

States are Leveraging ARPA to Move the Needle for Infants and Toddlers



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# **ABOUT ZERO TO THREE**

ZERO TO THREE works to ensure all infants and toddlers benefit from the family and community connections critical to their well-being and development. Since 1977, the organization has advanced the proven power of nurturing relationships by transforming the science of early childhood into helpful resources, practical tools and responsive policies for millions of parents, professionals, and policymakers.

## INTRODUCTION

States across the country are leveraging American Rescue Plan Act (ARPA) funding to meet the needs of infants and toddlers, and their families. They are making strategic investments across programs and systems upon which families rely, with the aim of providing immediate relief to real-time needs brought about by the pandemic. States are also taking this opportunity to invest in the development of stronger systems for the long term. This brief is based on interviews with state agency staff, community partners and advocates in eight states in early 2023.

Babies' brains develop more rapidly between birth and age 3 than at any other time of life, forming more than 1 million new neural connections every second. Their early experiences – both positive and negative – build the foundation for brain architecture and physical and mental health that will support their ability to learn, grow and thrive. There is no period more critical for investment, yet even before the pandemic, necessary services such as access to high-quality child care, home visiting and resources to support children's healthy emotional development were out of reach for far too many families. The experience of the pandemic exacerbated existing hardships for families and the providers who serve them. Families have faced social isolation, economic insecurity and disrupted access to services. Providers have faced workforce shortages, increased operating expenses and the necessity of responding quickly to an ever-changing environment.

ARPA represents a historic, though one-time, investment in early childhood systems and services. Signed into law on March 11, 2021, ARPA included a \$15 billion expansion of the Child Care and Development Fund (CCDF), \$24 billion for child care stabilization grants, \$1 billion for Head Start and Early Head Start, \$150 million for the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program and \$250 million for Individuals with Disabilities Education Act (IDEA) Part C early intervention, as well as discretionary dollars that states may use for a variety of purposes, including early childhood. Deadlines for spending ARPA funds are quickly approaching, creating spending cliffs in many states (e.g., stabilization funds must be spent by Sept. 30, 2023, CCDF expansion funds by Sept. 30, 2024, and state and local relief funds by Dec. 31, 2026). This brief highlights ways in which a sampling of states across the country are using these resources to improve services for babies and their families, as well as lessons learned from implementation thus far. It also explores the challenges encountered by states, in particular those related to sustainability.

Learn more about how the states featured in this brief have approached ARPA planning and implementation in these state initiative articles:

- <u>Alaska</u>
- <u>Arizona</u>
- <u>Colorado</u>
- <u>Georgia</u>
- <u>Minnesota</u>
- <u>Tennessee</u>
- Washington
- <u>Wisconsin</u>

# **BROAD STRATEGIES SUPPORTING INFANTS AND TODDLERS**

While the core focus of this brief is strategies and programs designed specifically for infants and toddlers, it is also critical to recognize that strategies many states are implementing to address the needs of the birth to five population as a whole respond directly to the challenges facing babies and their families, and the providers who serve them. Examples include:

- Investing in the early childhood workforce, which reduces turnover and contributes to improved quality of services.
- Increasing access to child care by expanding eligibility for subsidy and reducing family co-pays.
- Improving child care program stability and quality by:
  - o providing increased subsidy reimbursement rates,
  - o basing subsidy payments on enrollment rather than attendance,
  - o providing support for improved business operations,
  - o investing in quality incentives, and
  - o issuing resources for facilities.
- Building stronger systems for family navigation supports to connect families with the services they want and need.

All of the states interviewed for this brief emphasized the ways in which the needs of infants and toddlers were factored into decision-making related to broader birth to five investments in their states.

Below are examples of ways that states are building on their broader efforts to provide targeted, additional focus on meeting the needs of babies. These are not exhaustive inventories of everything the states are doing; rather, they are intended to shine a light on the variety of ways states are lifting up the needs of babies and their families.



# STATE HIGHLIGHTS FOR BABIES

### **Engaging Stakeholders to Understand Community Needs and Design Solutions**

It is critical to engage stakeholders, including parents, providers and agency partners, in processes to identify needs, set priorities and design solutions. Too often, those most impacted by policy and programmatic decisions are left out of decision-making processes, with the result that existing disparities and inequities are maintained or exacerbated. The pandemic did not impact families and communities uniformly. Addressing disparities and advancing equity requires that those most proximate to the problem be involved in developing the solutions. States have approached engagement in a wide variety of ways depending on the existing structures for outreach in the state and the policy area under consideration. In some cases, new stakeholder engagement processes and structures are the direct result of ARPA funding. In other instances, states were able to leverage existing structures to rapidly engage stakeholders in decisions regarding ARPA funding allocation and implementation.

- Alaska is working to build an avenue for meaningful family voice through the Family Engagement and Leadership Training (FELT) program. The goal is to provide families with young children access to training and support to empower their full participation in things like state advisory groups and committees.
- Arizona supplemented existing information about needs and gaps in the child care system from recent reports with information gleaned from stakeholder outreach, including a series of listening sessions, surveys and workgroups held with partners such as the Arizona Early Childhood Alliance. This information was used to identify priority strategies and populations, including infants and toddlers.
- Colorado held a series of focus groups and surveys conducted in partnership with Early Milestones Colorado. Working with a trusted community partner helped to build a nuanced understanding of community needs and priorities. With the Preschool Development Grant Birth Through Five (PDG B-5) infrastructure, Colorado also developed and implemented a language justice policy as a part of ARPA outreach.
- Georgia contracted with the Urban Institute to conduct a stakeholder engagement process to help inform decisions about how to use ARPA resources. The process included a survey of the early care and education workforce, a survey of Department of Early Care and Learning (DECAL) staff members and focus groups of parents and early care and learning providers. The process resulted in a report outlining a set of recommendations that has guided decisions about ARPA allocations.
- ► **Tennessee** was able to leverage the IECMH Consultation Coordinating Council, formed prior to the pandemic, to serve as an advisory group to help determine what a system of Infant and Early Childhood Mental Health (IECMH) consultation in Tennessee should look like.
- Washington drew upon a variety of existing structures for stakeholder engagement to inform decisions regarding use of ARPA resources, including the Department of Children, Youth, and Families' Parent Advisory Group and the state's Early Learning Advisory Council, which has representation from 10 regional early childhood coalitions and includes a provider subcommittee.
- ▶ Wisconsin undertook a needs assessment related to child care using PDG B-5 dollars prior to the onset of the pandemic. The state also conducted a project prior to the pandemic interviewing families and providers benefitting from access to mental health services. These sources of information influenced decisions about how to use ARPA dollars as they became available.

### **Factors Contributing to States' Success**

In the course of state interviews, several themes emerged regarding approaches and conditions in states that are supporting success. These include:

**Strong stakeholder engagement,** including parents, providers and agency partners, to identify needs, set priorities and design solutions.

Effective relationships between state agencies and between state agencies and partners.

Champions for babies within agency leadership, state legislatures and Governor's offices.

An intentional focus on equity in both the decision-making process and implementation.

**Building on state foundations** of existing planning efforts, partnerships and stakeholder engagement mechanisms to seize opportunity.

### **Improving Systems and Increasing Access to Services**

Even before the pandemic, early childhood systems and services were often fragmented, under-resourced and inaccessible to many families. COVID-19 exacerbated these existing challenges. States have undertaken a variety of approaches to build stronger systems and increase access to high-quality services.

#### **CHILD CARE**

- ► Alaska is in the planning stages to pilot a tiered child care subsidy payment rate for infants and toddlers enrolled in centers and family homes.
- Arizona has prioritized providers serving infants and toddlers, providing access to a variety of services including enrollment in Quality First — Arizona's Quality Rating and Improvement System (QRIS) — which has had a wait list for the past decade and opens access to resources such as increased reimbursement rates, professional development and quality incentives.
- Colorado has included addressing the lack of infant and toddler child care as a priority for community grants, and the state is providing bonuses for programs serving infants and toddlers that improve their quality as measured by the state's QRIS. Colorado has also allocated ARPA funding for local family child care home navigators to connect providers to support and resources.
- Georgia is seeking to address the infant and toddler educator workforce shortage through planned expansion of incentives for infant and toddler educators currently in the field, as well as planning for the development of enhanced education pathways for infant and toddler teachers to expand the pipeline to increase the long-term supply of infant and toddler educators.
- Minnesota is providing increased payment rates for infants and toddlers to centers and family child care homes for children receiving child care subsidy. Minnesota is also investing in grants to intermediary organizations in communities working with Family, Friend and Neighbor (FFN) providers, recognizing that infants and toddlers, as well as non-English-speaking and immigrant communities, are disproportionately served by these caregivers.
- ► Washington is providing an enhanced payment rate for infants under 12 months receiving child care subsidy to centers, family child care homes and ECEAP providers. (ECEAP is a state program modeled after Early Head Start).
- Wisconsin is providing an enhanced tiered reimbursement rate for infants and toddlers receiving child care subsidies, as well as implementing a partnership strategy with IDEA Part C to allow families with an Individualized Family Service Plan (IFSP) to receive 12 months of child care subsidy regardless of income or employment status. The state has also prioritized infants and toddlers in the pilot program Partner Up!, which incentivizes businesses to support child care for their employees through contracted slots, with the cost shared between employers and the state.

#### **EARLY HEAD START**

 Colorado is using ARPA funds to expand the number of Early Head Start-Child Care Partnership slots available in the state.

#### **FAMILY SUPPORTS**

- Alaska has leveraged ARPA dollars to think creatively about supporting the state's home visiting system, which includes Nurse-Family Partnership, Parents as Teachers, Early Head Start and the Infant Learning Program (IDEA Part C). Recognizing that all of these programs represent critical supports for families, Alaska made the decision to use ARPA funding to make universal supports, including professional development, available across programs regardless of how they are funded.
- Minnesota is investing ARPA dollars in ParentChild+, a literacy-focused home visiting program.
- ▶ Washington leveraged a combination of ARPA and state dollars in home visiting by providing funding for concrete goods such as diapers and formula to families participating in home visiting programs and giving bonus payments to home visitors and home visiting supervisors. In the area of child abuse and neglect prevention, Washington is also expanding community-based supports and has developed family resource centers as well as a tribal fatherhood initiative.

#### INFANT AND EARLY CHILDHOOD MENTAL HEALTH

- Arizona is utilizing ARPA to expand IECMH consultation statewide. Previously, consultation was available in only 13 communities across the state.
- Colorado is expanding access to IECMH resources through the addition of new mental health consultation positions and investment in innovative service delivery that boosts equitable, statewide access to families and providers. The state is also expanding access to evidence-based health and mental health programs, including The Incredible Years<sup>®</sup>, Pyramid Model and Conscious Discipline.
- Georgia is implementing a pilot to expand access to IECMH consultation in three regions across the state: Atlanta, Macon and Savannah. The state is also leveraging ARPA funding in combination with PDG B-5 dollars to increase clinical capacity by providing access to Child-Parent Psychotherapy training to 60 clinicians.
- Tennessee is leveraging ARPA dollars to support expansion of consultation in home visiting. Activities include creation of a "warm line" for home visitors to access clinicians in real time, targeted training for home visitors and a streamlined pathway for referral to clinical treatment services when appropriate.
- Washington is using APRA to increase access to IECMH consultation across the state through the Holding Hope model. IECMH consultation is included in the resources available to licensed child care providers participating in the state QRIS system.
- Wisconsin is using ARPA to develop a statewide system of IECMH consultation. While consultation existed previously in the state, there was not a systemic, statewide approach to providing these services. Implementation will begin in two regions on July 1, 2023, and scale up over time.

#### Challenges

In the course of interviews with states, a variety of challenges emerged. The three raised most frequently were:

Lack of infrastructure and capacity within state agencies and community partners, resulting from decades of underinvestment in early childhood services and systems.

The timeline to obligate and expend ARPA funds.

**Sustainability** once ARPA funds end. (State dollars alone will not be able to fill the gap.)

### Leveraging Existing Data and Improving Data Systems

Data plays a critical role in states' ability to understand and respond to the needs of infants/toddlers and their families and is crucial for centering racial equity.

- ► Arizona is funding an evaluation of ARPA activities with the Arizona State University Children's Equity Project, as well as a Start with Equity Arizona report focused on dual language learners, children with disabilities and exclusionary disciplinary practices.
- Colorado is developing a strategic plan to improve the data available on the early childhood workforce and the supply and demand for infant/toddler and nontraditional-hour child care. The state is also developing a data dashboard that will track ARPA expenditures and outcomes for select indicators.
- ► Minnesota's decision early in the pandemic to create a system for tracking COVID positivity rates by location, along with employment data and data disaggregated by race and ethnicity, made it possible to highlight in real time who was being impacted most. As COVID progressed, the data clearly demonstrated that communities of color were being disproportionately impacted supporting the case for how that impact aligned with factors such as housing instability, low income, etc. Minnesota's communities of color include a disproportionate number of young children and families. This data helped make the case for investing relief dollars in supports for children and families.
- ► **Washington** ARPA resource allocation decisions for community-based supports were driven by data demonstrating geographic and demographic hardship to ensure that resources went where they were needed most.



# CONCLUSION

The pandemic pushed already fragile early childhood systems to the brink of collapse and exacerbated disparities for the most marginalized families. ARPA resources have provided states with tools to address immediate needs, begin building long-term infrastructure and experiment with innovative approaches. Despite the significant challenges posed by the context of the pandemic, capacity shortages and the temporary nature of ARPA resources, states have found ways to make progress for babies and families and the providers who serve them. They have leveraged existing planning and systems building efforts, long-term advocacy to cultivate champions, partnerships and the profound commitment to serving children and families held by the people who do this work. States have risen to the challenge of this moment and seized the opportunity presented by ARPA funds, but that progress remains fragile.

While some of the activities in states being supported with ARPA resources represent one-time system building and stabilization expenses, many are responding to long-term needs and gaps. The end of ARPA resources presents a very real threat that progress will be compromised and that access to services that families depend on will be destabilized. It also represents a threat that trust and faith between families and providers and government agencies will be eroded as state agencies are forced to implement painful cuts. States are attempting to address sustainability in a variety of ways, including focusing on building infrastructure such as data systems that will improve efficiency in the long term, focusing on relationships to improve collaboration and capacity for innovation and pursuing state investments. It is clear, however, that these efforts will not be able to fully address the gap left by the end of ARPA. Sustainable, long-term funding, which includes investments in state agency capacity, is essential if we are to maintain the progress that has been made and continue to move forward in building an early childhood system that ensures every baby can reach their full potential.

To access this brief online, click here.

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