, medium and large businesses based in SC, large business based outside SC, nonprofit organization, government, and public schools. These awards were endorsed by the SC Chamber of Commerce and membership associations representing all award categories.

2001 Response:

Current Initiatives:

- Success By 6 of the Midlands Family Friendly Workplace Committee and annual Conference has focused on involving the business community in addressing workforce needs such as child care.
- Governor has created the Family Friendly Workplace Award, to be given to businesses for the first time in 2002.

- Many of the local Success By 6 initiatives conduct community child watch events that educate the community and the business leaders on the importance of the early years in a child's life and the need for quality child care/early education.

Proposed Initiative:

- DHHS is exploring options with the South Carolina United Way to educate/involve the business community

Status: Efforts to develop additional strategies are ongoing.

(Action Step 1.3) - Increase federal funding for the Child Care and Development Fund to fulfill current policy allowing federal matching funds for child care assistance up to 85% of the state median income.

2003 Response:

During federal fiscal year 2002-2003, SC received a slight decrease in CCDF funding. This slight decrease in CCDF and continued cuts in Social Services Block Grant funding further hampers any efforts to increase child care assistance up to 85% of the state median income. State budget reductions could have further impact on current numbers of children that can be served at or below 150% of poverty. DHHS continues to serve an estimated 22,000 to 24,000 children at any time. However, that number is expected to decrease during the next fiscal year to an estimated 20,000 at any time. 2001 Response also still applies.

2002 Response:

Status: A small increase in federal funding for CCDF was made available. However, based on the anticipated need in South Carolina (SC), this increase in federal dollars was not sufficient to serve all the families in SC at or below 150% poverty who are eligible for subsidized child care. DHHS continues to serve an estimated 22,000 to 24,000 children at any time. Funding for child care assistance to families who could be eligible continues to be severely limited nationally and in SC.

2001 Response:

Comment: This would require a dramatic increase in federal appropriations. A 12/6/00 news release by the U. S. Department of Health and Human for fiscal year 1999 reported that "1.8 million children in low-income families are receiving federal child care subsidies on an average monthly basis...Yet, with 15 million children estimated to be eligible for federal support, only 12 percent of those children are receiving federal help due to limited federal funds."

Current Initiative: United Way of South Carolina and the Success By 6 Statewide Initiative is planning a workshop on the need for increased federal funding for child care at the Success By 6 Statewide Conference in October 2001. This will provide an opportunity to educate local United Ways and Success By 6 initiatives as well as other child advocates in the state.

Status: A small increase in federal funding for the CCDF is anticipated this year. However, widespread national efforts would be needed to advocate for the significant increase in federal appropriations that would be necessary to cover child care assistance for up to 85% of states' median income levels.

(Action Step 1.4) - Increase state funding to provide child care subsidies to all eligible families who seek child care assistance.

2003 Response:

DHHS and the First Steps County Partnerships in SC continued the 2002 initiative in order to provide child care assistance through the ABC Child Care Program to expand the availability of child care scholarships funded with First Steps state funding. This effort continues to provide needed state matching funds for CCDF. DHHS is continuing to develop additional strategies to provide child care subsidies to eligible families and maximize state funds.

2002 Response:

In light of research, First Steps County Partnerships in SC are continuing to offer child care scholarships to families with children under 6 years who would benefit from high quality child care that helps them reach first grade ready to succeed. To reduce administrative costs to First Steps DHHS entered into a Memorandum of Agreement (MOA) to administer the scholarships through its ABC Child Care Voucher System. This results in expanding availability of child care scholarships funded by First Steps. It also benefits DHHS by providing needed state matching funds for the federal Child Care and Development Fund (CCDF).

2001 Response:

Current Initiative: First Steps, through its county partnerships, is providing over 1,000 child care subsidies to the working poor where federal child care subsidies are not available.

Comment: To date, SC has not been able to determine exactly how many families actually need, would be eligible, or would seek child care assistance. However, projections based on the 1990 Census (pending receipt of updated data from the 2000 Census) estimate that hundreds of millions of additional funds could likely be needed to provide child care assistance to potentially eligible and interested families based on the number of children in SC from birth through age 12.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 1.5) - Mobilize federal, state and community resources in support of families who need child care assistance.

2003 Response:

DHHS is continuing the efforts of 2002 and 2001.

2002 Response:

- Last year's efforts continued.
- DHHS provided funding to the Office of First Steps (OFS) to implement a public-private four-year-old kindergarten (4K) pilot with 9 private child care providers in five regions of the state during the 2002-2003 school year. The pilot will encourage utilizing the existing resources of private child care providers to meet the needs of working parents of four year old children, maximizing existing resources, and promote collaboration between K-4 programs and the private child care community.

2001 Response:

Current Initiatives:

- Coordination with First Steps, through which county-wide needs and resource assessments are conducted and strategic plans developed in every county to address identified needs by maximizing available resources.
- DHHS develops contracts/agreements with DDSN, SDE, DSS, R&R's, SDE's Family Literacy offices, etc. to maximize resources in support of families who need child care assistance.
- DHEC, through linked state databases at the State Budget & Control Board, has identified 80,717 children birth through 4 years and another 98,110 children ages 5 through 12 years, as children with special health care (CSHCN) needs (see page 5 of "Who Cares?" booklet). The department has validated that parents of CSHCN have difficulty finding federal, state and community resources to support their child care needs. Presently, the CSHCN Program employs a parent advocate to work with parents and the community to meet the unique needs of this population.

Status: Efforts to develop additional strategies are ongoing.

Goal 2: States and Communities Should Broaden Their Child Care Eligibility and Subsidy Policies to Meet the Economic, Work and Education Needs of Families

(Action Step 2.1) - Establish co-payments not to exceed 10% of gross family income.

2003 Response:

Achieved.

2002 Response:

Achieved.

2001 Response:

Currently: DHHS' established co-payments do not exceed 10% of the gross family income.

Status: Achieved.

(Action Step 2.2) - Provide child care assistance to students who qualify under the income guidelines.

2003 Response:

Efforts of 2002 continued with funds granted to SDE. However, current funding levels will not increase next fiscal year. DHHS has also provided ABC Child Care vouchers to 103 children of teen parents during 2002-2003, who are participating in a Family Literacy Program in order to earn their high school diploma or GED.

2002 Response:

DHHS granted funds to SDE to implement, expand, or enhance the quality of child care services for parents (priority to teen parents) pursuing a high school diploma or GED. The SDE then sub-granted these funds to family literacy sites throughout the state. In addition to grant funds, ABC Vouchers for child care have been made available to parenting teens.

A majority of the sites have received licensure and all have either achieved or are working toward ABC enhanced status. Because grant funds target teen parents and because this program requires participants to be in school, this initiative has made a major difference in the lives of many young parents. Scores of teen parents have either returned to or remained in school. In addition, over half of the teen parents served received their diploma or GED and several have enrolled in college. DHHS plans to continue this collaborative effort by providing additional child care funding (\$250,000) to award 10 new sub-grants to family literacy sites, to implement, increase or enhance the quality of the child care.

2001 Response:

Current Initiatives:

- Students may apply for child care assistance if they are 18 years of age or an emancipated minor and are working, in school or a training program or are disabled.
- DHHS has a contract with the Family Literacy program through the State Department of Education to provide child care for those students who are participating in a Family Literacy program in order to earn their high school diploma or GED.
- At least five First Steps counties are providing child care assistance specifically to teen parents.

Status: Achieved.

(Action Step 2.3) - Explore broad use of income exemptions to address affordability of child care.

2003 Response:

Achieved. Since 1992, through the CCDF grant with the SC Department of Disabilities and Special Needs, parents of special needs children applying for the ABC Special Needs Vouchers can have documented out-of-pocket medical expenses deducted from their gross family income prior to determination of eligibility.

2002 Response:

SC also allows families with active Child Protective Services cases to receive child care subsidies without regard to income (on a case by case basis).

2001 Response:

Current Initiative: DHHS has developed a list of income inclusions and exclusions to be used when determining eligibility.

Status: Achieved.

(Action Step 2.4) - Eliminate asset testing (e.g. automobile or savings account) from criteria for child care assistance.

2003 Response:

Achieved.

2002 Response:

Achieved.

2001 Response:

Current Initiative: DHHS does not require asset testing.

Status: Achieved.

(Action Step 2.5) - Index income eligibility levels for inflation.

2003 Response:

Effective October 1, 2002, ABC Child Care Voucher System income guidelines and fee scale were adjusted based on the FFY 2002-2003 federal poverty level. Income eligibility level remained at or below 150% of the poverty level to enter the program.

2002 Response:

Effective October 1, 2001, ABC Child Care Voucher System income guidelines and fee scale were adjusted, based on the FFY 2001-2002 federal poverty level.

2001 Response:

Current Initiatives:

- DHHS changed income eligibility levels for entrance into the ABC Child Care Voucher System from 125% to 150% of the federal poverty level in May 2000.
- Federal poverty guidelines are reviewed yearly to annually adjust the income standards and fee scale for child care assistance.

Status: Achieved.

Goal 3: Outreach Initiatives Should Be Designed and Aggressively Implemented to Assure That Families Have Accessible and Easy-To-Understand Information on Child Care Assistance and Are Provided Assistance in Applying.

(Action Step 3.1) - Provide information on child care subsidies through multiple sources, venues and the media.

2003 Response:

DHHS continued the development of an on-going open enrollment process. However, based on current funding levels and expectations that the trend of increasing numbers of TANF/Welfare reform families needing child care assistance, the implementation of an on-going enrollment process for low-income working poor families may be delayed.

2002 Response:

DHHS is continuing to develop an on-going open enrollment process.

2001 Response:

Current Initiatives:

- Information is currently disseminated through DSS, DHEC, providers, R&R's.
- DHHS attempts to disseminate information in a way that is balanced considering limited resources for child care assistance to unrealistic expectations are not raised.

Proposed Initiatives:

- DHHS is in the process of developing an on-going open enrollment process.
- United Way is looking at ways to approach local employers to develop on site workshops for parents that will include information on how to select and access financial assistance for child care.

Status: Current efforts are sufficient.

(Action Step 3.2) - Ensure that information is accurate, family friendly, employer friendly, culturally sensitive and provided in multiple languages, as appropriate.

2003 Response:

DHHS continues the process of translating more documents to Spanish. The multi-language telephone line is still available and DHHS continues to revise the child care application to ensure that it is simple and user friendly.

2002 Response:

DHHS is in the process of translating more documents to Spanish.

2001 Response:

Current Initiatives: DHHS has developed/implemented.

- Documents in Spanish.
- Multi-language telephone line.
- Brochures and applications in simple, family-friendly language.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 3.3) - Present information in a manner that would remove the stigma associated with receiving subsidies.

2003 Response:

Achieved. 2002 response is relevant to 2003.

2002 Response:

Achieved. Also, clients can apply through specific First Steps County Partnerships, SDE Family Literacy Programs, etc. DHHS has completed a Customer Satisfaction Survey with clients that strongly support the fact that parents are very satisfied with the ABC Child Care Program.

2001 Response:

Currently: Clients can apply for child care assistance through several avenues; i.e., DSS, by telephone, etc.

Status: Achieved.

(Action Step 3.4) - Provide literature and assistance to help parents make informed provider choices.

2003 Response:

See 2002 and 2001 response. DHHS will reprint any brochure and pamphlets as needed. Current supplies of *A Parent's Guide to Choosing Quality Child Care in South Carolina* have been sufficient for 2002-2003.

2002 Response:

An additional 30,000 copies of the pamphlet *A Parent's Guide to Choosing Quality Child Care in South Carolina* were printed by DHHS and distributed to SCDSS and R & R's, etc.

2001 Response:

Currently:

- DHHS makes the following information available to parents:
 - Child Care check lists
 - Child Care Option Sheet
 - ***Come, Play With Me*** and ***Making All the Difference*** videos relative to quality child care.
 - Parent Handbook
 - Listing of all Enhanced/NAEYC providers
 - Information is also available through First Steps, DSS, and R & R's
- Over 50,000 copies of the pamphlet "A Parent's Guide to Choosing Quality Child Care in South Carolina," have been distributed by R & R's, businesses (i.e., Babies R Us), libraries, real estate office for new families moving into the community, school districts, technical colleges, doctor's offices, county health departments, and churches.
- NAEYC's Guidelines for Choosing Child Care Programs can be obtained through the SC Department of Education upon request.

Status: Achieved.

(Action Step 3.5) - Coordinate ongoing and strategic outreach activities among common organizations and providers.

2003 Response:

No change. More than 1,100 additional children received ABC Child Care Assistance during FFY 2002 to 2003.

2002 Response:

Currently: Applications have been made available through specific First Steps County Partnerships participating with DHHS in offering child care scholarships to families with children under 6. SCDHHS provides continued technical support, assistance, and resources to support the First Steps Initiative.

2001 Response:

Currently: Applications for child care assistance are available through and with the assistance of:

- Head Start
- R & R's
- State Department of Education (SDE) Family Literacy offices

Proposed Initiative: DHEC through the Newborn Home Visit, Early Periodic Screening Diagnosis and Treatment (EPSDT), Family Support Services (FSS), Women, Infants and Children's Nutritional (WIC) and CSHCN Programs have access to over 113,474 (July 2001) children in families with incomes that range from 50% to 200% of the federal poverty level. These programs could be an avenue for DHHS strategic outreach activities to this population. (Joyce Brown) Organizations which could assist with this effort include: SC Association for the Education of Young Children, South Carolina Parent Educator's Association, and South Carolina Educators of Children.

Status: Achieved.

(Action Step 3.6) - Offer cross-training and information to providers, community organizations, faith organizations, and state agencies to inform them about child care assistance programs and how to assist families in filing applications.

2003 Response:

DHHS has provided training to specific providers, First Steps County Partnerships, school district staff (after-school care and Family Literacy), Head Start and Early Head Start staff, Catawba Tribal Head Start, Department of Social Services staff, special needs staff, R&R's, etc. DHHS presents information about ABC Child Care Program to state and local early childhood professional organizations, conferences, etc.

2002 Response:

DHHS has provided training to specific First Steps County Partnerships to enable them to assist families in filing applications.

2001 Response:

Current/On-going: DHHS:

- Provides training to DSS, R & R's, Head Start, and SDE to enable them to assist families in filing applications.
- Provides information about the ABC Child Care Program to the First Steps State Board of Trustees, Office of First Steps county partnerships.
- Presents information about the ABC Child Care Program to state and local early childhood professional organizations and other organizations that are interested in child care issues (such as the Institute on Poverty and Deprivation, etc.).

Proposed Initiative:

- DHEC is willing to be a recipient of DHHS's training on how to assist families in filing applications to obtain child care assistance. (Joyce Brown)
- Meet with Office of First Steps and First Steps county partnerships to share additional information about the ABC Child Care Program, relative to their specific needs.

Status: Achieved.

Goal 4: The Child Care Application and Redetermination Processes Should Be Uncomplicated and Family Friendly.

(Action Step 4.1) - Simplify applications for child care assistance.

2003 Response:

Achieved.

2002 Response:

Achieved.

2001 Response:

Currently: DHHS has made every effort to condense and simplify its application for child care assistance.

Status: Achieved.

(Action Step 4.2) - Allow filing by mail, phone, fax or internet.

2003 Response:

See 2002 response. The implementation of the revised statewide automated system will allow DHHS the potential to implement internet filing.

2002 Response:

Efforts to develop additional strategies are ongoing. DHHS is currently updating the statewide automatic management system, which will better allow the agency to implement internet filing.

2001 Response:

Currently: DHHS allows applications to be filed by:

- Mail
- Phone
- DHHS does not have a mechanism to accept applications via Internet.

Proposed Initiative: Explore Internet Filing.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 4.3) - Minimize requests for documentation at initial application and utilize documents already on file.

2003 Response:

This effort is ongoing. DHHS uses the current system generated application for redetermination of eligibility for parents with children under 6. The current data is printed from the automated system and mailed to current low-income working families sixty (60) days prior to the end date of their current child care services. Parents are asked to update any information that has changed, sign, date and return.

2002 Response:

Efforts are on-going in exploring the possibility of using information from Partners for Healthy Children (PHC) applications to determine eligibility for child care.

2001 Response:

Current Initiative: There is a seamless eligibility process through the Department of Social Services (DSS) for former welfare recipients who are eligible for transitional child care services after welfare benefits cease (i.e., TCC1 and TCC2).

Proposed Initiative: DHHS is exploring the possibility of utilizing information from Partners for Healthy Children (PHC) applications to determine eligibility for child care.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 4.4) - Provide applications at multiple sites.

2003 Response:

No change. During 2002-2003, ABC Child Care applications were also available through several Head Start sites, State Department of Education Literacy Programs and After-school programs, SC Department of Social Services, SC Disabilities and Special Needs, the ABC Control Center 1-800 lines, etc.

2002 Response:

DHHS dispersed child care applications through several of the First Steps County Partnerships.

2001 Response:

Current Initiatives: Applications are currently dispersed through:

- ABC Control Center 1-800 number
- SC Department of Social Services
- R&R's
- State Department of Education's Family Literacy offices
- State Department of Education's After-School Programs
- Head Start

(Action Step 4.5) - Offer non-conventional hours of operation for eligibility offices and provide toll-free phone lines to include evening and weekend hours.

2003 Response:

See 2001 and 2002 responses.

2002 Response:

Efforts to develop additional strategies are ongoing.

2001 Response:

Currently: DHHS currently offers non-conventional hours and toll free lines.

- 1-800 numbers exist for both clients and providers
- Hours: 8 a.m. to 6 p.m. Monday-Thursday, 8 a.m. to 5 p.m. Friday
- Weekend hours are not provided

Status: Efforts to develop additional strategies are ongoing.

(Action Step 4.6) - Explore presumptive eligibility or otherwise provide immediate eligibility contingent upon final approval.

2003 Response:

DHHS continues the pilot project with two (2) Head Start grantees. However, this pilot was not expanded in 2002-2003.

2002 Response:

DHHS piloted a project with two (2) Head Start Early Head Start grantees. This initiative allowed the grantees to determine eligibility on site for Head Start applicants. Applicants determined eligible by the Head Start/Early Head Start staff were allowed to begin services the following Monday. All applications and supporting documentation were then forwarded to DHHS for validation. Based on CCDF requirements, DHHS will continue to explore additional strategies.

2001 Response:

Current Initiative: Seamless Eligibility for DSS Family Independence clients.

Proposed Initiative: Presumptive eligibility for Head Start

Status: Efforts to develop additional strategies are ongoing.

(Action Step 4.7) - Eliminate requirements for a face-to-face interview both for initial application and for redetermination.

2003 Response:
Achieved.

2002 Response:
Achieved.

2001 Response:
Current Initiative:

- DHHS does not require face-to-face interviews
- Initial applications and re-determination are transmitted via mail.

Status: Achieved.

(Action Step 4.8) - Provide consultation on making appropriate choices when excessive requests for provider changes are filed.

2003 Response:
Same as 2002 and 2001 response.

2002 Response:
No change.

2001 Response:
Currently: DHHS does not impede a parent's decision to transfer among providers.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 4.9) - Establish a 12-month redetermination period where there are no changes in income or job status.

2003 Response:
Achieved.

2002 Response:
Achieved.

2001 Response:
Currently: DHHS has a 12 month eligibility period for all clients.

Status: Achieved.

(Action Step 4.10) - Continue eligibility for full subsidy for 12 weeks if family loses employment but can document that a job search is underway.

2003 Response:

No change. No change in policy.

2002 Response:

ABC policy continues to allow 30 calendar days to find a new job or enroll in school/training program.

2001 Response:

Current Policy: ABC policy allows only 30 days from the date of unemployment for a parent to find a new job or enroll in school/training program.

Status: DHHS will review current policy; however, we believe that providing 12 weeks of child care assistance to unemployed families may not be the best use of severely limited child care resources (see Comment to Action Step 1.3).

Goal 5: Establish a Coordinated, Seamless Eligibility System So That Funding Sources Are Invisible to Families and Support Continuity of Child Care.

(Action Step 5.1) - Eliminate the need for families to reapply when eligibility categories change by automatically searching to exhaust all eligibility categories before closing cases.

2003 Response:

Currently:

- Funding sources are invisible to clients
- For children under the age of 6, until May 2003, DHHS had a Continuity of Care (COC) policy for clients remaining eligible at redetermination.

Computer system upgrades are continuing, however, DHHS will continue to explore this further after computer system upgrades are completed.

2002 Response:

In February 2002, SC reversed the Continuity of Care (COC) policy for children under the age of six years due to the funding limitations. DHHS is still in the process of upgrading the current computer systems.

2001 Response:

Currently:

- Funding sources are invisible to clients
- For children under the age of 13, DHHS has a Continuity of Care (COC) policy for clients remaining eligible at re-determination

- DHHS does not close cases. However, a new application is completed when a family moves from one eligibility category to another because of existing computer system issues.

Status: DHHS will explore further after computer system upgrades are completed.

(Action Step 5.2) - Explore the potential for policy and procedural changes to achieve linkages with or combined applications for child care assistance, Head Start, Pre-K and Title I.

2003 Response:

Strengthening linkages between current federal, state, public, and private early childhood efforts will support school readiness of young children through nurturing child care environments and developmentally appropriate practices. The Good Smart, Grow Smart task force, established by the SC Child Care Coordinating Council, will consult with South Carolina Department of Health and Humans Services (SCDHHS) in the following strategies designed to address this objective.

1. Develop voluntary guidelines to literacy, language, pre-reading, numeracy and social-emotional development for children ages 3 to 5 years that align with the State's K-12 English Language Arts and Mathematics Standards and Head Start's Child Outcomes Framework for social-emotional development and approaches to learning.
2. Expand systems of training and instruction developed to improve preparation and ongoing development of child care providers.
3. Continue the coordination of at least four early childhood programs and/or funding streams.

2002 Response:

SC continues to collaborate with Head Start, Early Head Start, and public school programs for children aged 4 years to maximize services. CCDF is used to pay for extended and full day summer child care programs. First Steps to School Readiness County Partnerships have initiated strategies to serve all at risk 4 year olds in their counties. DHHS provides funding to the Office of First Steps (OFS) to implement a public/private four year old kindergarten (4-K) pilot with 9 private child care providers in five regions of SC during the 2002-2003 school year. This pilot will encourage utilization of existing resources of private child care providers to meet the needs of working parents of four year old children, maximize existing resources, and promote collaboration between 4-K programs and the private child care community.

2001 Response:

Currently: DHHS is not utilizing combined applications for child care assistance.
 Proposed Initiative: Linking the applications for child care assistance, Head Start and/or Partners for Healthy Children/Medicaid, Pre-K and Title I.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 5.3) - Continue eligibility in programs with multiple funding sources to assure continuity of care in the event that eligibility has expired or terminated in one program.

2003 Response:

Achieved.

2002 Response:

Achieved.

2001 Response:

Achieved.

(Action Step 5.4) - Work collaboratively with all public and private programs and funding sources to assure that children receive stable and consistent early child care services.

2003 Response:

Collaborative efforts among public and private programs and funding sources are ongoing through the SC Child Care Coordinating Council, which was established in January 2002 per Executive Order.

2002 Response:

See response to several other Action Steps for examples of new strategies; i.e., 3, 4, 5, 6, etc.

2001 Response:

Current Initiatives: DHHS coordinates with the following entities to ensure stable and consistent early child care services for children:

- First Steps
- SDE
- DDSN
- Head Start
- Success By 6
- R&R's
- DSS

Proposed Initiative: DHHS is planning additional strategies for collaboration around this issue during 2001-2002.

Status: Achieved.

Goal 6: Establish Customer Service Outcome Goals and Set Standards to Ensure that All Families are Treated With Dignity and Respect and Are Served in an Efficient Manner.

(Action Step 6.1) - Provide professional and well-trained eligibility staff who are culturally and linguistically sensitive.

2003 Response:

Achieved.

2002 Response:

Achieved.

2001 Response:

Currently:

- A multi-language interpreter line is available for staff to use in instances when a client or provider does not speak English.
- DHHS makes every effort to assure that ABC Control Center staff are professional and well-trained.

Status: Achieved

(Action Step 6.2) - Facilitate quick eligibility determination through reasonable caseloads and/or administrative structure.

2003 Response:

See 2002 and 2001 responses.

2002 Response:

New upgrades to the DHHS Statewide Automated Management System will enhance eligibility determination.

2001 Response:

Current Policy: Eligibility determination is conducted within 15 days of receipt of the application.

Proposed Initiative: DHHS is exploring additional strategies

(Action Step 6.3) - Conduct periodic, independent and thorough consumer satisfaction assessments, assuring the confidentiality of information collected.

2003 Response:

Surveys were again mailed to 250 participants randomly selected from the ABC Child Care Voucher System.

2002 Response:

In April 2002, surveys were mailed to 250 participants randomly selected from the ABC Voucher System. The purpose of this survey was to determine their level of satisfaction with the child care services their child is receiving. We are currently preparing to send out surveys to the second group of randomly selected participants.

2001 Response:

Comment: DHHS conducted an in-house survey about two years ago. Eventually, we would like to implement on a regular basis.

Proposed Initiative: The Department of Education will be conducting surveys of school-based programs.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 6.4) - Provide adequate support for child care resource and referral services.

2003 Response:

See 2002 and 2001 responses.

2002 Response:

DHHS continues to contract with the state's R & R's. Several First Steps counties have implemented strategies to use and enhance existing resource and referrals. DHHS is currently identifying and inventorying the R & R services statewide in order to develop strategies to expand R & R services in South Carolina.

2001 Response:

Current Initiative:

- DHHS is currently contracting with the R & R's for these services.
- Some First Steps counties are implementing strategies to enhance the capacity of existing resources and referral services.

Proposed Initiative: DHHS plans to improve services by October 2002.

Status: Efforts to develop additional strategies are ongoing.

Goal 7: Design the Subsidy System So That Rate Structures Assure That Families Receiving Child Care Assistance Have Access to All Types of Child Care and Disallow Charges Above Established Co-Payments.

2003 Response:

Same as 2001 response:

2002 Response:

No change.

2001 Response:

Families receiving child care assistance through the ABC Child Care Program have the option of choosing any type of child care they wish their children to receive. A family's portion of child care fees (co-payment) averages \$6 per child per week and remains constant regardless of a child's age, with DHHS paying the balance up to the established maximum rate. This enables low-income families receiving ABC child care assistance to choose the most appropriate care for their children without cost being an overriding factor. DHHS currently pays registration fees.

Family co-payment fees are based on income and family size, not on cost of service.

Status: Achieved.

(Action Step 7.1) - States should cap reimbursement rates at no less than the 75th percentile based on a market rate survey conducted every two years that accurately reflects the price of all types of care in communities across the state.

2003 Response:

No response.

2002 Response:

Rates for ABC Level 2 and ABC Level 3 providers continue to range from the 85th to the 100th percentile of the market rate, based upon the market rate survey completed in April 2002.

2001 Response:

Currently: To ensure accessibility to child care, DHHS bases rates on the 75th percentile of the market rate. Full-time maximum rates for 3-5 and 6-12 year old children in licensed/registered family day care homes, licensed group day care homes, and licensed child care center are set at the 75th percentile. Rates are then adjusted to provide higher maximum rates for higher quality of care and for infant/toddler care. Effective 10/01/01, under the tiered reimbursement system, rates for ABC Level 2 enhanced providers and ABC Level 3 accredited providers range from the 85th percentile to the 100th percentile of the market rate, with most Level 3 accredited rates being at the 100th percentile.

Status: Achieved

(Action Step 7.2) - Establish and evaluate reimbursement policies that encourage provider participation and are responsive to family needs.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Currently:

- The DHHS payment system for ABC Child Care providers offers incentives for higher levels of quality child care, and rates reflect the cost differential for serving infants and toddlers. A family's portion of child care fees (\$6 per child per week average) remains constant regardless of a child's age, with DHHS paying the balance up to the established maximum rate. This enables low-income families receiving ABC Child Care assistance to choose the most appropriate care for their children without cost being an overriding factor.
- In response to cash flow pressures on many child care providers, DHHS makes payments to ABC Child Care providers within 10-14 working days of documented services to children receiving ABC assistance. However, the current turn-a-round time is averaging 5-7 business days. Most providers get paid as frequently as twice monthly.
- DHHS currently pays registration fees.
- Fees are based on income and family size, not on cost of service.

Status: Achieved

(Action Step 7.3) - Prohibit providers from charging above the established co-payments.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Currently: DHHS pays the full cost and registration fees for most providers. DHHS does not want to establish barriers that would prevent clients from going to any provider they choose.

Status: DHHS does not believe this policy would be beneficial to South Carolina families.

Goal 8: Create Partnerships With Employers to Expand Child Care Assistance for Working Families.

(Action Step 8.1) - Educate employers about the bottom line benefits associated with public and private child care assistance.

2003 Response:

No response.

2002 Response:

A partnership with United Way of South Carolina (UWSC) and the South Carolina Department of Health and Human Services (SCDHHS) has been established in order to encourage employers to use a variety of strategies to expand the affordability and availability of quality child care for working families. SCDHHS will provide grant funds to the UWSC who will sub-grant resources to local United Ways. Each sub-grantee selected will receive training from the UWSC about effective methods for educating employers on strategies to enhance child care quality, affordability, and availability. Local United Ways will use funds to educate employers on the following:

- The bottom line benefits associated with public and private child care assistance;
- Establishing a pre-tax dependent care plan that results in savings for employees;
- Providing scholarships, incentives, or in-kind support to local child care facilities;
- Providing incentives to help child care facilities become nationally accredited;
- Promoting parent education and involvement in child care; and
- Promoting early literacy.

2001 Response:

Current Initiatives:

- R&R's have contracts with private businesses
- Success By 6 of the Midlands Family Friendly Workplace Committee and Conference
- It is hoped that the Governor's Family Friendly Award, anticipated to be early 2002, will help educate employers about the benefits associated with family friendly practices such as offering child care assistance to employees
- First Steps Public Awareness campaign to educate the community, including the employers
- Child Care Workforce Study

Proposed Initiatives:

- DHHS is exploring strategies with United Way to facilitate linkages with business communities
- United Way of South Carolina/Success By 6 is exploring funding options to work with selected local United Ways that will educate the business community on the bottom line benefits associated with providing child care assistance to their employees. Employers will also be encouraged to implement strategies to improve the availability, affordability and quality of child care. Such strategies include:

- Establishing a pre-tax dependent care plan that results in savings for both the employer and the employee;
- Providing child care assistance to help offset the cost of child care for employees;
- Purchasing child care spaces in community child care facilities for the children of employees;
- Providing scholarships to local child care facilities to be applied to the cost of care for employees or for eligible families in communities;
- Providing in-kind support to child care facilities such as assistance with accounting procedures, donations of computers, office supplies, toys, play ground equipment, books, paper products, as well as space for staff training or parent meetings.
- Providing incentives to help child care providers receive appropriate training by partnering with state government to ensure sufficient scholarships to help providers enroll in TEACH classes at technical colleges;
- Providing incentives to help child care facilities become nationally accredited by the National Association for the Education of Young Children;
- Promoting early literacy by helping local United Ways to purchase books for distribution at local child care facilities.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 8.2) - Enlist business leaders to champion the involvement of southern businesses and to serve as mentors to other businesses.

2003 Response:

SCDHHS granted funds to the United Way of South Carolina (UWSC) who selected six local United Ways to receive sub-grants. UWSC provided training to the sites and assisted in creating partnerships between the sub-grantees and businesses to expand child care assistance to working families. The sub-grantees then provided information to businesses to assist them in encouraging support of quality child care. UWSC monitored the sites to ensure contract compliance and provided technical assistance. Local United Ways are working with community partners such as the Chamber of Commerce and adult education, and most have contracted with human resource experts to provide training. SCDHHS and UWSC plan to extend this grant for another year to encourage business leaders to expand the affordability and availability of quality child care for working families in their communities.

2002 Response:

See response to action step 8.1 above.

2001 Response:

Status: Efforts to develop additional strategies are ongoing.

(Action Step 8.3) - Provide information to employers on all available tax benefits related to child care assistance, including deductions for donations to tax-exempt child care organizations, capital costs for constructing a child care center and establishing a pre-tax dependent care assistance plan.

2003 Response:

No change.

2002 Response:

See response to Action Step 8.1 above.

2001 Response:

Current Initiative:

- Earned Income Tax Credit information is sent to each client in his/her ABC Child Care Program eligibility packet.

Proposed Initiative:

- DHHS is exploring strategies with United Way to facilitate linkages with business communities.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 8.4) - Facilitate collaborative initiatives that enable employers to share ideas as well as pool their resources to address child care needs.

2003 Response:

No change.

2002 Response:

See response to action step 8.1 above.

2001 Response:

Current Initiative:

- Child Care Director Forums are being conducted regularly by the R&R's in the Midlands.
- The Office of Early Childhood Education hosted the Early Childhood Summer Institute this past summer; about 20% of the participants were childcare teachers.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 8.5) - Provide matching funds or other tax or financial incentives for employers to invest in child care.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Currently:

- SC has an established tax law for tax credits for employee child care programs (SC code section 12-6-3440)
- There is also a SC tax credit for child and dependent care expenses (SC code section 12-6-3380).

Status: Additional discussion and research is needed. It has been mentioned that corporate taxes in SC are minimal so tax credits may not offer an appropriate incentive for corporate employers to invest in employee child care programs.

(Action Step 8.6) - Establish incentives for employers to create child care benefit programs for their employees or to contribute to child care purchasing pools in their state or community.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Currently:

- SC has an established tax law for tax credits for employee child care programs (SC code section 12-6-3440)
- There is also a SC tax credit for child and dependent care expenses (SC code Section 12-6-3380).

Status: Additional discussion and research is needed. It has been mentioned that corporate taxes in SC are minimal so tax credits may not offer an appropriate incentive for corporate employers to invest in employee child care programs.

(Action Step 8.7) - Reduce the administrative burden on employers participating in any joint public/private child care assistance program.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Status: Additional discussion and research is needed. An approach like MoneyPlus program, administered for all state employees through one organization, could be considered.

Goal 9: Provide Child Care Assistance to Working Families Through Federal and State Tax Laws.

2003 Response:

No change.

2002 Response:

The Financing Committee of the SC Task Force for the National Universal Financing for the Early Care and Education Project (described in Goal 1, Action Step 1.1) is examining a variety of financing mechanisms, including tax policy, that could contribute to a system of quality early care and education.

2001 Response:

Status: It is reported that a state-level task force that includes the Department of Revenue has been formed to consider how to approach this issue.

(Action Step 9.1) - Make the federal child dependent care tax credit refundable.

2003 Response:

No change. Note: Federal child dependent tax credits were changed in June 2003.

2002 Response:

No change.

2001 Response:

Status: Additional discussion and research is needed to determine the most beneficial strategies for helping make child care more affordable for families. The benefit of a refundable tax credit would be delayed until after a tax return for the year was filed and the refund received, which may not help some families when they most need it—as they’re making child care payments—unless the tax credit were to function as the Earned Income Tax Credit.

(Action Step 9.2) - Establish refundable child and dependent care tax credits in states with income taxes.

2003 Response:

Federal changes have been made for summer 2003.

2002 Response:

No change.

2001 Response:

See response to action step 9.1.

(Action Step 9.3) - Raise federal and state child care tax credit expense limits to accurately reflect the price of quality care.

2003 Response:

See 2001 response - However, minimal increases have been implemented for the Federal Child Care Tax Credit Expense Limit.

2002 Response:

No change.

2001 Response:

See response to action step 9.1.

(Action Step 9.4) - Index for inflation the state and federal child and dependent care tax credit income eligibility and expense limits.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

See response to action step 9.1.

(Action Step 9.5) - Ensure that child and dependent care tax credits are clearly identified and easy to claim by filers using either the short or long form.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

See response to action step 9.1.

(Action Step 9.6) - Encourage the use of effective state tax strategies to provide financial support for child care.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

See response to action step 9.1.

Goal 10: States Should Have Effective, Coordinated Systems to Guide Child Care and Early Childhood Policy Decisions and Direct Use of Resources.

(Action Step 10.1) - Facilitate greater coordination in eligibility policies across child care and early childhood education programs at state and local levels.

2003 Response:

The SC Child Care Coordinating Council, established in 2002 according to Executive Order, is facilitating greater coordination among child care and education programs throughout SC.

2002 Response:

See 2002 response to action step 1.1.

2001 Response:

Comment:

- DHHS realizes greater coordination is essential and is making efforts through our existing relationships with child care stakeholders. Also, DHHS is working with the Office of First Steps for enhanced coordination of child care strategies by First Steps County Partnerships.
- Participation on the Healthy Child Care South Carolina Steering Committee helps to coordinate initiatives and share information between the public and private sectors.

Status: Efforts to develop additional strategies are ongoing.

(Action Step 10.2) - All southern states and the District of Columbia should participate in a collaborative effort to develop and collect common data elements across states.

2003 Response:

No change.

2002 Response:

No change.

2001 Response:

Current/On-going:

- Data is collected according to CCDF requirements for annual and quarterly reporting
- Data is collected as requested by different entities.

Status: Additional discussion is needed to determine whether other southeastern states have not yet implemented data collection by common data elements according to CCDF requirements. DHHS is already reporting data according to the CCDF common data elements. DHHS is unaware of a need for additional data.