

STAY SAFE MN

Child Care COVID-19 Response

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mn MINNESOTA

Education and Child Care COVID-19 Workgroup

Scope: Ensure that care of children does not inhibit critical workers from reporting to work; enable continuity of education through distance learning, beginning with early education and child care.

Strategies

1. Support our educational system, distance learning and care in schools for children of critical workers.
2. Create supports for our child care infrastructure; maintain care opportunities for workers in critical sectors and beyond as the economy begins to reopen
3. Ensure that families and employers understand available child care and school-age care.

Agency participation: Children's Cabinet, Education, Employment and Economic Development, Governor's Office, Health, Human Services, Labor and Industry, Management and Budget

Heroes and Partnership

“...When this is all said and done, and the stories of this one hundred year pandemic are written, there will be heroic stories written about child care providers, who did everything they could to make sure that first responders, make sure that front line workers, and sure that so many of us had a place of safety, well-being, and growth in the middle of a pandemic.”

~Governor Walz (November 18, 2020)

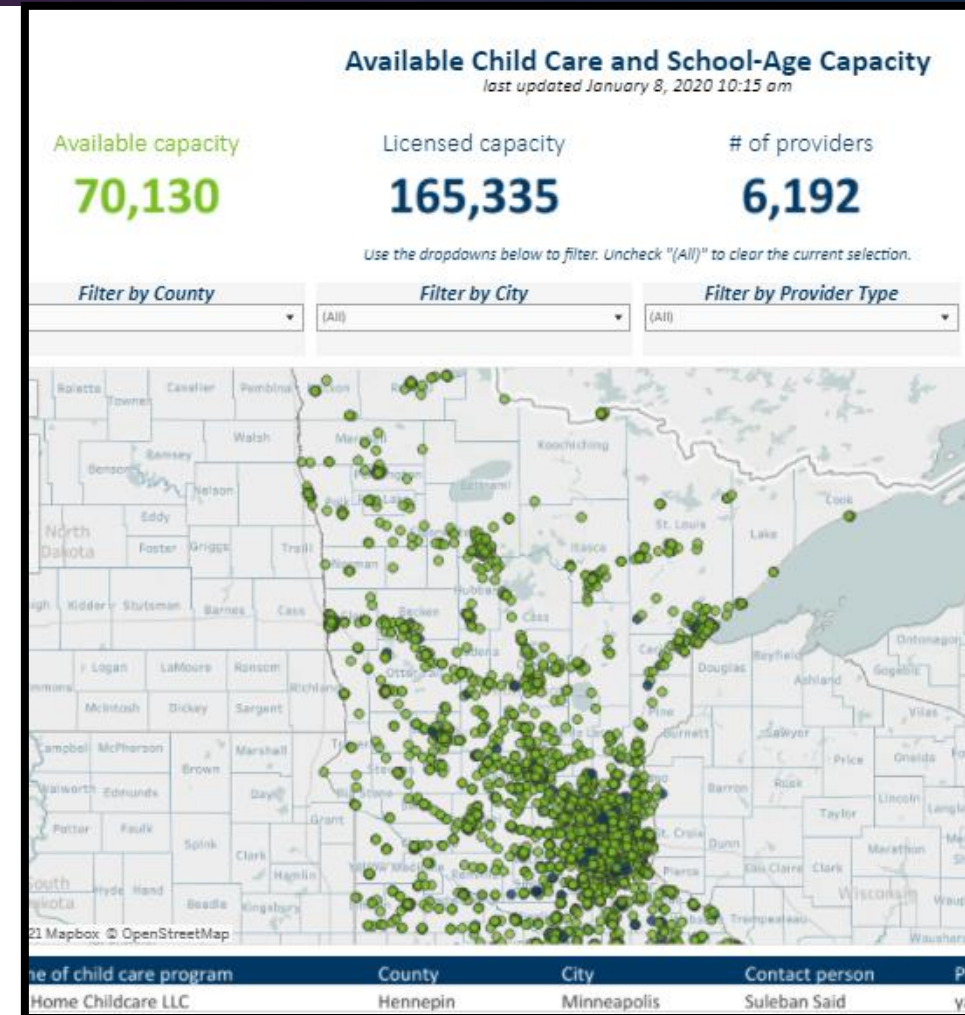


Overview of Actions: Child Care

- Built central hub for cross-agency communication, responsiveness, and provider partnership
- Website to share information (including families seeking care) – mn.gov/childcare
- Regular communication to providers
 - One site with public health resources, including tailored COVID guidance for child, youth, and school programs
 - Public health calls; provider update emails
 - Specific outreach and support to hotspots
 - Financial supports matrix, webinar in partnership with the Small Business Administration on small business supports
- Financial resources, supplies, and other supports
 - Public, private sector relationships
 - School engagement

Overview of Actions: Child Care (2)

- Connecting families who need care to open providers; school-age care for essential workers and families
 - Map for families on mn.gov/childcare
 - Outreach and response to emergency sectors (hospitals, public safety, etc.)
- Family resource guide for families with information from across state systems including child care, mental health response on COVID webpage
- Coordination of policy and procedural changes for schools and child care
- Cross-agency communication including hand-offs and supports around finances, testing, critical care supplies



Overview of Actions: Child Care (3)

- Coordinate supply chain needs
 - To date, 57% of child care centers and 38% of family child care providers received supplies (thermometers, masks, gloves, hand sanitizer, bleach, etc.)
 - Supplies provided to child care settings, process for responding to hotspots
 - Ordering process to improve access to supplies and food, including donations
 - Use of local emergency operations centers
- Testing Prioritization
 - Child care included in HAN, test code provided to all child care providers in state, and launch of new programs
- Private sector partnerships & communities coming together
 - Unique food and supply ordering and purchasing process
 - Executive Order actions to help address supply limitations for care providers
 - Donated products

Provider Financial Supports

- \$30 million in legislative allocation plus \$10 million in CARES Act Child Care and Development Block Grant (CCDBG) funds for the Peacetime Emergency Child Care Grants
 - More than 3,100 programs received funding during one or more rounds of the grant.
- COVID-19 Public Health Support Funds from July-Dec. (\$56.6M and \$53.3M through CRF)
 - Programs supported – More than 8,300 eligible licensed centers, licensed family child care and certified centers received one or more payments in the October – December period
 - Financial supports for public health costs – monthly payments generally structured as \$8,500 for licensed centers, \$1,200 for licensed family child care, and certified center payments were \$8,500 in July and August and \$3,000 for the Oct-Dec payment period; payments for licensed programs were scaled in December due to limited funding and number of providers eligible
 - Payment amounts were determined using available research and with provider, legislator, and stakeholder feedback.
- Minnesota Initiative Foundations, Think Small and other external partners on initial emergency strategies, including \$1 million in funding for child care providers early in the pandemic response.

Provider Financial Supports (2)

Providers experiencing increased costs; lost revenue

Child care businesses operated on slim margins before the pandemic; challenges with costs/revenue have only increased for providers:

- Creating smaller, more consistent child care groups
- Screening procedures and increased cleaning
- Temporary program or classroom closures due to cases or exposures
- Adaptations to classrooms spaces and facilities, including outdoor areas and distance learning supports

Research on increased costs:

- Federal Reserve Bank of Minneapolis analysis estimates that the public health guidance of smaller group sizes cost up to \$1,200 per month for a family child care business and \$18,000 per month for a licensed child care center.
- Center for American Program analysis using state-by-state calculator finds providers are facing average of 47 percent increase in operating costs during the pandemic (personnel expenses; increased sanitation)

Key Characteristics and Challenges for Child Care Businesses & Workforce (1)

- Child care industry is made up of small businesses, majority of our providers are family child care and the majority of Minnesota's centers are single-centers (not chains).
- Workforce is primarily women, many of whom are women of color and earn low wages (median wage of child care workers in MN is \$12.28/hour¹)
- Continued increased costs to implement public health guidance (increased staffing, cleaning and critical care supplies, quarantine periods)
- Temporary program and classroom closures due to public health guidance
- Staffing challenges and shortages
- Causing ongoing business operations and individual stress & strain

1. Occupational Employment Statistics, 2020 Wages. Retrieved from: [Data Analysis by DEED, included in Early Care and Education: Profile of an Industry in Crisis](#), September 2020.

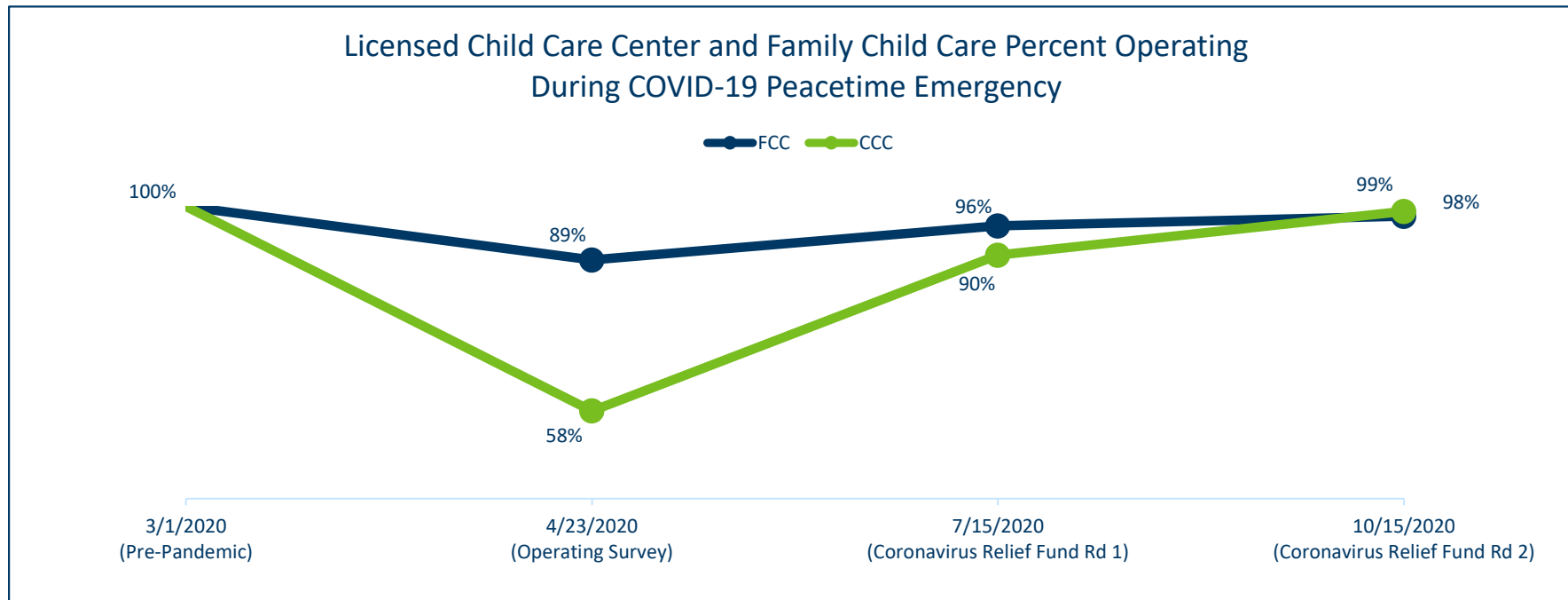
Current Challenges for Child Care Businesses & Workforce (2)

- Provider stressors and challenges are documented by the National Association for the Education of Young Children in Pandemic Provider Surveys. Key findings from Minnesota provider respondents in the most recent survey in November include:
 - 48% child care center and family child care respondents said they are currently losing money by remaining open
 - 54% of respondents reported putting supplies or other items on their personal credit card or dipping into their personal savings accounts (69% of family child care homes)
 - 88% paying additional costs for cleaning supplies, 59% are for PPE, and 51% are paying additional costs for staff/personnel, including 82% of child care centers
 - 45% confronting so much uncertainty that they are unable to say how much longer they will be able to stay open

Data on the Current Status of Child Care in Minnesota

Operating Status of Licensed Programs

- Percentage of family child care and child care center licenses operating dropped at the beginning of the pandemic but have returned to nearly 100 percent. This capacity is needed as many programs are running with smaller group sizes and other changes.



Source:
DHS
Licensing
Division

Potential Exposure in Child Care – MDH Weekly Report (1/7/21 Report)

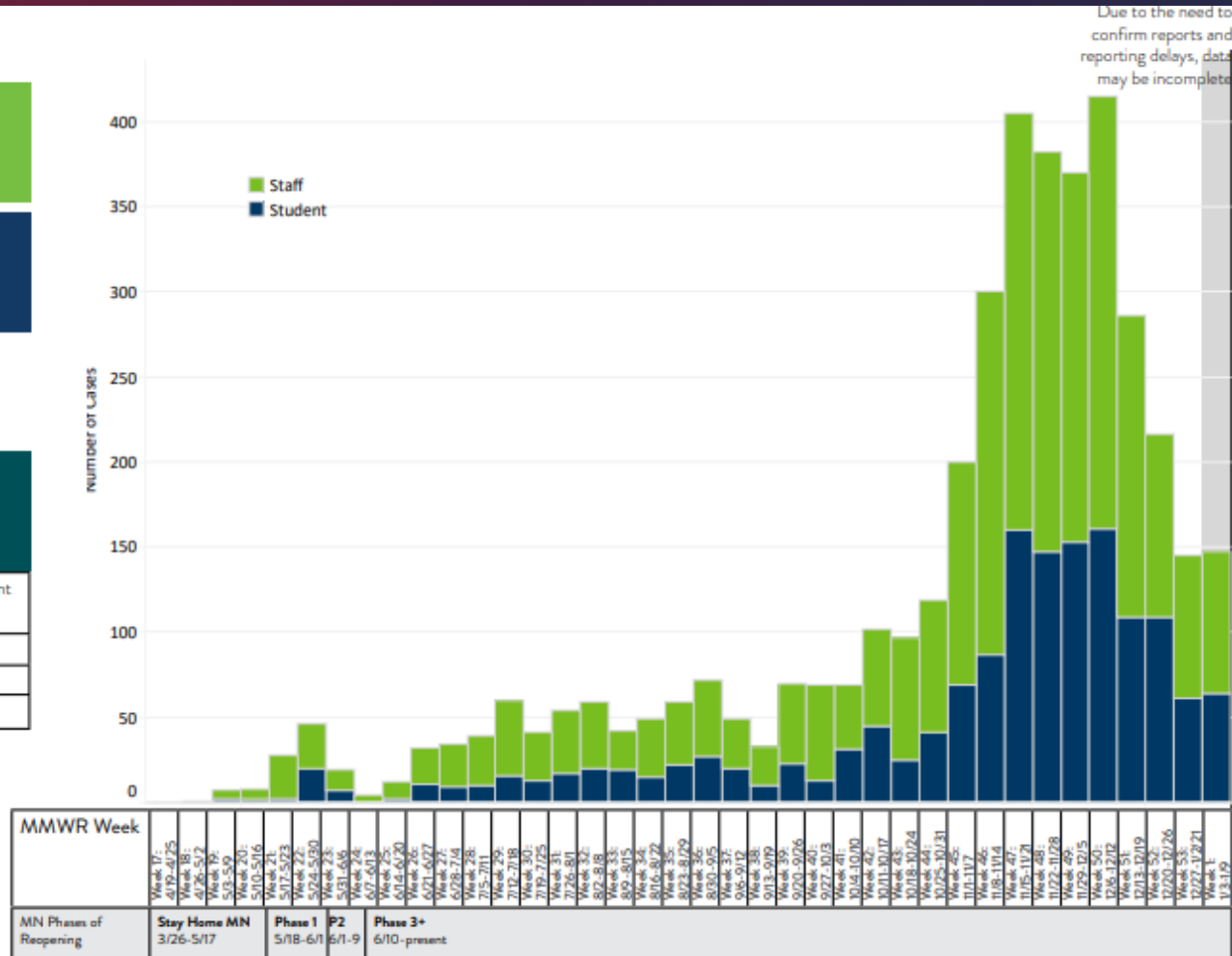
2,633
Total Child Care Staff (cumulative)

1,566
Total Child Care Attendees (cumulative)

1,571
Total Child Care Programs (cumulative)

Cases per program	Programs	Percent
1 case	878	59%
2-4 cases	482	31%
≥5 cases	211	13%

On 12/31, numbers have been adjusted from previous totals due to data cleaning.



Data on the Current Status of Child Care in Minnesota

License Opening and Closing Trend Summary 2019 vs. 2020

- Both openings and closings have slowed for family child care and center licenses during the pandemic compared to the same months in 2019.
- Net decrease of family child care has been lower in the first 11 months of 2020 compared to the first 11 months of 2019 (2020 net loss of 281 providers and 2019 net loss of 379 providers)
 - No impact demonstrated on proportion of FCC licenses opened or closed in the Metro vs. Greater Minnesota
 - No impact demonstrated on year-over-year trend of decrease in family child care providers
- Licensed centers providers have seen almost the similar net change in 2020 vs 2019 (2020 net gain of 28 providers and 2019 net gain of 27 providers in the first 11 months).

Source:
DHS Licensing Division

Data on the Current Status of Child Care in Minnesota

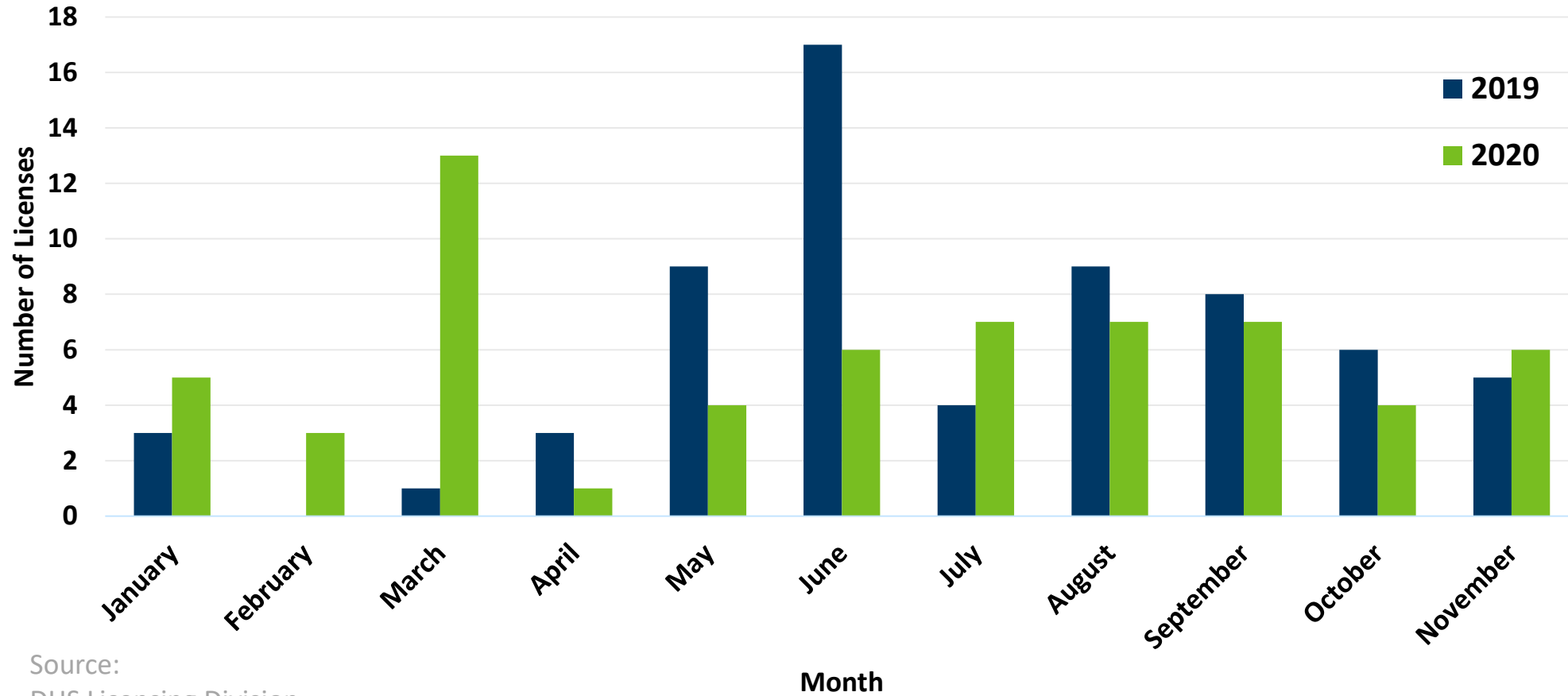
How Minnesota Compares

- Minnesota child care industry has fared better than most states in the number of programs operating.
- Overview of:
 - Child care center closures vs. openings
 - Family child care closures vs. openings

Data on the Current Status of Child Care in Minnesota

Child Care Center License Closure Trends

Child Care Center Licenses Closed for Calendar Years 2019 and 2020

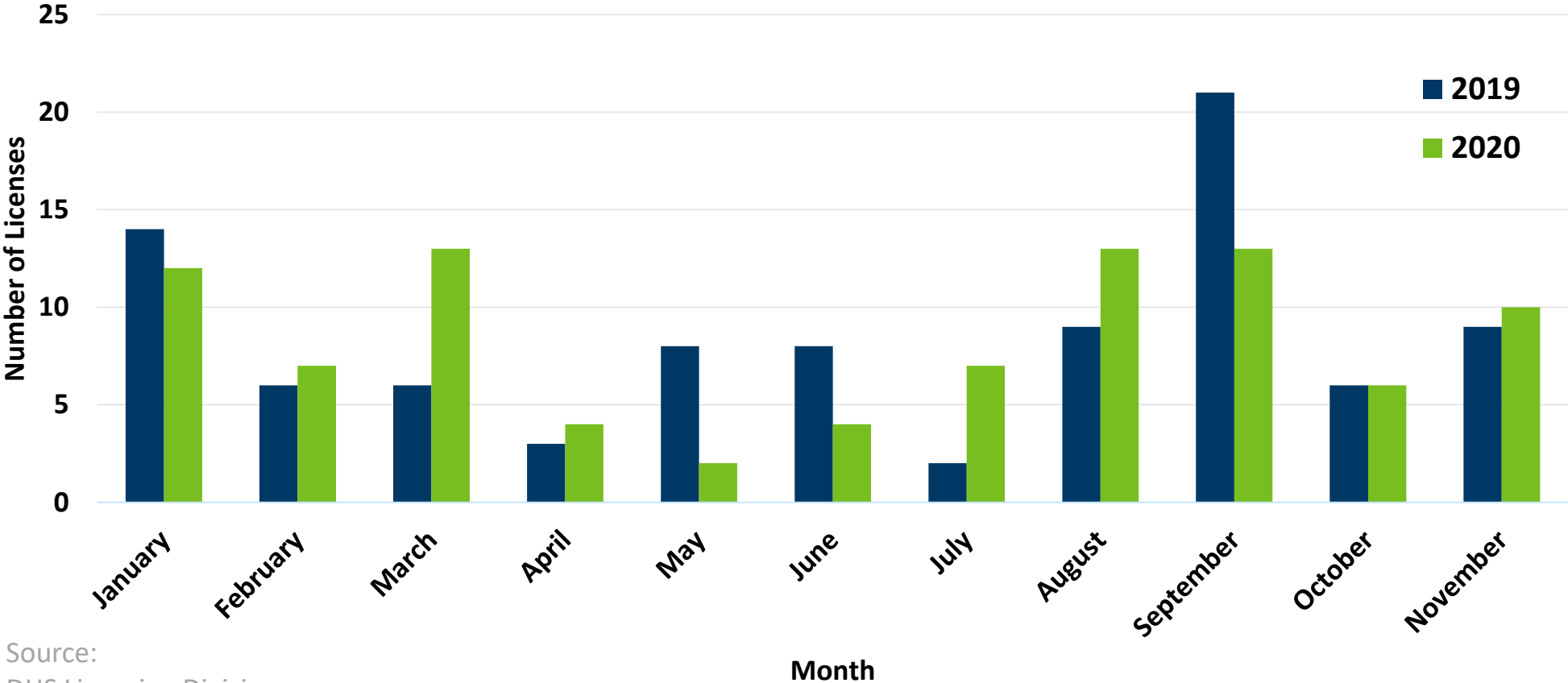


Source:
DHS Licensing Division

Data on the Current Status of Child Care in Minnesota

Child Care Center License Opening Trends

Child Care Center Licenses Opened for Calendar Years 2019 and 2020

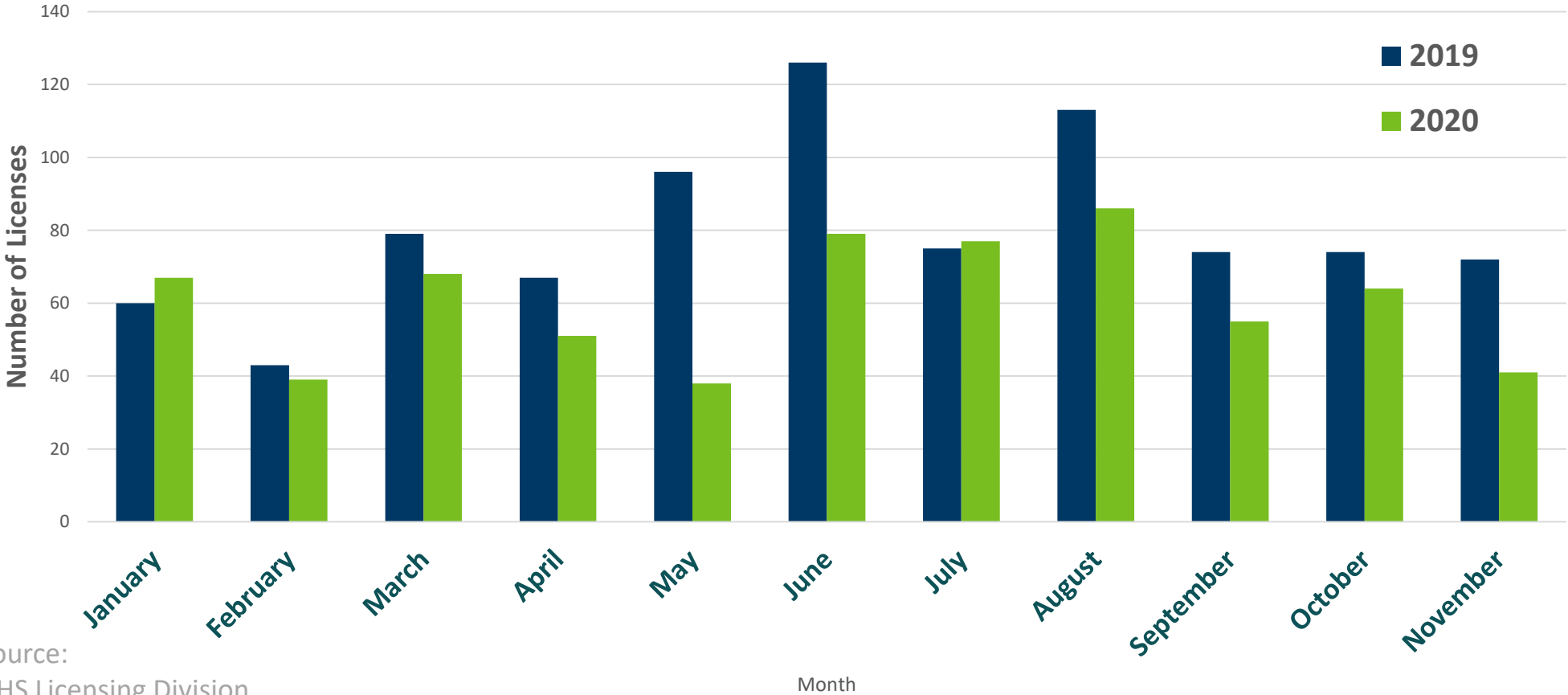


Source:
DHS Licensing Division

Data on the Current Status of Child Care in Minnesota

Family Child Care License Closure Trends

Family Child Care Licenses Closed for Calendar Years 2019 and 2020

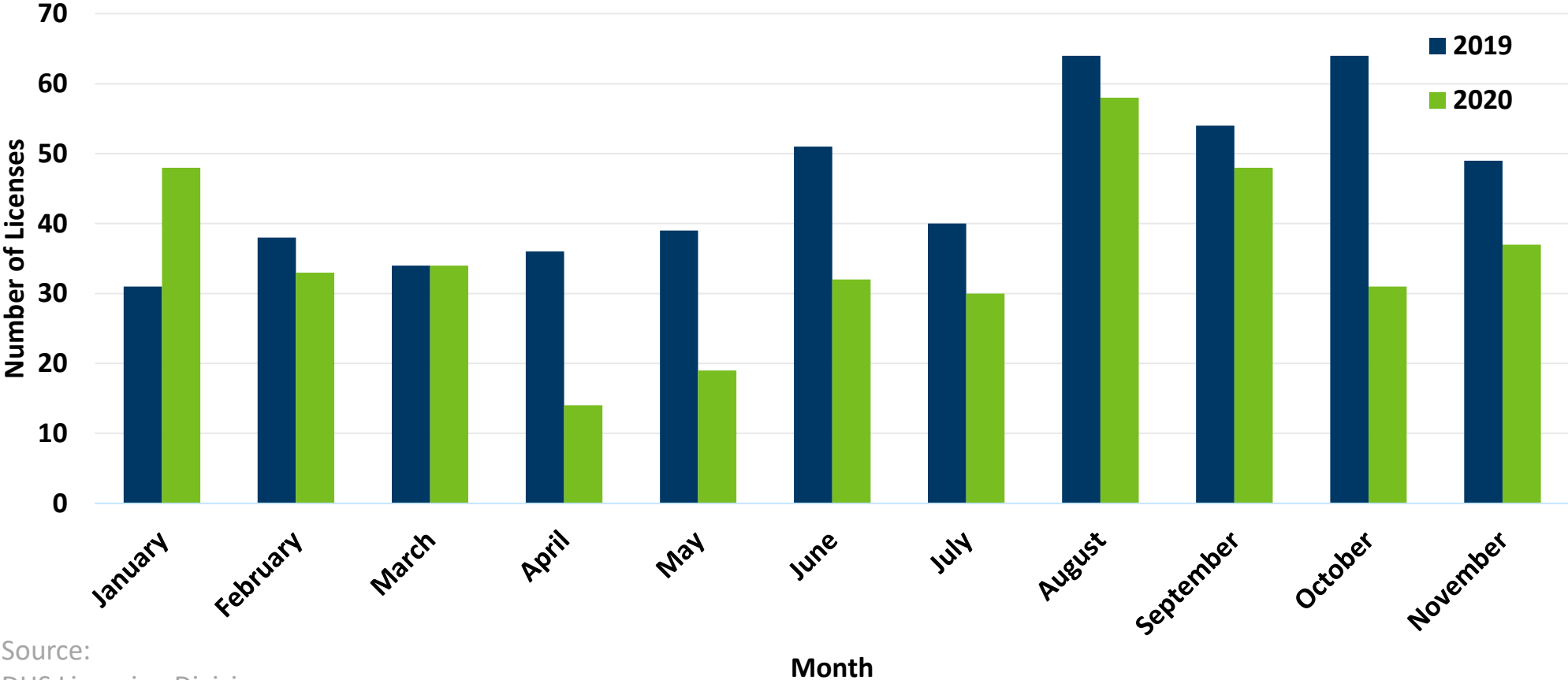


Source:
DHS Licensing Division

Data on the Current Status of Child Care in Minnesota

Family Child Care License Opening Trends

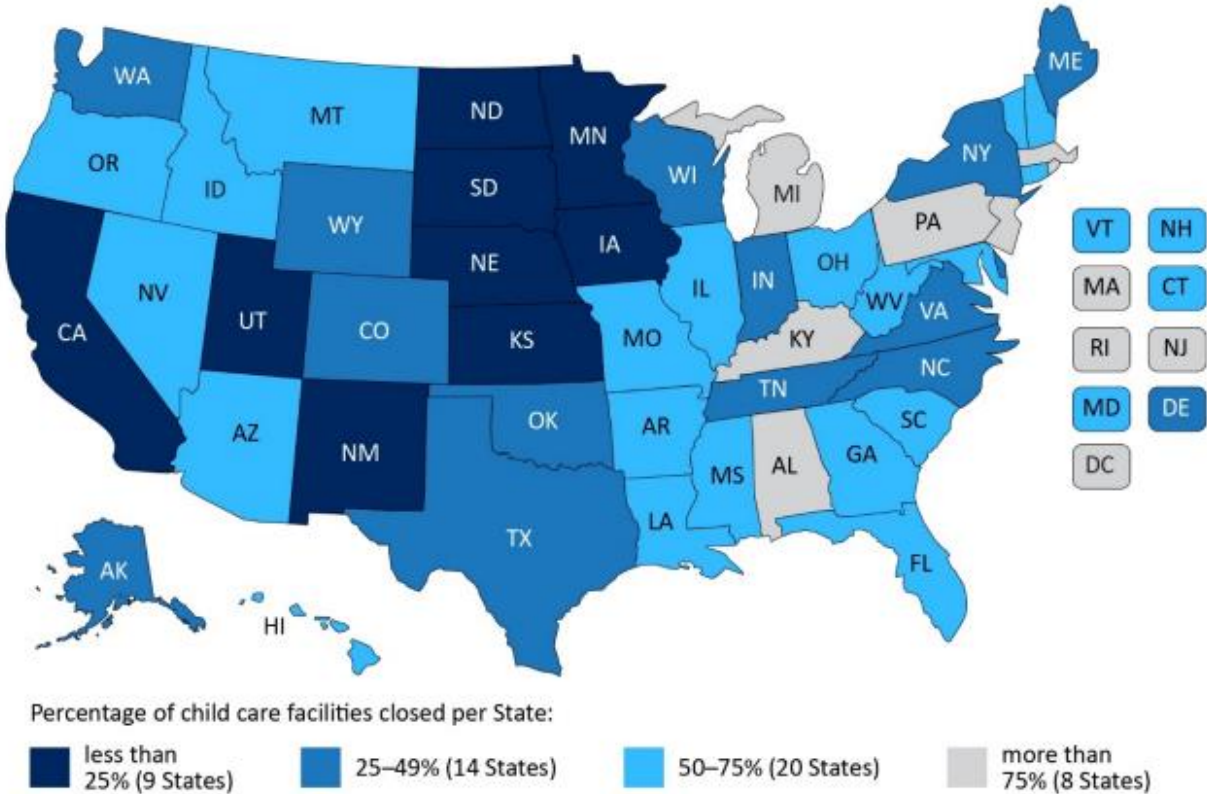
Licenses Opened for Calendar Years 2019 and 2020



Source:
DHS Licensing Division

State Child Care and Development Fund Programs' Responses to the COVID-19 Pandemic

Figure 3: Percentages of Closed Child Care Facilities by State



Department of Health and Human Services
Office of Inspector General

NATIONAL SNAPSHOT OF STATE AGENCY APPROACHES TO CHILD CARE DURING THE COVID-19 PANDEMIC

September 2020

STATE AGENCIES' ISSUANCE OF GUIDANCE TO CHILD CARE PROVIDERS ON PROTECTIVE MEASURES RECOMMENDED BY CDC

Current Activities and Challenges:

- **Engagement**
 - Short-term and longer-term strategies for new federal funding
 - Vaccine prioritization and implementation
 - Continued ongoing engagement with providers; navigating needs and questions
- **Financial Supports & Resources**
 - Quickly analyzing and continuing to receive feedback
 - Supplies
- **Testing**
 - Routine and regular access to testing for providers
 - Launch of onsite testing for certain programs - 140 programs, Head Start statewide
 - At-Home Saliva Testing Program
- **Emergency Care Needs** - Matching emergency workers with child care options

Follow Up Questions

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