



Empower

Turning a Potential Child Care Crisis into a Healthy Opportunity for Arizona Children



Introduction

In the fall of 2009, faced with a 3 billion dollar budget shortfall, the state of Arizona eliminated funding for [licensing services](#) from the budget of the [Arizona Department of Health Services](#). The department was given the authority to self-fund these services, in essence, passing the costs of providing this critical public health service back to the providers. For childcare providers this decision created an economic crisis as they faced an increase in licensing fees from \$30 to \$1,000, and for large providers \$150 to \$7,800.

At public hearings sponsored by the [Arizona Department of Health Services](#), childcare providers and parents expressed their concern at the increase in rates. Comments emphasized that the increase in fees would result in the closure of many facilities and would lead to massive lay-offs. Parents testified that higher childcare rates would cause many to quit their jobs to stay home with their children and/or leave their children in unsafe and unregulated settings.

This paper recounts how the Arizona Department of Health Services responded to this challenge, and how the agency and childcare services in the state were changed as a result.

Background

In 2009, six major state agencies accounted for approximately 91% of the state spending in Arizona: Department of Education (43%), Arizona Health Care Cost Containment System (AHCCCS, Arizona's version of Medicaid, 15%), Universities and Board of Regents (10%), Department of Corrections (10%), Department of Economic Security (8%), and Department of Health Services (6%). With the second largest decrease (-17.9%) in total tax revenue after Alaska (-41.9%), major reductions in the state budget were underway for these agencies. For the Arizona Department of Health Services, the budget was reduced by more than 47% over 3 years¹.

In response, the [Division of Public Health Prevention](#) convened several strategic planning sessions to prioritize focus and identify opportunities for streamlining operations. A key strategy that held great promise for leveraging available funds was the development of integrated public health messages and interventions for target populations. The Division prioritized obesity and tobacco as the greatest public health risks and the top priority for the Division's efforts. The next step was to identify target populations and ensure that programs that had successfully connected with these populations were incorporating (where feasible) an emphasis on these issues.

In one example, [Health Start](#), a very successful, local, home visiting program leveraged its connection with young families to expand the reach of the Tobacco

¹ Excluding the money allocated toward matching fund required by Medicaid (AHCCCS), behavioral health, and Children's Rehabilitative Services (CRS)

program. Utilizing lay health workers or “promotoras”, Health Start identifies women early in their pregnancy, assists in accessing prenatal care, and providing anticipatory guidance through the child’s second year regarding well childcare, safety and development. As a result of this planning, Health Start Workers were trained in an evidence-based model to do a brief intervention when they encountered family members who smoked. Family members were linked with the [state quit line](#) or provided information based on their stage of readiness, which the lay health workers had been trained to identify. Utilizing programs already in place, and with very little investment, the Division was able to maximize the reach of services that were still in place after the budget cuts.

The Challenge

The Arizona Department of Health Services needed to find a way to lower the cost of childcare licensing in order to avoid a real crisis to the health and safety of children in the state. Building on the integration and prioritization work established in the Division of Public Health Prevention, unspent end of the year funds from two sources were identified. [Title V Maternal and Child Health block grant](#) funds dedicated to obesity efforts, and funds from the Tobacco prevention fund were available to offset half of the new increase to childcare providers. The proposal was to move the funds over to the budget for the Division of Licensing. By targeting children in childcare settings with these Prevention funds, the Division of Public Health Prevention could target a high risk group in relationship to the obesity epidemic as well as circumvent a potential risk to the health and safety of children who might otherwise be left in unsafe or unregulated childcare settings. In exchange for the transfer of funds, the Division of Licensing would offer childcare providers a 50% discount on their licensing fees for participating in a new prevention program entitled “Empower”, reflecting the intent to empower children to make good choices around physical activity, nutrition and smoking. This approach supported the Division’s commitment to addressing the priority issues of obesity and tobacco, while leveraging the reach that childcare licensing had into this population. Childcare providers would still face an increase, but stakeholders assured us that a reduction of that size would significantly reduce the impact of the increased fees.

The Empower Program

On November 16, 2009, the Arizona Department of Health Services announced the new fees for all licenses along with the [Empower](#) pilot program. Participation in the Empower program was voluntary and available to all centers regardless of when their license was due for renewal. Programs that registered and participated were entitled to the reduced licensing fee at the time of renewal. In exchange for participation in the Empower program and implementing the identified best practices, childcare centers received the following [discounts](#): Centers licensed for 60 or more children reduced fees of \$7,800 to \$3,900;

Centers licensed for 11-59 children reduced fees of \$4,000 to \$2,000; Centers licensed for 10 or fewer children reduced fees of \$1,000 to \$500.

Acceptance of the program by the childcare community was overwhelming. Arizona childcare licenses are renewed every three years. Out of 403 centers who were due to renew in the first six months, only 5 declined voluntary enrollment in the Empower program. The real vote of confidence came from the additional 1,427 centers that enrolled in Empower in the first six months, even though their license was not due and they would receive no immediate financial incentive

Best practices became the core of the Empower program. In exchange for the reduction in fees, childcare centers agreed to incorporate the Empower best practices into their curriculum. As an Empower Center, they received a number of additional benefits:

- An **Empower Pack** which contained educational materials, recipes, activity plans, music CDs, games, tobacco education materials and a variety of tools for early childhood caregivers. Arizona's successful "Champions for Change" program provided a rich resource for materials
- An **Empower** logo window cling that let parents know that the center participated in the program. This provided a concrete marketing benefit for centers as the program was marketed and received recognition in the media.
- Information on [Best Practices](#) in childcare
- Resource information on primary care services
- Tobacco cessation information for families and information on second hand smoke
- Online [training resources](#), including specially developed [videos](#) to train centers on how to implement Empower guidelines and best practices for family style meals, incorporating physical activity, infant nutrition, and breastfeeding.

The EMPOWER program includes ["10 Ways to Empower Children to Live Healthy Lives."](#) which is a list of best practices that childcare centers must follow to become an official ADHS Empower Center. It includes incorporating physical activity, nutrition and anti-tobacco education into the everyday activities of the center. The ten elements are: (i) provide at least 60 minutes of structured activity and at least 60 minutes and up to several hours of unstructured physical activity each day; (ii) limit screen time to under one hour a day; (iii) avoid more than 60 minutes of sedentary activity at a time, except while the child is sleeping; (iv) serve meals family style by letting the child decide how much to eat and avoid using food to reward behavior or for a clean plate; (v) provide families education and referrals regarding tobacco prevention, cessation and second hand smoke; (vi) serve one percent low fat or fat free milk for all children over two years; (vii)

offer water at least four times during the day (water is not to be served during lunch); (viii) limit juice to 100 percent fruit juice (with no added sugars) and to no more than one half cup (4 ounces) per day; (ix) enforce 24 hour smoke-free campuses (no smoking 20 feet from any entrance); and (x) if eligible, participate in the USDA Child and Adult Care Food Program.

Outcomes

The Empower program succeeded in transforming childcare in Arizona. Providers have embraced good nutrition and physical activity, reduction in exposure to second and third hand smoke and providing families with information on available smoking cessation services. Specifically, the Empower program contributed to these outcomes:

- The Empower program mitigated the increase in fees related to the loss of state general funds. As a result, there was no abnormal drop in the number of licensed facilities in 2010. A further blow to the local economy was avoided when childcare providers did not have to close.
- Evaluation results confirmed that participating Empower Centers changed their practices to incorporate the guidelines. Five of the standards (limit children's screen time to under one hour a day; serve 1% low fat or fat free milk for all children over two years of age; limit children to four ounces of juice per day; serve meals family style; and let the child decide how much to eat) were more consistently implemented. Child day care centers had greater adherence to the best practices than small group homes.
- At the Arizona Department of Health Services, collaboration on the Empower program carried over to the updating of childcare rules. The Public Health Prevention division participated with [the Childcare Licensing](#) division to update the rules for childcare. Changes were incorporated into the new [rules](#) to include four of the Empower best practices, and rules were developed to support the other best practices. As a result, the new rules included many of the most recognized best practices in childcare to address childhood obesity. In addition, the rules changes were readily accepted by childcare providers who now had experience with how easily these adaptations could become part of the daily routine.

Conclusions

Childcare providers, state agencies, and families have all been impacted by the recent decline in the economy. We have been forced to look for solutions in new and creative ways. The development and success of the Empower program provides an example of how collaboration, creative thinking and reliance on

evidence based practices can set the stage for a healthier new generation, even during times of great economic challenge.

Children in childcare settings benefit from environments that provide good nutrition, physical activity and a smoke free environment. By addressing these issues during childhood, we set children on a path to life -long health. Childcare providers can easily incorporate physical activity, tobacco prevention and good nutrition into their curriculum. Incentivizing proven prevention practices gives providers a compelling reason to try new methods while providing an offset to the rising costs for childcare.