



## Summary of Survey Responses from School Readiness Assistance Providers

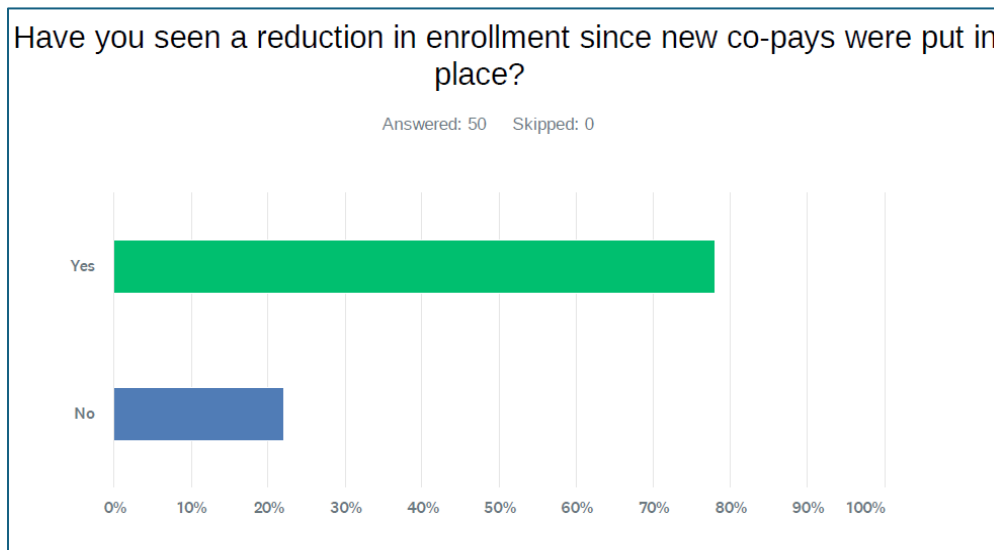
### Introduction

Earlier this year, the Arkansas Early Childhood Association and Arkansas Advocates for Children and Families jointly issued a survey open to early childhood educators. Several of the responses to the survey questions provide key insights regarding the impact of the state-issued changes to parent co-pays for the School Readiness Assistance (SRA) program.

This document provides a summary of those survey responses. Data limitations include the informal survey structure and a limited response rate (i.e., a total of 50 respondents at the survey close date). However, it is vital that the input from the SRA providers who responded are shared with state leaders.

### Enrollment Reductions

Providers were asked if they have seen a reduction in enrollment since new parent co-pays were put in place. 78% of respondents reported experiencing enrollment reductions.



### Effect of Co-pays on Families

Providers had the option to respond to the open-ended prompt, **“Please share any details you may have about the effect of co-pays on the families you serve(d).”** There were 46 entries in response to this prompt. The overwhelming majority conveyed that parents are struggling with co-pays, sometimes putting their children in potentially unsafe situations for those forced to withdraw children from the SRA program, and/or that the co-pays have negatively impacted providers’ businesses. Of the 46 responses, one

indicated a positive response to the increased co-pays, and three were categorized as neutral/not impacted due to families not qualifying for a co-pay due to their income or similar issues. The following list provides a sample of these responses. *(The responses are taken directly from provider survey entries and have not been edited in any way.)*

#### Examples of Responses Indicating a Negative Effect

- Several of my families are struggling to pay their copays pre week, which is causing our center to fall short on the necessary funds we need to operate
- We lost almost 20% of our families because of the sudden steep increase in what they would have to pay (the SRA copays plus the differential we charge to make up for the lower state payments). We don't know where all of them went, but I have heard: public pre-k, grandparents or other family/friends, unlicensed childcare homes, or parents changed shifts so that one worked days and the other worked nights so childcare is not needed (but then you have unsupervised children part of the day while a parent is sleeping). Families who stayed with us have had to find 2 or 3 jobs to cover extra expenses at a time when rent, groceries, insurance, and everything else is also going up.
- When the copayments were put in place, we lost families in the afterschool program immediately that became latchkey kids due to parents not being able to pay the co-pays. Children began to ride the bus home alone or sit at a parent office. We also lost some toddlers who parents were barely making ends meet to begin with, so they are shuffling children between family members instead of using childcare.
- I've lost families, I have a mom who isn't eating because her copay costs more than she can afford, another family took out a loan to pay co-pays. They are falling behind because they can't afford it.
- Our school age program has suffered greatly. We have lost approximately 40 school age children and had to scholarship many of the remaining SRA families to cover the gap. With summer coming up, this will be a huge financial hardship for school age families. Our early childhood families have also dropped at a slower pace, however, they are struggling to make their weekly co-pay amount.
- 35% decrease in enrollment
- Our enrollment dropped substantially when the copay changes went into effect. Across the board we saw major drops, but the numbers were significant in the school age group. This has seriously hurt our business.
- Co-pays have had a significant impact on the families we serve. We have lost enrolled families due to the financial burden, and in many cases, parents are forced to reduce work hours or transition to a single-income household because childcare becomes unaffordable. This places additional financial stress on families and limits children's consistent attendance in early learning environments. As a result, some children miss critical developmental and school-readiness opportunities, leaving them less prepared for public school. In more serious cases, instability in care can increase the risk of children being placed in adverse or traumatic situations due to a lack of safe, reliable childcare.
- We continue to have a lengthy waitlist for parents that can afford posted rates for our program, however, families that needed the SRA assistance to be able to afford our program are struggling to pay parents shares that have in many cases doubled. These are all single parents, working full-time.
- I have had so many parents to pull children and making the amount of income for the center smaller. I had to get rid of employees because I don't have the funds because parents are pulling. We are struggling and this isn't fair for the smaller centers at all. We have no resources to help us

### Response Indicating a Positive Reaction to Co-pays

- Co pays are a fair way of sustaining the program to more participants

### Examples of Responses Indicating a Neutral or Minimal Effect

- The families I serve do not have copays at this time.
- Most of my families are grateful for any help and are ok with the copays. I do have several on the ever growing waitlist and that is frustrating.

### Additional Information

A final optional question, **“Is there any additional information you would like to share regarding the recent changes to SRA and the impacts on your program or families?”** garnered 43 responses that ranged from comments regarding disappointment in the dismantling of the early childhood quality rating improvement system (i.e., Better Beginnings) and associated decreases in provider reimbursement rates to the need for the Office of Early Childhood to improve payment practices to providers (e.g., improve timeliness and billing portal) to additional comments on the impact changes have had on staffing and families. Eight responses indicated plans to stop or consideration of ceasing SRA participation (i.e., moving to accept private pay families only) or closing their businesses or certain programs within their businesses (e.g., afterschool program). The following list provides a sample of these responses (*The responses are taken directly from provider survey entries and have not been edited in any way.*)

- We were told that the reason for these copays would allow more families to participate in the SRA, if we are not allowing more families to participate in the SRA why are these families struggling to pay their copays.
- We truly need billing cycles to go back to how they were. We need Quality Enhancement Payments viewable in the billing portal so we can budget accordingly, and we need staff children added to the exemption list in order to keep staffed.
- Since the changes I have had to decrease staff and ratio to maintain the program
- It has been a financial hardship that I never anticipated having. I am unsure if I will go through with re-quilifying next year since there is no incentives and it's hard to maintain that level of quality care without the money to up keep the higher quality level.
- It has been an adjustment to budget at the lower reimbursement rates. I am seriously considering dropping my contract for SRA after the families I am currently serving drop off the program. The new requirements placed on providers as part of the LEARNS Act will be very hard to achieve financially with the lower reimbursement rates. It will not be practical to continue in SRA program.
- the changes are KILLING my before and after school care. The co-pays for parents are crazy for school age children. Children 5-10 should not be left at home because parents cannot afford the co-op pay when they should be getting the care for free because their income is so low. (2) the wait list has NOT moved since the changes have taken place the wait list has only gotten longer.
- I have had to take away EVERY benefit from my staff. They were getting health, dental, and vision. They also had sick pay. They no longer get that. I may not be able to keep my doors open. So they may be out of a job. I refuse to run a childcare program that is NOT quality. Parents cannot afford to pay \$250 a week per child. That is what is required to run a quality program even in a rural area. Parents in rural communities deserve QUALITY programs for their children.