Streamlining Child Care Assistance

Goal

Make quality child care more affordable for New York families by streamlining enrollment in the state's child care assistance program to increase participation.

Solution

Families could establish their categorical eligibility for child care assistance by demonstrating enrollment in another program, such as SNAP or WIC, avoiding duplicative data collection and reducing administrative costs.

Why It Works

Categorical eligibility would reduce the paperwork for families to enroll in benefits they already qualify for and for which there is already government verification of their eligibility.

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Enrollment Gap

Many New York families who qualify for child care assistance are not receiving it, despite funds being available.

The existing child care assistance application process, without an online option or consistency across counties, is hurting families. In some communities, particularly large urban centers like New York City, families have experienced tremendous delays in their applications being processed and approved. This leads to harmful disruptions for children's learning and development, as well as lost work and educational opportunities for families, potentially resulting in both short- and long-term economic consequences. Reforming this process, by introducing broader categorical eligibility, furthers the goals of the 2014 Child Care Development Block Grant reauthorization by contributing to stability and continuity of care. It is good for children, good for families, and essential for the fragile child care industry.

New York State's historic expansion of child care assistance in the 2022-2023 state budget will only benefit children and families if they enroll in the program. Enrollment for child care assistance remains significantly lower than other benefit programs, reaching approximately **13%** (70,000) of eligible children last year.[1] In contrast, SNAP reached **89%** (1.5 million) of eligible New York families with children.

SNAP

9 out of 10 eligible families with children enroll

Child Care Assistance
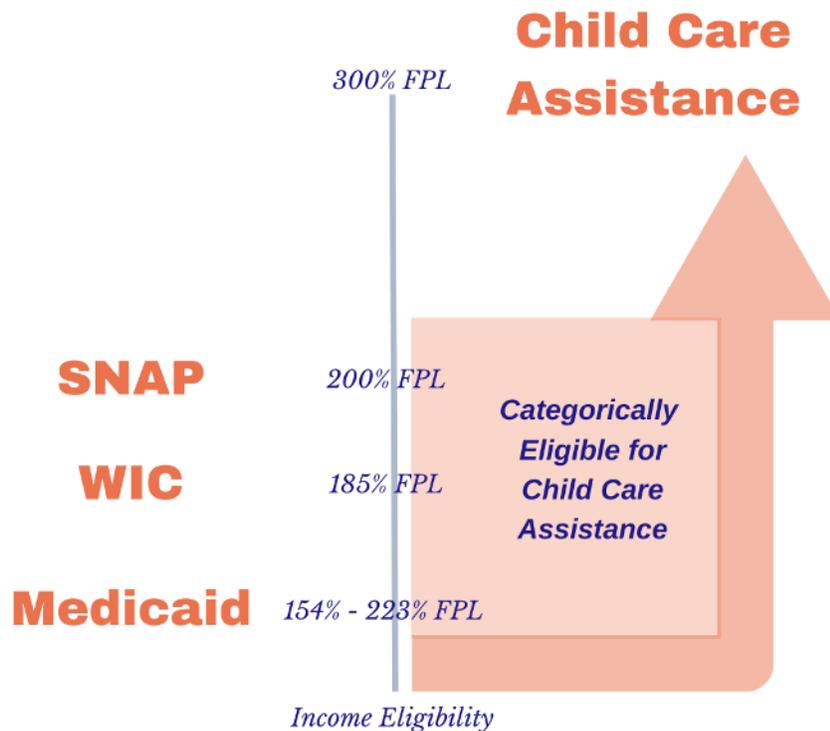
1 out of 10 eligible children enroll

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[1] This participation estimate is inclusive of children enrolled in both the state's subsidy program (approximately 70,000 children) and New York City's contract care program (an additional 23,000 children)

Categorical Eligibility

New York can expand access and improve efficiency by introducing categorical eligibility.

One way to expand access and improve the efficiency of New York's child care assistance program is to introduce **categorical eligibility** for families receiving other benefits, including SNAP, Medicaid, and WIC. These benefit programs have income eligibility criteria significantly below the child care assistance program's threshold of 300% of the federal poverty line. **Families could establish their eligibility for child care assistance simply by demonstrating enrollment in another program**, rather than undergoing a fully separate application process.

Categorical eligibility **eliminates the duplication** of data collection and **decreases administrative costs**. It does not eliminate all eligibility requirements for assistance, but streamlines the process for families to enroll in benefits for which they already qualify.

Eliminating the Time Tax
President Biden has called for improved efficiency in government programs and an end to the "time tax."

The convergence of widespread economic upheaval and an unprecedented public health crisis has highlighted the inadequacies and inefficiencies of many government programs. **People spend weeks and months trying to access supports for which they qualify and need, only to find themselves stuck in a maze of complicated, repetitive paperwork and unanswered phone calls and emails.** The frustration and effort all amount to a time tax. This burden, describing the **time Americans lose as they negotiate administrative hurdles, confusing paperwork, and waiting periods,** is significantly more pronounced in government programs that are designed to benefit low-income individuals and families. Complex eligibility and enrollment processes, like those seen with SNAP, Medicaid, WIC, and child care assistance, are particularly harmful for those already facing adversity – including housing insecurity, language barriers, disability, and systemic racism – and too often form insurmountable barriers to access.

President Biden's December 2021 Executive Order on Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government called for leaders across his administration to evaluate ways for their agencies to reduce the time tax paid by the American public. The Secretary of Health and Human Services was directed to "**support streamlining State enrollment and renewal processes and removing barriers... to ensure eligible individuals are automatically enrolled in and retain access to critical benefit programs**." The lives of low-income American children have already been improved by these efforts, most notably the move by the Office of Head Start to clarify their definition of public assistance to include SNAP recipients, broadening the program's categorical eligibility. This shift allows families to demonstrate they qualify by showing proof of SNAP receipt or eligibility, rather than through a complicated income verification process, providing many more children with access to Head Start's prenatal-to-five services and supports.

Child Care Assistance

Contact Information
Information on all Household Members
Work/School Verification
Work/School Hours
Child Care Provider Information
Travel Time from Child Care to Work/School
Income Verification for all Household Members
Absent Parent Information

529 Savings Plan

Social Security Number
Birth Date of Investor

Social Security Number
Birth Date of Beneficiary

Streamlining Benefits

Streamlining benefit eligibility for child care assistance is already allowed and encouraged under federal law.

Streamlining eligibility and enrollment processes by sharing data has been an option for years and is encouraged, and sometimes required, by Congress as a means to improve efficiency and lower operating costs. Currently, it remains optional for states to share eligibility data between the Child Care and Development Fund and other assistance programs. As a 2017 report by the Center on Budget and Policy Priorities explains, "Because states have very broad discretion to set eligibility rules for child care subsidies, they may import the financial eligibility determination of another program, such as SNAP or Medicaid, without having to separately collect income verification or recalculate information**. The state would need only to collect from families the additional information unique to child care eligibility**, such as detailed information about employment or providers."

North Carolina employs data sharing between their Food and Nutrition Services agency and subsidized child care assistance program to streamline the enrollment process for families and counties. For over a decade, **families determined eligible for Food Nutrition Services have been automatically deemed income eligible for child care assistance**. As the first step of the interview process, subsidy administrators retrieve previously verified information from the North Carolina Families Accessing Services through Technology (NC FAST) system, including members of the income unit, family income, and the child's age, race, and citizenship status. Importantly, the state also allows SNAP job search and activity requirements to fulfill the child care subsidy requirements, though this is inconsistently applied on the ground.

California recently enacted legislation that **automatically extends eligibility to the state's subsidized child care system to families who are already enrolled in the state's SNAP, Medicaid, WIC, or head start programs**. This legislation, signed in September 2022, provides a roadmap for New York to follow. Virginia's recent budget agreement also included an effort to pilot categorical eligibility for families enrolled in several public benefit programs.

New York should build upon these states' efforts by offering complete categorical eligibility for families receiving SNAP and other assistance programs. Rather than completing stacks of paperwork, families should be able to show their Medicaid card or SNAP approval letter to prove they qualify for subsidized child care, a process already in place to verify proof of income for WIC in New York. This move will expand access to New York families who are already eligible for child care assistance but may be unaware or hesitant to complete another burdensome application process.

	Medicaid	SNAP	WIC	Child Care Assistance
Income Eligibility	• 138% of FPL • 223% of FPL for children under 1 & pregnant women • 154% of FPL for children ages 1-18	• 130% of FPL • 200% of FPL for families with dependent care costs	• 185% of FPL	• 300% of FPL
Eligible Groups	• Adults 19-64 years of age and not eligible for Medicare • Children under 18 • Pregnant individuals • Parents and caretaker relatives of any age	• Individuals and families experiencing food insecurity	• Pregnant and up to 6-months postpartum individuals at nutritional risk • Families with a child under 5 at nutritional risk	• Families with a child under 13
Activity Requirements	Not Applicable	• All SNAP recipients ages 16 to 59 are required to participate in work activities for up to 30 hours per week • Exceptions for those who meet certain conditions, including caring for a child under 6 years old	Not Applicable	• Requirements vary by LDSS, but generally subsidy recipients are required to participate in work activities and/or meet income requirements
Required Application Information	• Proof of income • Immigration status/SSN • Proof of NY residency	• Proof of income (gross monthly income, net income, assets) • Immigration status/SSN • Proof of NY residency • Additional expenses including medical costs, rent or mortgage costs, dependent child care expenses, and child support	• Proof of income (can include Medicaid card, SNAP letter, or TANF notice) • Proof of NY residency • Proof of pregnancy, breastfeeding, or child's age	• Proof of income • Employer information • Immigration status/SSN • Information on second/absent parent and reason they cannot provide care • Travel time between child care and activity • Child's school information • Child care provider information