

Testimony of Hannah Marshall

In support of LD 2199

Thank you Senator Baldacci, Representative Meyer and members of the Health and Human Services Committee. My name is Hannah Marshall, I am the director of the Windham and Raymond School Age Child Care. We are a nonprofit program providing wrap-around care for children across three locations including before and after school care, school vacation weeks, and summer programming. I'm testifying in support of LD 2199.

Central to our mission is delivering quality and affordable child care to the children at our program and ensuring parents and guardians have safe and reliable care for their children outside of the public school hours. We strive to keep our overhead and administrative costs low in order to maintain affordability for our families, and we take pride in keeping our fees as affordable as possible. From the existence of our program in 2002, we have accepted subsidy reimbursement with no restriction on the number or percentage of available spots.

As you are aware, during the height of COVID-19, the need for child care skyrocketed while programs have struggled to remain open. Through the ARPA funding and increase in subsidy reimbursement amounts, our program was able to maintain financial stability regardless of private pay or subsidy pay. As the ARPA funding ran out and subsidy payments reverted to previous rules, this has changed.

When subsidy payments do not reflect the generally accepted payment practices of the field, families, providers, and children all suffer. All private pay families are expected to pay for their enrollment to hold their spot, regardless of whether the child attends or is absent. Programs have to be able to provide consistent hours to staff in order to maintain an already precarious

team of employees. When subsidy reimbursement is tethered to the hours the child attends, programs lose out on the cost of care, because we still are paying staff.

Heading into the Summer 2024, our program has been forced to raise fees from \$210 per week to \$250 per week for private pay families, partially to compensate for the lessened payment from subsidy. Without pay for enrollment, we have to prepare to pay our staff for days that all of the CCSP children are present, and when they all are absent—days we will not be paid. At current moment, approximately 20% of our enrollment is paid fully or partially by the subsidy program.

Our private pay families are also held accountable for making their payment the week prior to care. CCSP continues to be a retroactive payment plan rather than following generally accepted payment practices.

In order to be paid for a day a child is absent, the absence must be due to a “reasonable cause.” The language in the rules include all that you might expect—illness, vacation, transportation. The administrative burden of chasing down parents to determine the reason for their absence is a challenge for a program of our size. Additionally, it is not the provider’s responsibility to determine the reason for an absence for a private pay family. The rules should be the same for all families.

As a before and after school program, children are picked up anytime between dismissal and our program’s closing time of 6:00pm. Private pay families pay for the spot, regardless of whether the child is in attendance for 20 minutes or 4 hours. With CCSP families, we are only paid for the time the child is in attendance. This could mean that we are paid for only five hours of care in a week that a private-pay child who attends the same amount of time would pay for the spot—nearly 30 hours of care.

Child care programs operate on thin margins—approximately 70% of our budget is wages to our direct care staff—if 20% of our tuition revenue is unstable, we are unable to pay our staff. As a director, I have to look at the numbers and ensure we are able to continue to be operational.

I can recall a recent conversation with the leadership staff of our three sites in preparation for summer programming. These are educators who have been in the field for years, who are long term staff at our program and who are fully dedicated to the children we serve. They came to me with energy, enthusiasm and lists of activities including field trips and special events for the summer. As I look at our budget and know that, in addition to subsidy rates falling significantly below the going-rate for child care, we also will be paid only based on attendance, I have to give them the bad news. Despite the increase in rates, we will have to walk back our field trip plans and summer activities to operate based only on our private pay families. We can say with confidence that our CCSP families will attend most of the summer, however, we don't know which days or weeks we will be paid for.

These educators have worked for our program for a long time and are well-versed in getting creative and stretching every dollar in order to create exciting activities and lessons for the children. As costs of bussing, materials, and snacks continue to increase, their dollars can only stretch so far. The staff are disappointed because they know the children lose out.

I am here today in support of LD 2199 as a provider whose mission is to bring affordable care to families. I want to be able to encourage other directors, providers, and centers to partner with CCSP to bring quality care to children no matter their background or income level.

Thank you for your time.