

May 1, 2024

The Honorable Guy J. Guzzone
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

The Honorable Ben Barnes
House Appropriations Committee
121 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: 2023_JCR_p178-179_Child Care Scholarship (CCS) Program Quarterly Reports (May 1, 2024)

Dear Senator Guzzone and Delegate Barnes,

The 2023 Joint Chairman's Report, pages 178 – 179, requires the Maryland State Department of Education (MSDE) to submit quarterly reports to the budget committees of the Maryland General Assembly on expenditures from all funding streams for the Child Care Scholarship (CCS) Program.

The report includes:

1. CCS expenditures, including Child Care and Development Fund spending that was carried over from prior fiscal years, the amount of newly authorized federal funds expended (with federal awards for COVID-19-related uses listed separately), and general fund spending;
2. CCS expenditures disaggregated by federal and State funding used directly for scholarships and funding used by MSDE Headquarters for administrative costs and activities to improve provider quality, specified by purpose;
3. Quarterly updates on the provider reimbursement rate as a percentile of the market rate, statewide, and by region;
4. The total number of children and families receiving CCS per month statewide and by jurisdiction, including the number of children and families who became eligible when income eligibility thresholds were raised to 75% of the State median income (SMI) and the number of children and families who become eligible once income eligibility is raised to 85% SMI;
5. Quarterly updates on whether the department is maintaining a CCS waiting list and, if so, which income categories are impacted and how many children and families have applied for benefits and been added to the waiting list;
6. Actual performance on measures and requirements included in the State's customer service contract for the CCS Program and, if not included in those measures, actual performance on average

response time, actual time to review and approve or reject an application for a child care scholarship, actual time between invoice submission and payment to child care providers, the number of resubmissions needed for provider invoices and parent applications, average time per call, average hold time, dropped call rate, actual and average times needed to close open customer service tickets, and rates on individuals ending a call while waiting; and

7. Quarterly updates on the top five customer service issues related to the CCS Program.

If you have questions or need additional information, please contact Akilah Alleyne, Ph.D., Executive Director, Governmental Affairs, Education Policy, and External Relations by email at Akilah.alleyne@maryland.gov or by telephone at 410-767-0504.

Sincerely,



Carey M. Wright, Ed.D.
Interim State Superintendent of Schools

c: Sarah Albert, Mandated Reports Specialist, Department of Legislative Services (five copies)

Child Care Scholarship

Actual performance on measures and requirements included in the State's customer service contract for the Child Care Scholarship (CCS) Program:		
Customer Service Measurement		Average Performance Outcomes: Aug., Sept., October 2023*
Task Order (TO) Contractor shall offer an immediate response either through an interactive voice response system or from a live customer service representative when a caller requests information. (SLA5)		99.07%
TO Contractor shall return a telephone call or email no later than the close of the next business day of a caller leaving voicemail message for CCS 2 staff. (SLA6)		99.26%
TO Contractor shall not have callers wait more than five (5) minutes on hold after having the call placed in the queue. (SLA7)		100%
TO Contractor shall address all complaints, verbal or written, whether received directly by the Contractor or forwarded to the Contractor by Maryland State Department of Education (MSDE), by the end of the next business day of receipt by the TO Contractor. (SLA8)		97.94%
TO Contractor shall ensure that requests for CCS forms are sent no later than by the end of the next business day of the request being made to the TO Contractor. (SLA9)		99.94%
TO Contractor shall process incomplete CCS applications correctly to completion (granted or denied) within thirty (35) calendar days, for customers submitting documentation in support of an application that contained at minimum: customer's name, address, and signature. TO Contractor shall process incomplete CCS applications received by days 26-30 to completion (granted or denied) within thirty-five (35) This includes redeterminations that are submitted late and treated as new applications. (SLA16)		81.76%
*Most current data available		
If not included in those measures [above]:		
Customer Service Measurement		Performance Outcomes: Oct., Nov., Dec. 2023*
1. Number of calls received by a live representative.		62,127
2. Average talk time (including hold time) (hh:mm:ss)		00:08:36
3. Average wait time for callback (hh:mm:ss)		00:45:43
4. Average number of dropped calls/month		345
5. Average abandonment rate (%)		1%
6. Number of calls received by IVR		115,422
7. Number of Fast-Track Applications submitted via the portal from Oct., Nov., Dec.2023		4,801
8. Number of Full Child Care Scholarship Applications submitted via the portal from Oct., Nov., Dec.2023		5,003
9. Number of customers registered for the portal from Oct., Nov., Dec.2023		15,141
10. Number of Redetermination completed through the portal from Oct., Nov., Dec.2023		1,880
11. Number of new applications submitted through the portal from Oct., Nov., Dec.2023		5,003
12. Number of interim changes submitted through the portal from Oct., Nov., Dec.2023		2,565

Quarterly updates on the top five customer service issues related to the CCS Program being handled by the Office of Child Care.

1. Continue to identify and leverage resources available through MSDE in conjunction with the Child Care Scholarship Program and state partners to develop processes that allows the child care scholarship to serve as a major resource in support of children arriving to school ready to learn; supports the mission of the Maryland Blueprint; and becomes part of the foundation for Maryland Children's becoming lifelong learners that enter a technological advanced workforce prepared to succeed.
2. Continue the use of advanced technology to streamline and improve the delivery of services to children, families and early care and educational programs.
3. Continue to implement policy changes that increase the impact of benefits on the entire family by supporting economic self-sufficiency and that enables the Maryland Child Care Scholarship Program to serve as one of the top Child Care Development Fund (CCDF) Leads in aligned with the intent of CCDF reauthorization.
4. Continue to reduce call volume received by customer service representatives by improving our interactive voice response system, to provide parents and providers with greater autonomy and time-efficiency when inquiring about the status of their CCS application.
5. Continue to establish reporting processes that improve customer service delivery.

CCDF Expenses for Child Care Scholarship Payment and MSDE Headquarter
For State Fiscal 2024 as of February 29, 2024 Prelim

Expenses (excludes Set Asides)

Child Care Scholarship Payment

ARPA CCDF Year (FF 2021)	25,000,000.00
CCDF Prior Year (FF 2023)	18,592,920.97
CCDF Current Year (FF 2024)	169,777,555.17
Total Child Care Scholarship Payment	<u>213,370,476.14</u>

Other CCDF expense in support of CCS program

Administration	1,280,575.15
Nondirect -System	3,554,241.53
Nondirect -Eligibility	1,570,174.01
Nondirect - All Other (Licensing & MD-EXCEL)	<u>6,294,124.03</u>

Total Uses (excl. Set Asides)	<u><u>226,069,590.86</u></u>
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Child Care Scholarship Payments Funding for July 1, 2023 - February 29, 2024

American Rescue Plan Act (ARPA Discretionary) Fund Current Year (Federal Fiscal (FF) 2021-Starts on Oct. 1, 2020)	CCDF Current Year (Federal Fiscal (FF) 2023-Starts on Oct. 1, 2022)	CCDF Current Year (Federal Fiscal (FF) 2024-Starts on Oct. 1, 2023)	State Fiscal 2024 General Funds	Total Scholarship
25,000,000.00	18,592,920.97	169,777,555.17	52,900,366.73	266,270,842.87

Balance of Unobligation federal funds (excl. Set Asides) as of February 29, 2024

CCDF Current Year (Federal Fiscal (FF) 2024-Starts on Oct. 1, 2024)	Total CCDF available
(90,782,601.84)	(90,782,601.84)

Note:

MSDE has not yet received an additional \$217,900,000 in general funds for FY24 Child Care Scholarship payments.

March 2024 Report - Expenditure for Children and Families Receiving Child Care Scholarships, November 2023

County	CHILDREN				FAMILIES				LIABILITY			
	TCA	TCC	NON-TCA	TOTAL	TCA	TCC	NON-TCA	TOTAL	TCA	TCC	NON-TCA	TOTAL
Allegany	18	-	517	535	12	-	348	360	\$ 9,631	\$ -	\$ 414,370	\$ 424,001
Anne Arundel	140	-	1,740	1,880	88	-	1,213	1,301	\$ 128,107	\$ -	\$ 1,650,392	\$ 1,778,498
Baltimore Co	393	4	6,583	6,980	230	2	4,470	4,702	\$ 405,244	\$ 4,534	\$ 6,269,239	\$ 6,679,017
Calvert	3	1	235	239	2	1	150	153	\$ 2,709	\$ 770	\$ 189,676	\$ 193,155
Caroline	1	-	124	125	1	-	88	89	\$ 1,144	\$ -	\$ 72,848	\$ 73,992
Carroll	9	-	457	466	4	-	311	315	\$ 9,127	\$ -	\$ 451,205	\$ 460,332
Cecil	60	4	444	508	44	1	285	330	\$ 50,533	\$ 920	\$ 350,067	\$ 401,519
Charles	15	2	1,154	1,171	11	2	756	769	\$ 16,813	\$ 2,781	\$ 1,097,026	\$ 1,116,620
Dorchester	-	-	194	194	-	-	143	143	\$ -	\$ -	\$ 116,429	\$ 116,429
Frederick	48	2	788	838	30	1	542	573	\$ 50,516	\$ 961	\$ 761,932	\$ 813,408
Garrett	1	-	68	69	1	-	48	49	\$ 160	\$ -	\$ 32,907	\$ 33,067
Harford	117	-	1,028	1,145	68	-	694	762	\$ 136,667	\$ -	\$ 980,630	\$ 1,117,296
Howard	64	5	1,300	1,369	41	1	917	959	\$ 85,471	\$ 5,327	\$ 1,598,989	\$ 1,689,786
Kent	1	-	60	61	1	-	46	47	\$ 1,459	\$ -	\$ 39,323	\$ 40,782
Montgomery	101	5	4,584	4,690	63	2	2,972	3,037	\$ 146,089	\$ 4,858	\$ 5,887,840	\$ 6,038,786
Prince George's	119	1	5,155	5,275	74	1	3,536	3,611	\$ 112,069	\$ 1,986	\$ 5,027,914	\$ 5,141,970
Queen Anne's	5	-	104	109	2	-	69	71	\$ 2,878	\$ -	\$ 71,158	\$ 74,035
St. Mary's	44	-	297	341	25	-	189	214	\$ 28,882	\$ -	\$ 210,702	\$ 239,584
Somerset	8	-	156	164	4	-	98	102	\$ 4,984	\$ -	\$ 91,688	\$ 96,672
Talbot	2	-	181	183	1	-	139	140	\$ 1,235	\$ -	\$ 124,993	\$ 126,228
Washington	14	-	654	668	9	-	453	462	\$ 9,327	\$ -	\$ 473,716	\$ 483,043
Wicomico	36	-	950	986	21	-	635	656	\$ 25,098	\$ -	\$ 617,960	\$ 643,058
Worcester	1	-	217	218	1	-	145	146	\$ 426	\$ -	\$ 171,129	\$ 171,555
Baltimore City	460	11	4,490	4,961	261	3	3,067	3,331	\$ 430,814	\$ 10,996	\$ 3,963,970	\$ 4,405,781
TOTAL	1,660	35	31,480	33,175	994	14	21,314	22,322	\$ 1,659,381	\$ 33,132	\$ 30,666,102	\$ 32,358,615

Note: Data retrieved from CCATS on 4/8/2024

Quarterly Market Rate Report

Fiscal Year: **FY24**

Statewide Fiscal Year Average: **70th percentile**

Quarter: _ 1st (August 1, 2023); _ 2nd (November 1, 2023); _ 3rd (February 1, 2024); X 4th (May 1, 2024)

Average weekly Regional Market Rate Percentile and Reimbursement

Infant					Regular				
Region	Family Percentile	Family Reimburse.	Center Percentile	Center Reimburse.	Region	Family Percentile	Family Reimburse.	Center Percentile	Center Reimburse.
U	70 th	\$200.00	70 th	\$295.20	U	70 th	\$175.00	70 th	\$197.90
V	70 th	\$165.50	70 th	\$235.00	V	70 th	\$140.00	70 th	\$171.67
W	70 th	\$250.00	70 th	\$355.00	W	70 th	\$225.00	70 th	\$255.38
X	70 th	\$325.00	70 th	\$474.05	X	70 th	\$295.00	70 th	\$369.35
Y	70 th	\$250.00	70 th	\$362.50	Y	70 th	\$209.00	70 th	\$266.67
Z	70 th	\$150.00	70 th	\$254.00	Z	70 th	\$138.00	70 th	\$179.67
B	70 th	\$200.00	70 th	\$300.00	B	70 th	\$176.67	70 th	\$233.33

Glossary of Payment Regions:

U: Cecil, Queen Anne's, St. Mary's, Talbot, and Washington counties

V: Caroline, Dorchester, Kent, Somerset, and Wicomico counties

W: Anne Arundel, Calvert, Carroll, Charles, and Prince George's counties

X: Howard and Montgomery counties

Y: Baltimore, Frederick, and Harford counties

Z: Allegany, Garrett, and Worcester counties

B: Baltimore City

Waiting List

There is no waiting list at this time.

Children and Families Receiving Child Care Scholarships - Families With Incomes Above The Previous Income Eligibility Threshold, November 2023

County	CHILDREN				FAMILIES			
	TCA	TCC	NON-TCA	TOTAL	TCA	TCC	NON-TCA	TOTAL
Allegany	-	-	91	91	-	-	61	61
Anne Arundel	-	-	274	274	-	-	200	200
Baltimore Co	2	-	863	865	2	-	652	654
Calvert	1	-	43	44	1	-	32	33
Caroline	-	-	15	15	-	-	11	11
Carroll	-	-	87	87	-	-	58	58
Cecil	-	-	56	56	-	-	38	38
Charles	-	-	137	137	-	-	105	105
Dorchester	-	-	16	16	-	-	15	15
Frederick	-	-	128	128	-	-	91	91
Garrett	-	-	15	15	-	-	13	13
Harford	-	-	149	149	-	-	113	113
Howard	-	-	155	155	-	-	121	121
Kent	-	-	5	5	-	-	5	5
Montgomery	-	-	671	671	-	-	498	498
Prince George's	1	-	682	683	1	-	545	546
Queen Anne's	-	-	16	16	-	-	11	11
St. Mary's	-	-	31	31	-	-	23	23
Somerset	-	-	18	18	-	-	12	12
Talbot	-	-	12	12	-	-	11	11
Washington	-	-	115	115	-	-	80	80
Wicomico	-	-	115	115	-	-	77	77
Worcester	-	-	30	30	-	-	19	19
Baltimore City	-	-	475	475	-	-	372	372
TOTAL	4	-	4,199	4,203	4	-	3,163	3,167

Note 1: Data retrieved from CCATS and compiled on 4/8/2024.

Note 2: The income eligibility limit was increased from 65% SMI to 75% SMI on 5/23/2022.