

COLORADO CHILD CARE ASSISTANCE PROGRAM

Contracted Slots Pilot Report

*A strategy to increase supply and
expand access to quality child care in Colorado*

March 2020



EARLY **MILESTONES**
COLORADO

ADVANCING OPPORTUNITIES FOR CHILDREN'S SUCCESS

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Executive Summary

The need and context

Colorado faces an extreme shortage of infant and toddler child care opportunities due to the closure of hundreds of child care providers, especially home-based providers, over the past 10 years. While providers cite many reasons for closing their doors, the financial challenge of offering quality child care is one of the factors, particularly for programs serving low-income children.

Against the backdrop of this reality in Colorado, the U.S. Department of Health and Human Services implemented many reforms when the Child Care and Development Block Grant was reauthorized in 2014, including provisions for states to build supply and quality through grants, contracts, and alternative reimbursement structures. The re-authorization also included a mandate for subsidy programs to align their provider payment practices with the practices in place for private pay families that did not receive subsidy by delinking provider payments from a child's occasional absences. Around the same time this federal grant was being restructured, Colorado adopted state legislation that allowed for contracted slots (H.B. 14-1317), and the Slot Contract – County Option was written into rule in 2016 as C.C.R. Colorado Child Care Assistance Program: Section 3.916.2.

As Colorado works to build an ecosystem that allows all children and families to thrive, ensuring the viability of quality child care providers that serve families who receive the Colorado Child Care Assistance Program (CCCAP) is critical. Contracted CCCAP slots offer an opportunity to restructure Colorado's child care subsidy program to more effectively serve families and providers by offering providers monthly payments that are not tied to child attendance. Three counties (Arapahoe, Denver, and Gunnison) participated in a six-month pilot to test this innovative approach. The pilot included seven providers and a total of 27 slots.

Pilot findings

All stakeholders learned about the contracted slots process and identified strong system components that facilitated effective contracting for slots. The positive outcomes from the pilot indicate the potential and promise that contracted slots hold for positively impacting the early childhood ecosystem in Colorado. However, several challenges will need to be addressed to fully maximize the benefits of contracted slots if implemented on a broader scale. Key findings from the pilot include:

- **Incentivize programs to meet family needs.** Families that rely on CCCAP to help with the cost of child care often can't find providers that offer high-quality, consistent care. Pilot results suggest more providers may accept CCCAP through contracted slots because it provides additional stability.
- **Providers benefit from contracted CCCAP slots.** More consistent funding allows providers to invest in program improvements that benefit staff. Contracted slots also strengthened relationships between providers, families, and county administrators.
- **Attendance is an ongoing challenge.** Regular attendance is a challenge for many families with CCCAP. Contracted slots neither positively nor negatively impacted children's program attendance.
- **System barriers prevent broader implementation.** Contracted slots are designed to help counties address specific needs such as increasing infant care availability. While contracted slots provided clear benefits for providers and families, county administrators experienced challenges, including limitations in Colorado's Child Care Automated Tracking System (CHATS) and navigating multiple policies.

Recommendations

Based on the findings of the pilot, objectives to support continued implementation and positive impact on Colorado's early childhood ecosystem are presented as short- and long-term recommendations.

Short-term opportunities

- **Support overburdened, under-resourced families.** Counties should work with specialized programs to understand how contracted slots can help increase care options for families with specific needs (e.g., providers that serve outside traditional hours).
- **Better align provider and county selection criteria.** Once a county decides to use contracted slots, administrators should collaborate with providers and local early childhood councils to develop shared criteria for selecting CCCAP-eligible families.
- **Create proactive attendance strategies.** Providers and counties agree that a more proactive approach is needed to support families with attendance. All stakeholders should work together to clarify roles and establish a shared vision to address persistent attendance challenges.
- **Strengthen orientation process for providers.** A clear and detailed orientation process will help ensure strong initial implementation of contracted slots for providers and county administrators.

Long-term opportunities

- **Understand impact on licensed family child care homes.** The pilot successfully identified what works for child care centers. Future efforts should also focus on home-based care, which is in short supply in Colorado.
- **Support implementation in child care deserts.** Contracted slots could be most impactful in communities where no child care providers accept CCCAP or where there is a severe shortage of infant and toddler care.
- **Increase resources for contracted slots.** Support, including both technical assistance and funding, is needed for large-scale implementation.
- **Focus on equitable access to high-quality child care.** The financial benefits of contracted slots can stabilize CCCAP providers who serve priority populations like children with disabilities and incentivize those who do not.
- **Upgrade data systems.** Since the CHATS data system does not currently support contracted slots, attendance tracking for this approach must be managed through a burdensome manual process.

Background

Declines in licensed capacity for infants

From January 2011 to January 2018, the number of licensed infant slots in Colorado decreased dramatically. Most of these infant slots were provided through home-based child care. From 2010 through 2018, the number of licensed family child care homes dropped in every Colorado county that had licensed homes. Center-based infant care has not maintained pace with Colorado's growing population and has remained flat during this same period.

The number of infant slots available statewide remains inadequate to meet current demand. Accessing quality care is even more restricted for low-income families who are limited to providers who accept CCCAP. Contracted CCCAP slots could be used by counties to incentivize providers to increase their infant capacity or support them in sustaining the infants currently served.

History of contracted slots and alignment with other state initiatives

In 2014, the federal Child Care Development Block Grant (CCDBG), which provides the majority of funding for CCCAP, was re-authorized and included a requirement on the part of states to “develop strategies for increasing supply and quality of services for children in underserved areas, infants and toddlers, children with disabilities, and children in non-traditional hour care – which may include use of grants/contracts and alternative reimbursement.”

Also in 2014, the Colorado legislature passed changes to CCCAP (H.B. 14-1317) that provided Colorado counties with the option of contracting for slots with child care providers to “increase the supply and improve the quality of child care for infants and toddlers, children with disabilities, after-hours care, and children in underserved neighborhoods” (C.R.S. 26-2-805 (12)(d)). The Colorado Office of Early Childhood then incorporated this legislation into the CCCAP rules as Section 3.914.2: Slot Contracts (County Option) of the Colorado Code of Regulations.

Colorado has long considered contracted CCCAP slots as a means of bolstering the early childhood sector for low-income families in Colorado. Contracted CCCAP slots provide an opportunity for Colorado counties to address county needs (e.g., shortages of infant/toddler care) and incentivize quality providers to serve children with CCCAP. Contracted CCCAP slots is a strategy that aligns with existing state frameworks and initiatives. Contracted slots complement the [Early Childhood Colorado Framework](#), which includes a shared vision that Colorado is a place where all children are valued, healthy and thriving. [Colorado Senate Bill 19-063 Infant and Family Child Care Action Plan](#) and [Colorado Shines Brighter Birth through Five Strategic Plan](#) are other aligned efforts.

Overview of Pilot Process

The counties of Arapahoe, Denver, and Gunnison began the pilot by developing and updating key documents to meet the requirements of the Contract for Slots rule requirements, such as the county contracted slot procedure and fiscal agreement. Colorado's rules for contracted CCCAP slots provide a great deal of county flexibility.

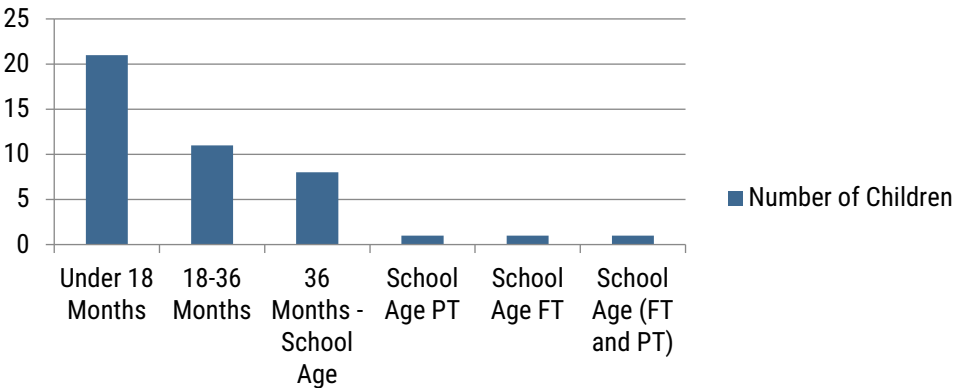
Table 1 provides a summary of the participating counties' priorities for the pilot and the total number of providers and slots.

Table 1. County Pilot Priorities and Participation		
Arapahoe County	Denver County	Gunnison County
<p>County Priorities:</p> <ul style="list-style-type: none"> ● Infant/toddler care ● Child Care deserts ● Colorado Shines Level 3 or above ● Children with special needs <p>2 center-based providers 16 slots</p>	<p>County Priorities:</p> <ul style="list-style-type: none"> ● Infant/toddler care ● High-poverty neighborhoods with few quality options ● Children with special needs ● Children needing non-traditional care hours ● Licensed family child care homes ● Colorado Shines Level 2 or above <p>2 center-based providers, 1 licensed family child care home provider 8 slots</p>	<p>County Priorities:</p> <ul style="list-style-type: none"> ● Infant/toddler care ● Colorado Shines Level 2 or above <p>2 center-based providers 3 slots</p>

The Colorado Office of Early Childhood (OEC) played a significant role in the implementation of the Contracted CCCAP Slots Pilot Project. The OEC provided guidance on rule interpretation, supported counties in getting key documentation in place, including the fiscal agreement addendum, and monitored the counties' use of slots. The OEC worked with each county to implement contracted slots with autonomy while meeting state guidelines.

Ages of children served in the slots: The ages of the children placed in the slots at the seven participating providers ranged from infant to school-age, though the largest age group was under 18 months and the majority were under three years. Multiple children received care in individual slots at four of the seven participating providers; therefore, 43 children were served, though there were only 27 slots. It is also important to note that three children transitioned between age groups during the pilot period, which is not represented in Figure 1 below. The children who transitioned are counted in the age group where they started. Of the three participating children who were school-age, two were in kindergarten or pre-k and one was in 1st grade.

Figure 1. Slot Age Group



Pilot Evaluation

An evaluation was conducted by Sarah Prendergast, Ph.D., to learn from child care providers, counties, and families who participated in the pilot. The goals of the evaluation were to learn what worked well and what could be improved with the implementation of CCCAP contracted slots. Family surveys were administered at the beginning of the pilot. To capture provider and county perspectives, data were collected through pre- and post-pilot surveys of child care directors, county administrators, and county CCCAP billing supervisors. To measure the feasibility of implementing contracted CCCAP slots, a reliable feasibility measurement tool (i.e., feasibility, appropriateness, acceptability)¹ was included in all post-pilot surveys as well. Interviews were conducted with participating families, directors, and county CCCAP manual billing supervisors at the end of the pilot. A financial analysis was completed to measure the financial impact of the contracted CCCAP slots. This was done through analysis of manual bills completed by ECE providers, submitted to the county manual billing supervisors, and then shared by the manual billing supervisors.

Limitations

The findings presented in this report are limited by several aspects of the evaluation. Given the small scale of the pilot, responses are not representative of all CCCAP programs, CCCAP providers, county manual billing supervisors, or county administrators. Responses from manual billing supervisors and manual claims administrators represent their own opinions of the pilot and do not represent county-level feedback or future decision making. Only one home-based provider participated in this pilot. Therefore, recommendations as to whether contracted slots are appropriate for licensed family child care homes are limited to one provider's experiences.

The attendance and financial data were collected through manual claims. The manual claims billing process was challenging for providers and counties alike. The attendance and financial analyses are estimates and may not precisely reflect the true outcomes of this pilot. Finally, turnover was evident for several county CCCAP positions as well as children and families in the pilot; this impacted data collection as some county representatives did not take both pre- and post-surveys. For the full evaluation report, contact Early Milestones.

Pilot Findings and Impact

Incentivize programs to meet family needs.

- **Overall CCCAP, attendance, and child care perspectives:** Of the participants, 96% agreed that they could get their child to child care most days, 100% agreed that maintaining the same child care provider is a priority, and 92% agreed that CCCAP works well with their work/education schedule. As one parent noted: *"Consistent care is everything to my family. It means that I can provide for my children. I couldn't go to work without having a consistent child care center. Without CCCAP, working would not be possible for me, being a single mom."*
- **Benefits of CCCAP:** Families indicated that what they like most about CCCAP is that it is affordable, and it supports their work. Families indicated a few challenges with CCCAP, but the majority felt that the program worked well and they value having access to *quality* care.
- **Contracted CCCAP slots:** Some families did not fully understand the difference between contracted CCCAP slots and traditional CCCAP, but those that did appreciated that it might mean fewer transitions for children and more understanding about attendance challenges.

¹ <https://www.ncbi.nlm.nih.gov/pubmed/28851459>

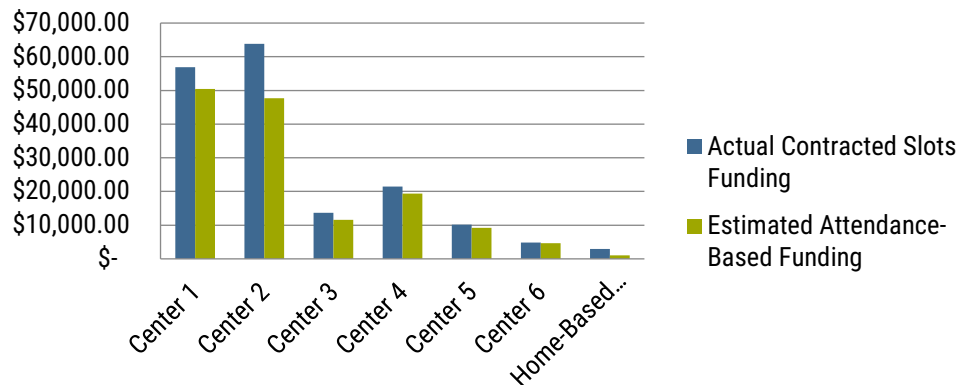
Providers benefit from contracted CCCAP slots.

All participating providers already accepted CCCAP, most were likely to continue serving families with CCCAP, and all were supportive of the overall purpose of CCCAP. Two-thirds of participating providers indicated that a challenge of traditional CCCAP is that reimbursement is based on child attendance.

- **Positive impacts on finances and relationships:** All participating providers indicated that the pilot had a positive impact on their finances and **the majority (86%) indicated that the pilot had a positive impact on their relationship with the county and their relationships with participating families.** One provider noted, *“It allowed us to have some consistency, to know that the kids are paid for every day. It also allowed us to have some flexibility with some families who might have things going on, whether it be medical, personal, sick children, sick themselves, going between mom and dad for custody issues.”*

As noted in Figure 2 below, all providers benefitted financially from contracted slots in terms of what they were paid with the slot compared to what they would have received under traditional CCCAP.

Figure 2. CCCAP Funding - Contracted Slots vs Attendance Based



- **Impact on providers:** Two providers reported that the increased funding allowed them to better support staff and children and purchase materials for the center: *“It allowed us to feel okay with taking a financial hit to hire staff to help float around and to be there as extra support for the teachers and the children and anything we need from curriculum all the way to ‘we’re just having a meltdown and we need extra help...”*
- **Feasibility:** Nearly all providers agreed that contracted slots are feasible, appropriate, and acceptable. However, the licensed family child care home provider disagreed. The licensed family child care home provider enrolled a CCCAP family specifically for this pilot and did not have other CCCAP children enrolled in the program. The context of the licensed family child care home provider differed from the other participating providers. The licensed family child care home provider reported they were “somewhat likely” to continue accepting CCCAP children regardless of whether they continue to receive contracted slots.
- **Future implementation:** Of the seven participating providers, six were very interested in continuing to receive contracted CCCAP slots. The other provider indicated they were neither likely nor unlikely to continue receiving contracted CCCAP slots. Contracted CCCAP slots is one tool that most providers in the pilot believe would be effective in Colorado’s pursuit of ways to strengthen and sustain child care providers, particularly those that serve low-income infants and toddlers.

Attendance is an ongoing challenge.

Attendance continues to be a challenge that providers, counties, and families are all working to address, regardless of whether the provider is serving children through contracted slots or traditional CCCAP. Meeting county-established expectations for attendance was a challenge throughout the pilot. Both Arapahoe and Gunnison Counties set an average attendance target of 85% for the pilot. Denver County did not specify an actual attendance target in their contracts with the providers, but the children who were selected for the slots generally had high attendance rates. Counties grappled with whether 85% is a reasonable attendance threshold, particularly for infants and toddlers. In future implementation, more clarity around roles and responsibilities in monitoring attendance is needed.

- **Attendance during the pilot:** The average monthly attendance rates of the children with each provider in the pilot ranged from 56% to 100%. None of the participating providers maintained an average pooled attendance rate (the average attendance of the children in the slots at each provider site) of 85% during all six months of the pilot period. The state's contract template specified that providers cannot drop below the county-defined rate for more than three consecutive months; three of the participating providers successfully met this expectation.
- **Statewide utilization rates:** Anecdotal evidence from providers suggested that attendance was a greater challenge for younger children. This finding is supported by the average attendance rates for children in the pilot. The average attendance rate for the 21 children who were under 18 months was 72.16%; for the 11 children who were 18 to 36 months, it was 87.45%; and for the 8 children who were over 36 months, it was 89.07%. The challenge to meet the county-defined target was exacerbated in Gunnison County where the providers only had one or two contracted slots. Attendance is an ongoing challenge for families with CCCAP as indicated by state-wide CCCAP utilization rates. The statewide CCCAP utilization rate (meaning days used compared to days authorized) through CHATS was 58.73% during the pilot period. This utilization rate does not consider attendance data from manual claims.
- **Impact of contracted slots on attendance:** One potential risk identified before starting the pilot was whether contracted slots would negatively impact attendance. In other words, if families knew that there was more flexibility with attendance due to contracted slots, they may not send their children as consistently. However, in post-pilot surveys, this was not a significant concern from the perspective of both providers and the counties. Most providers indicated that contracted slots had a positive or neutral effect on attendance. Similarly, all three county billing supervisors indicated that contracted slots did not affect children's attendance rates.
- **Attendance monitoring and support:** The participating providers tracked attendance with varying levels of detail and frequency and providers had different capacity in terms of supporting families with attendance. Some felt that the requirement of meeting an average attendance rate for participating children did result in more active, engaged communication with families on attendance issues. One provider noted: *"We didn't want them to have more than three unexcused absences, but for some families, we were able to work on getting parents to call in more consistently. It opened a lot more communication with the CCCAP families and with the families on the pilot program. It helped us to understand why there were significantly more absences at the beginning and they have evened out."*
- **County awareness of attendance challenges:** All three counties indicated that no one at the county level is currently tasked with monitoring attendance for children with CCCAP. However, the pilot did raise awareness of attendance challenges because the counties were carefully monitoring the attendance of the participating children. One county representative noted, *"This pilot just opened our eyes to attendance. Is there something else we can do with CCCAP to reach out to any family - not just contracted slots families - to help with attendance?"* Another county billing supervisor

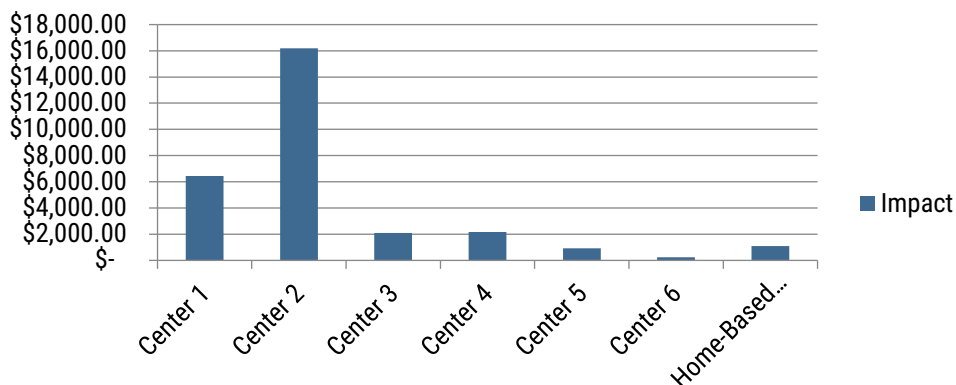
explained, “For this pilot, though, I felt like the burden shifted from the provider to us because now we were paying absences that we wouldn't have paid before.”

System barriers prevent broader implementation.

While contracted slots provided clear benefits for providers and families, the participating counties experienced several challenges. As one county billing supervisor noted, “There's no dispute that this is a win-win for the provider, and there's no doubt it's a win-win for the parent. The only entity it's not a win for is the county.” Counties faced several key challenges with implementation of contracted CCCAP slots, including lack of technology infrastructure, general management challenges, and financial impact with the potential risk of decreasing the number of families who have access to CCCAP. These barriers would need to be addressed to support long-term and broader implementation.

- **County support for CCCAP and project goals:** All county representatives who participated in the pre- and post-surveys indicated that they were extremely supportive of the overall purpose of CCCAP and the pilot project goals (address high-priority child care needs, improve financial stability for providers, increase the number of CCCAP families providers accept, and improve continuity of care for children). These individuals’ responses were mixed on whether contracted slots met the pilot goals. **The most significant positive outcome was that all three counties indicated that the pilot had a positive impact on their relationships with the participating providers.**
- **Technology infrastructure:** The Child Care Automated Tracking System (CHATS) is not currently built to accommodate contracted CCCAP slots. As a result, work on the pilot project had to be done manually, largely outside of CHATS. This created a significant administrative burden for the two counties responsible for processing a higher number of payments overall. Currently, CHATS is set up for CCCAP payments to be attached to a specific child, not attached to a provider. This functionality would need to be changed to automate the process.
- **Financial impact:** Under traditional CCCAP, counties would pay for one absence per month (Arapahoe and Denver counties) or three absences per month (Gunnison County), per their county CCCAP plans. Under contracted slots, counties paid for all absences, similar to private pay tuition. This meant counties were typically paying more per child, except for the participating children whose attendance was almost 85%. Figure 3 demonstrates the financial impact by provider.

Figure 3. Financial Impact



For Center 2, which received a little over \$16,198.84 more than it would have received under the traditional CCCAP payment method, this reflected a 34% increase (\$63,855.05 received under contracted slots compared to \$47,656.21 that would have been received with attendance-based pay). This was a provider

whose children had a number of unusual attendance challenges during the summer and where children potentially could have been moved out of slots more quickly, had more stringent attendance monitoring been in place.

The financial impact raised several questions for counties about the tension between incentivizing quality and building capacity in areas of need and the potential drawback of serving fewer children overall because more was being paid out for children in contracted slots. County representatives expressed fear of having to put families on a waitlist because their CCCAP funding allocation was overspent and the concern that contracted slots might have this effect if implemented on a broader scale.

- **Management:** For counties having to manage the entire contracted slots process manually in addition to processing a high number of traditional payments, there was a significant amount of time-consuming, day-to-day management. This included managing slot turnover and selecting children (or working with the provider to select children) for slots, monitoring and supporting attendance, and communicating with the provider about changes.
- **Feasibility, appropriateness, and acceptability:** In recognition of these challenges, counties' perspectives on the feasibility, appropriateness, and acceptability of contracted slots varied among county administrators and county manual billing supervisors. County administrators identified contracted slots as more feasible, appropriate, and acceptable than their billing supervisor counterparts.

Recommendations

Contracted CCCAP slots provide a strategy to address many key challenges facing Colorado's early childhood ecosystem: bolstering providers who serve high-need populations, including infants and toddlers; incentivizing new providers to take children with CCCAP; incentivizing quality through a required minimum quality rating; providing increased funding for providers so they can continually invest in their programs and increase quality; and increasing continuity of care for the state's highest-need families. However, there are still meaningful challenges that would need to be addressed for wide-scale implementation. The recommendations included here are designed to focus stakeholders on changes that can be made to support broader implementation.

Short-term opportunities

- **Support overburdened, under-resourced families.** Counties should work with specialized programs to understand how contracted slots can help families with the greatest specific needs (e.g., providers that serve outside traditional hours). Counties should work with specialized programs, such as homeless shelters, court-based child care, teen parenting programs, or other high-needs populations, to see how contracted slots might support providers who serve populations that tend to be more unstable or transient. These slots could be coupled with a case management approach. Both counties and providers noted the need for case management with some of the families being served by contracted slots. One of the participating counties is considering using contracted slots with a child care center connected to a new homelessness support program. Implementing contracted CCCAP slots county-wide in any county at this time would be difficult. However, until additional funding is available, counties are encouraged to use contracted slots to address their most pressing needs (e.g., providers that serve outside traditional hours) and/or serve families with the greatest need for quality care.
- **Better align provider and county selection criteria.** One county chose the children for the contracted slots, while the other two counties allowed the provider to choose. Both providers and counties reported that they should be able to select the children to fill the contracted slots. This

suggests that this process should be done collaboratively by the provider and county with shared criteria for how children are selected.

- **Create proactive attendance strategies.** Providers and counties agree that a more proactive approach is needed to support families with attendance. Both counties and providers must understand pooled attendance and have a shared vision for reaching the target average attendance rate. The county and contracted providers should also reach a shared understanding of who is responsible for monitoring attendance, providing outreach to families, and helping families address barriers when there are attendance issues. System capacity to track attendance (for example, a system notification when a child has missed a certain number of days that would prompt an outreach effort) would also support strong attendance support and intervention.
- **Strengthen orientation process for providers.** A clear and detailed orientation process will help ensure strong initial implementation for providers and county administrators. A formal orientation process was not put in place for providers during the pilot. A provider orientation guide has been created to support onboarding of new providers with contracted CCCAP slots. The orientation guide is available for other counties' use and should be incorporated into an onboarding process to support strong initial implementation.

Long-term opportunities

- **Understand impact on licensed family child care homes.** Colorado has a clear need for additional licensed family child care homes, which typically provide infant and toddler care, particularly for families with CCCAP. Contracted slots could be used to provide home-based providers with a stable source of income, ensuring their long-term viability in the community and increasing access to care for families. Only one licensed family child care home participated in the pilot and their participation was limited to one slot for three months instead of six months. More work needs to be done to determine how contracted slots could be manageable and effective for licensed family child care homes. This might involve different requirements and support for licensed family child care homes to encourage their participation.
- **Support implementation in child care deserts.** Contracted slots could be most impactful in communities where no child care providers accept CCCAP or there is a severe shortage of infant and toddler care. Targeted outreach might include rural areas, counties that are underspent in their CCCAP allocations, and counties with child care waitlists. This should be a long-term focus for educational advocacy organizations, early childhood councils, and county departments of human services.
- **Increase resources for contracted slots.** Support, including both technical assistance and funding, is needed for large-scale implementation. One of the counties' greatest concerns was that there would not be enough monetary resources to support all eligible children in need of care. With additional funding, counties would not have to choose between a system that benefits providers and families and a system that cannot serve all eligible children. As new providers come on board, technical support would need to be provided, as well as cultural competency training to ensure that providers have the tools and appropriate attitude for being inclusive and serving low-income families.
- **Focus on equitable access to high-quality child care.** The financial benefits of contracted slots can stabilize providers who serve priority populations with CCCAP and incentivize those who do not. This pilot focused exclusively on working with providers that already had CCCAP fiscal agreements and experience with serving families with CCCAP. The long-term hope is that contracted CCCAP slots would incentivize providers who do not currently work with CCCAP to consider this. The

outreach could emphasize benefits to providers: funding stability, more diversity in who providers serve, and access for families who need quality care the most.

- **Upgrade data systems.** Large scale implementation, particularly in larger counties, will be limited until CHATS can be modified to accommodate contracted slots. For contracted slots to be automated through CHATS, CCCAP authorization (the slot) must be attached to a provider, not a specific child. Secondary functionality is needed that connects the slot to a specific child so the funding can be properly determined (based on the provider's quality rating, child's age, full-time versus part-time, and parent fees). Other suggestions for needed CHATS functionality from the county perspective include: monthly payment requests managed through the system, not through manual billing; automatic attendance calculations and reconciliations through the Attendance Tracking System (ATS); fiscal agreements managed online; correspondence automated and managed through the system; a statewide portal for providers; and contracted slots embedded within ATS so counties could toggle back and forth to select or deselect which children are in contracted slots.

Implications for the Colorado Office of Early Childhood (OEC)

The greatest challenge the OEC faced in managing the pilot program was finding the balance between local control through county autonomy and creating systems that will be sustainable for the state to manage and oversee on a larger scale. Current state policy provides counties with the ability to implement contracted slots in a way that aligns with local needs. This creates a monitoring challenge for the OEC. If all 64 Colorado counties were to implement contracted slots in slightly different ways, it could become difficult for the OEC to provide effective oversight and support. The OEC intends to work with a committee, including stakeholders who participated in the pilot, to recommend revisions to the current rule-based on findings from this pilot project. This would include determining how oversight can be manageable for the OEC while still preserving the necessary autonomy for counties and ensuring the success of all stakeholders and positive outcomes for families and providers.

Conclusion

Hundreds of Colorado's child care providers have closed in recent years due to financial burdens, and this pilot has demonstrated the potential of contracted slots for supporting financial stability. Additionally, contracted slots could have a lasting, positive impact on access to quality child care for Colorado families. Expansion of the approach will require leadership from stakeholders in the public and private sectors who are willing to support implementation of the recommendations and champion the benefits of contracted slots with policymakers, administrators, educators, and families.