

Child care providers: Rate reductions will hurt children and families

By JoANNE YOUNG / Lincoln Journal Star | Posted: Monday, March 14, 2011 8:00 pm



About 40 child care providers for many of the state's at-risk children said Monday those kids can't be sacrificed to save the state budget.

Child care is the safe place for the children of poor working parents, they told the Legislature's Appropriations Committee. Child care provides the hot meal and the good beginning for quality education while those parents are trying to earn money to support their families.

A bill ([LB464](#)) introduced by Health and Human Services Committee Chairwoman Kathy Campbell at the request of the governor would repeal the requirement that child care providers be reimbursed between 60 and 75 percent of the current market rate survey.

The survey, which is required by federal law, would continue to be conducted.

But in the next two-year budget, HHS would hold the rate flat, rather than increase it by \$2.8 million, as the current law and survey would require. The Appropriations Committee did not include the \$2.8 million in its preliminary budget recommendation.

An amendment to the bill offered by Campbell would freeze the rate now but it return to the 60-75 percent rate in two years. She said adequate rates were important to provide high-quality child care and to ensure all children can start school on an equal footing.

About 47,000 Nebraska children are considered to be at risk. Those children live in poverty, are learning English, were born weighing less than they should, or have teen parents or parents without high school diplomas.

An average of 19,500 children receive a subsidy each month, paid directly to providers, said Todd Reckling, HHS director of children and family services. The total subsidy budget is \$86 million.

Gale Henderson, who has provided child care for 20 years in Omaha and has three centers, said the bill could cause irreparable harm to providers.

Children are coming to child care providers with greater problems than ever before, she said. At times, as a provider, she has gone to parent-teacher conferences or doctor's appointments with children whose parent couldn't get away from work.

Parents are getting younger and younger, Henderson said, and have less education and fewer supports. They rely heavily on child care providers not only for care, but as educators, counselors and legal advisers, she said.

"People say that (children) are our future, but really they're our today, and if we don't frontload, if we don't fund them today, then we're going to pay a great price later in the future," Henderson said.

Daemon Stevenson, a south Omaha provider, said the bill should die in committee. It would cause some centers to close, he said.

Reckling said the bill would give HHS more flexibility in setting rates. But the decision to propose the bill was not made lightly.

Lincoln Sen. Danielle Conrad asked Reckling if the department should balance its budget by starting with programs that affect vulnerable children and working families in every area of the state.

He said his division served the most needy families in the state.

This savings is not the silver bullet to solve the state's budget problems, he said, but it is one part in concert with many choices that had to be made when asked to offer 10 percent reduction options.

"Where do you start? I serve child care. I serve child support. I serve child welfare ... juvenile services, adult protective services, child protective services.

"It's up to you as a Legislature to make those final policy decisions."