



Connecticut Association for Human Services
110 Bartholomew Avenue · Suite 4030
Hartford, Connecticut 06106
www.cahs.org

Casey McGuane, President
James P. Horan, Executive Director
860.951.2212
860.951.6511 fax

Testimony in Support of H.B. 5522: An Act Concerning School Readiness Funding

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Good Afternoon Senator Stillman, Representative Fleischmann, and Members of the Committee,

I am Elizabeth Fraser, a policy analyst for the Connecticut Association for Human Services. CAHS is a statewide, non-profit agency that works to reduce poverty and promote family economic success through both policy and program work.

I am here today in support of H.B.5522, a bill which seeks to increase the per child reimbursement for full- day school readiness programs.

CAHS takes the position that all early childhood programs, especially those which are funded by Connecticut taxpayers, should be of the highest quality. We are encouraged that Connecticut is moving toward a more intentional system of early childhood; a system that will cultivate excellence and accountability in terms of program accreditation, teacher credentials and children's outcomes.

Unfortunately, the very programs we are asking to reach and maintain high standards are not being reimbursed at the true cost of quality care. In fact, since 2006, school readiness reimbursement has actually seen a 16% reduction in inflation-adjusted dollars. It is challenging, and unsustainable, for programs to maintain a high level of quality, while being reimbursed for a fraction of their actual costs. The rising costs associated with accreditation, program development and in particular the need to pay teachers a wage commensurate with their level of education and experience, all contribute to the actual cost of care.

CAHS is encouraged that Governor Malloy has acknowledged the need for a school readiness rate adjustment in his 2014 adjusted budget. It is a step in the right direction. However, the modest 3% increase does not come close to rectifying eight years of losing ground.

H.B. 5522 addresses the specific concern surrounding the reimbursement rate for centers offering full-time, full-year, readiness slots. The availability of full-time programs addresses the fundamental needs of working families by offering longer daily hours and care that is provided throughout the year. The inclusion of these full-time slots in our readiness system provides a means for parents to be part of the workforce. In fact, the majority of the school readiness slots fall in this category. As required, participating programs need to attain and maintain NAEYC accreditation. Full-day programs need to provide a larger workforce to accommodate longer hours. In addition, more program planning and oversight is needed to

manage the demands of a year round program. Quality needs to be maintained throughout the year.

Yet, when reimbursement rates are analyzed in a per child/per hour of care format , full-time slots are funded at only 34% of a part-time slot and 56% of a school-day, school year slot.

With the ever increasing costs of program operation and the need to secure a highly educated workforce, full-time programs may not be sustainable without more significant rate increases. A decrease in full-time program availability would have a serious impact on working families.

CAHS fully supports H. B. 5522, which seeks to provide a remedy to this discrepancy in slot reimbursement. As an alternative to implementing the proposed 3% across the board increase, this bill seeks to raise the per child reimbursement rate for full time slots from \$8,346 to \$ 9,000. This step will not resolve the overriding goal of reimbursing all slots based on a researched actual cost of care. However, it will begin to address the need to provide some relief to full-time programs that are providing the same level of service and yet are reimbursed at a substantially lower effective rate.

Meanwhile, a researched "actual "cost of providing high quality programs needs to be recognized and addressed as part of our future early education planning.