House Budget Review Subcommittee on Health And Family Services

Minutes of the 1st Meeting of the 2020 Session

January 15, 2020

Call to Order and Roll Call

The 1st meeting of the House Budget Review Subcommittee on Health and Family Services was held on Wednesday, January 15, 2020, at 10:00 a.m. in Room 129 of the Capitol Annex. Representative Danny Bentley, Chair, called the meeting to order at 10:00 and the secretary called the roll.

Present were:

<u>Members:</u> Representative Danny Bentley, Chair; Representative Adam Bowling; Representative Josie Raymond: Representative Jim Stewart, III; Representative Russell Webber; Representative Susan Westrom; Representative Kimberly Poore Moser, ex officio; and Representative Melinda Gibbons Prunty.

<u>Guests:</u> Bridgett Blom Ramsey, President and CEO, Prichard Committee for Academic Excellence; Perry Papka, Deputy Director, Prichard Committee; Michelle Sanborn, President, Children's Alliance.

LRC Staff: Miriam Fordham, Kevin Newton, Ben Thompson, and Jim Thornton.

Child Care Assistance program (CCAP) Funding

Bridgett Ramsey, President and CEO of the Prichard Committee, updated the Subcommittee on Kentucky's progression in obtaining educational excellence. She indicated that the state has already moved from the bottom to the middle tier of states and the key aim is to move to top tier status through a request for a cumulative one billion dollar investment in state funding by 2026.

Ms. Ramsey indicated that though the investment would be across all categories, the current objective is to focus upon early childhood assistance specifically in child care. She detailed the relationship between the expense of child care and the impact on educational success and economic growth of an attenuated access to quality care.

Ms. Ramsey concluded her remarks by indicating that the issue is not partial and that the investment figures are achievable through the growth of the general fund.

In response to a question from Representative Webber, President Ramsey said the Prichard Committee did not have specific recommendations for additional revenue growth.

In response to a question from Representative Raymond, Ms. Ramsey stated that the ratio of adults to children is very important and that the cost driver is people because child care workers are very low paid.

In response to a question from Representative Stewart about pathway priorities, Ms. Ramsey stated that all seven are equally weighted.

In response to a question from Representative Prunty about public-private partnerships, Ms. Ramsey said there are some, particularly in northern Kentucky, Louisville, and Owensboro, but that this approach was not prevalent in most areas.

Funding for Child Care Providers

Michelle Sanborn, President, Children's Alliance, updated the committee on the issues affecting services for children due to problems with the rate methodology and the needs of the in-home and residential programs. Ms. Sanford stated that the methodology currently results in a nearly 14 million dollar shortfall and that the new proposed rates indicate why there are issues with the system.

Ms. Sanborn further stated that low rates are causing a loss of professionals and those from other areas interested in serving Kentucky do not do so because the rates do not cover costs. She also discussed how workloads have increased, but the workforce has decreased. She further suggested the committee bring focus to the stagnation of the budget from 2009-2019.

There being no further business to come before the subcommittee, the meeting was adjourned at 11:07 a.m.