



20 Erford Road ♦ Suite 302 ♦ Lemoyne, PA 17043  
Phone: (717) 657-9000 ♦ Fax: (717) 657-0959 ♦ Toll Free: (888) 296-1917  
[www.pacca.org](http://www.pacca.org)

---

December 15, 2017

Teresa Miller, Secretary  
Pennsylvania Department of Human Services  
P.O. Box 2675  
Harrisburg PA 17105-2675

Dear Secretary Miller:

On behalf of the Pennsylvania Child Care Association (PACCA), we are deeply concerned that the Department of Human Services' (DHS) procurement process for the Early Learning Resource Centers (ELRCs) will disrupt an already fragile and stressed infrastructure of supports for Pennsylvania's children, families, and child care programs.

We are receiving reports from the field that DHS is moving forward with contracts that will award multiple ELRCs covering huge swaths of geography and populations to single organizations, perpetuating an already serious flaw in the provision of provider support from the existing Regional Key system. This consolidation eliminates many organizations that have demonstrated a history of program integrity, effectiveness, and proven ability to build community connections to support children, families, and providers. Additionally, these changes will result in the loss of institutional and system memory, so critical when systems are in flux. We question the wisdom of this decision, as well as the ability of organizations so far removed from the communities to be served, to effectively implement the strategies outlined in the Request for Applications. We fear DHS is creating institutions "Too Big to Fail".

Consequences ...

*For children and families ...* a lack of understanding of the culture of the community served, its geography, its resources, and unique needs will create a severe learning curve for new ELRCs. This will have serious impact on the provision of supports and timeliness of services. Pennsylvania's lack of a public transportation infrastructure outside of our urban areas and fewer access offices, will drastically limit the opportunity for families to get face-to-face help navigating the subsidized child care system (as required by regulations). Web-based applications are not solutions for those families that may need in-depth counseling and education to identify the best solutions for their child care needs. Access to and experience in navigating technology is not universal. In many of our rural communities, broadband is not available and while families may have access to cell phones it is unlikely their plans come with unlimited data.

*For child care providers ...* so much change in a short period of time with high-stakes financial consequences undermine provider's stability from the timeliness of subsidized child care payments to the child care quality supports needed so providers can access higher tiered reimbursement levels. Pennsylvania's child care providers have suffered over ten years without a rate increase and today depend on tiered reimbursement and add-on fees to pay expenses to just *keep the lights on*. As suggested from reports from the field, some Mega-ELRCs will be responsible for quadrupling their payment processing responsibilities – for example: 5,000 to 22,000 children and 350 to over 1,400 providers.

PACCA enthusiastically supported the concept of ELRCs that would provide community-based, one-stop-shopping for families and providers. PACCA viewed the creation of the ELRCs as an opportunity to enhance connections between families, providers, communities, and employers; improve customer service and program integrity; as well as increase the quality of and the accessibility to early childhood programs and supports. We are deeply troubled by the process that continued to refine expectations for bidders through the issuance of five addendums up to ten days before applications were to originally be submitted. The final application deadline was extended ten days. The original planned timeline for

---

the application process and identification of ELRC contractors provided a year's transition. Today, Pennsylvania is just six months from implementation of this change.

This huge system overhaul has emotional and financial consequences for the organizations and individuals currently employed to do this work – CCIS and Regional Keys. Beyond the uncertainty to providers and families, we are hearing reports that the individuals who currently do this specialized work are seeking employment elsewhere -- further undermining a system we have worked to develop over the last 25 years.

PACCA recommends ...

- Suspend the ELRC procurement process and extend current contracts for one year;
- Re-bid the ELRC for 2019-2020 following the development of a revised and operationally coherent framework;
- Ensure that criteria of the RFP to determine the successful bidders, includes an analysis of the budget submitted as it relates to being able to deliver the technical work within the costs presented;
- Limit the number of ELRCs one organization can administer, and/or set a maximum budget allocation per organization;
- Require that the bidders be financially stable to deliver services without putting the ELRC functions at risk.

System revision of this magnitude needs intentionality and consideration of the unique properties and qualities of communities – density, economy, geography, and culture. The service delivery area must be manageable for the contractor and accessible to all families and providers. We see evidence how the current distribution, locations, and responsibilities of the Regional Key Networks make it challenging in some regions to promote, provide, and connect providers with the community-based supports they need due to the Regional Key's lack of understanding of geography, weather, resources, community, and culture. The further removed from the Regional Key's location, the fewer and more challenging it is for providers to access services.

The ELRCs must be more than integrating services and enhancing efficiencies. It must be about *maximizing resources and relationships*, building off the existing and experienced CCIS network to create comprehensive, coordinated partnerships to ensure accurate, up-to-date early care and education information and supports are readily available and easy to access for both families and providers.

ELRCs were an opportunity to engage new partners in support of quality early care and education (ECE); to provide businesses with vehicles to support ECE; and create access to and leverage local private with public resources to supplement our statewide efforts. From experience, PACCA knows the challenges for entities not based in the community to leverage resources to match and supplement public resources and funding locally.

PACCA fears this new delivery system threatens vital services to low-income working families. It potentially undermines the progress we have made in engaging child care providers in quality improvement activities without additional, significant financial support. We have an opportunity in this system revision to create responsive and supportive services for families, providers, and communities.

For more than 40 years, PACCA has helped to inform, update and represent child care providers on existing and changing laws, regulations, policies, and research relating to early education and child care. We urge DHS to suspend the current procurement process for the ELRCs which PACCA is deeply concerned will detrimentally impact families' and provider's self-sufficiency and does not allow for successful transition and system change. Thank you for your consideration.

Regards,



Diane P. Barber  
Executive Director

CC: OCDEL Deputy Secretary Suzann Morris