



Rhode Island's Response to COVID-19: Child Care Actions

Fact Sheet | January 2021

On March 27, 2020, the CARES Act was signed into law, including \$3.5 billion in supplemental appropriations for the Child Care and Development Block Grant to prevent, prepare for, and respond to the coronavirus. This funding represents a 60% increase in total discretionary appropriations for fiscal year 2020, which amounts to \$9.326 billion. States were given broad flexibility for how to use this funding and have therefore taken a variety of approaches to help address needs of working families and providers through COVID-19. However, as the funds ran out during the ongoing crisis, many states began pulling from other sources to continue supporting parents and providers alike. This fact sheet explains the actions Rhode Island took to support the child care industry and working parents through 2020.

Rhode Island received \$8 million in supplemental CCDBG funds in the CARES Act.

While all child care providers were mandated to close, they were allowed to reopen June after submitting a COVID-19 plan to the Rhode Island Department of Human Services. Plans were required to indicate how the provider would comply with health regulations, provide enhanced staff training, and use new payments provided by the state. During the time programs were closed, the state partnered with Care.com, offering all parents a subscription free for 90 days to help them find care options that would fit their needs.

The state primarily used its supplemental funds to pay subsidies to child care providers based on pre-pandemic enrollment and to cover parent copays, and to waive fees, until June 1. From June 1 to August 28, providers that reopened were reimbursed for subsidies based on enrollment. The state also increased subsidy rates to the 75th percentile of the market rate through October, to help with heightened operating costs during the pandemic. However, a reduced number of providers received these payments as enrollment in the state's

subsidy system dropped 37% between March and September.

Furthermore, Rhode Island produced guidance indicating that providers may receive subsidy payments for care provided to school-age children during remote learning hours.

In October, a state survey of providers indicated that about 75% of their slots were filled with an enrolled child, but absent rates were still high compared to pre-pandemic levels. The survey also found that the average cost to close a child care classroom for two weeks was over \$5,000, and the cost to close a family child care home for the same time was almost \$2,000. In December, Rhode Island reported that about 95% of programs were officially open.

The state neither announced whether its subsidy payment policies continued through the fall nor whether they would continue into 2021. At the time of publication, it had also not announced any further financial support for providers or parents into 2021.