

Ohio Senate Finance Subcommittee on Health and Medicaid

Testimony

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Chairman Hackett, Ranking Member Thomas, and members of the Senate Finance Subcommittee on Health and Medicaid, my name is Katie Kelly, and I am the Executive Director for PRE4CLE, Cleveland's Plan to expand access to high quality preschool to all 3- and 4-year-olds in the City of Cleveland.

Although you can read my submitted testimony in full, I will cover only the most critical portions to ensure I remain within the four-minute limitation, including our request to preserve the increase in payments to child care providers and to increase the existing eligibility rate for child care subsidy to 150% of the Federal Poverty Level. PRE4CLE has the data to support and prove these investments have a return and we are happy to discuss in detail how we've been able to achieve this and why it is critical to continue to prioritize these investments to maintain the return on state and local investment and our organizational momentum.

PRE4CLE is part of [Cleveland's Plan for Transforming Schools](#) (the Cleveland Plan), a plan that is reinventing public education in the City of Cleveland. High-quality preschool is the first step on the education continuum for transforming Cleveland's schools, providing a strong foundation for K-12 success, increased high school graduation, and increased higher education participation.

Through the three elements of our work — connecting families to high-quality public and private preschool programs, connecting preschool providers to tools and resources to increase their quality and serve more children, and providing strategic leadership to accelerate the availability of high-quality preschool in Cleveland — PRE4CLE provides a gateway for Cleveland's children to start strong and Cleveland communities to prosper.

PRE4CLE is celebrating our 5-year anniversary this year and with that we have data that prove what we do works. As of 2017, 68% of kindergarten children who experienced at least one year in a PRE4CLE preschool classroom were shown to be demonstrating or approaching readiness on Ohio's Kindergarten Readiness Assessment as compared to 55% of children in unrated preschools. Further, 53% of children who attended PRE4CLE classrooms were on-track for literacy as compared to 35.5% of children from unrated programs.

Through the lens of this success and our continued objectives, I would like to share our thoughts on Substitute HB 166, the main operating budget that will help to continue this momentum. Specifically, the increase in payments to child care providers and the existing eligibility rate for child care subsidy.

Strong Investments in Ohio's Young Children in the Budget

While the majority of our testimony today will be focused on Ohio's child care system, we wanted to take a moment to praise the very strong investments that Governor DeWine and the House budget made in several areas impacting young children, including home visiting, early intervention for special needs infants and toddler, lead abatement, children's services, and early literacy. Together these thoughtful investments represent a huge step forward in ensuring Ohio's children ages birth-to-five have the comprehensive services they need to grow and thrive, and we strongly support maintaining these investments in this budget.

Helping preschool providers increase their quality ratings

We are also very supportive of the investment in child care reimbursement rates in the budget. Ohio has for too long asked early learning programs to provide high-quality services without adequate reimbursement to support the cost of providing a high-quality early learning experience for our children.

In order for providers to meet the 2020 and 2025 Step Up to Quality ratings mandate put in

place by Ohio's legislature, it is critical that providers have the necessary resources to reach and maintain quality early learning programs. We believe it is critical to keep the mandate in place in order to achieve quality across the state, and encourage the state to provide the necessary supports so that providers have the means necessary to meet the quality requirements.

The proposed infusion of the 2018 federal Child Care Block Development Grant dollars (CCBDG) as well as the intended use of a portion of the TANF reserve to provide these rate increases is a strong and much needed step towards creating long-term stability for Ohio's early learning system. We look forward to continuing the conversation with the Senate regarding the right mix of rate increases to best move providers along the Step Up to Quality pathway.

Connecting families with high-quality, affordable preschool education opportunities

We are encouraged by Governor DeWine's and Director Halls' stated commitment to increasing the child care eligibility criteria for subsidized publicly funded child care from 130% to 150% of the Federal Poverty Level (FPL). This is an important step to aligning the eligibility levels of all early learning programs in Ohio at 200% of the federal poverty level to support Ohio's current working families and increase kindergarten readiness for our youngest children.

We would encourage the legislature to build on the Governor's federal investments in HB 166 and include state dollars dedicated to increasing the eligibility for child care to 150% of the federal poverty level in this biennium. At PRE4CLE, we firmly believe that rate and eligibility increases should occur in tandem to provide the greatest access possible to Ohio families. High-quality child care is a critical component of Ohio's early learning system, but for many parents, the price puts child care out of reach. National studies show that the lack of affordable child care can greatly decrease parent's productivity, including forcing some parents to quit or decrease work hours, pass up promotions, and miss work. As of 2017, only 6 states had income limits to qualify for assistance that were lower than or equal to Ohio's income limits. Additionally, in 2016, 75,669 Ohio parents quit a job, did not take a job, or greatly changed their job because of child care problems. At a time when Ohio is struggling to fill workforce

shortages, a lack of high-quality child care should not be what holds a parent down from moving up the career ladder.

Again, while we applaud the use of our federal appropriations to increase the market rates for providers, we believe an infusion of state dollars to raise eligibility would also increase access for many of our families and allow for more providers to become high-quality, putting our children on a path to success.

Kindergarten Readiness Results in Cleveland

I would like to close with a brief discussion on the results we are seeing in Cleveland as we expand access to high-quality preschool.

Cleveland's children face some of the most difficult challenges that children can face. Starting before birth and continuing through all of their critical early years, many Cleveland children face inequities that research tells us can deeply interrupt their brain development, social-emotional well-being, and academic success, leaving negative impacts well into adulthood. These include high rates of early births, extreme poverty, interaction with the child protective system, lead poisoning, and more.

Preschool is certainly not the only the only support needed to address these concerns, but what it can do to break the cycle of poverty and inequity is incredibly powerful.

Clearly, there is more work to be done to ensure that children have the right supports from birth to kindergarten to increase readiness, but high-quality early learning is making a significant difference in the lives of our children, and ultimately for the well-being of our entire community.

You have many important issues you are weighing in this budget, and we all appreciate the gravity of your task. What we would urge you to consider is the cost of waiting two more years to make these important state investments in our young children. Every biennium that we

push the pause button on providing these opportunities for our children is allowing tens of thousands of Ohio children to miss an opportunity that is proven to give them a fair chance to succeed.

Thank you and I'm happy to answer any questions.