

Statement for the Record
Roundtable: Ending Hunger in America:
The Role of Schools in Ending Hunger and Improving Nutrition

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Enhancing CACFP for Equitable Access to Healthy Meals and Healthy Futures for Young
Children

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Chairman McGovern, Ranking Member Cole, Rules Committee Members, and my fellow distinguished panelists: I am honored to have the opportunity to speak before you today. I am Reynaldo Green, President of the National CACFP Forum, a leading national CACFP organization working to strengthen and expand CACFP to underserved communities and to maximize the utility of CACFP to address the worsening inequities for children in the U.S. I am also the Vice-President of Nutrition and Family Well-Being, at Quality Care for Children, a statewide nonprofit child care organization and CACFP sponsor located in Atlanta, Georgia.

I sincerely appreciate Chairman McGovern, Ranking Member Cole, the Rules Committee's leadership and commitment to ending hunger both during COVID-19 and in normal times.

We are at a critical juncture to strengthen the Child and Adult Care Food Program (CACFP) through Child Nutrition Reauthorization. Strengthening and streamlining access to CACFP is fundamental to the success of Congressional efforts to expand quality child care to support working families. This will allow us to continue the original intent of the program: To address hunger and improve the nutritional well-being of millions of children in child care and afterschool programs across this country.

The CACFP Landscape

The Child and Adult Care Food Program (CACFP) uses federal dollars to provide nutritious meals and snacks to low-income children in child care centers, family child care homes and afterschool programs. CACFP is very important – both in terms of the number of children it serves and its positive impact on young children in child care. Nationwide, preschoolers are

consuming diets too high in calories, saturated fat, and sweets but regrettably too low in fruits, vegetables, whole grains, and low-fat dairy. The healthy food provided by CACFP, of course, makes a substantial contribution towards meeting the nutritional needs of children in child care, particularly low-income children. The program also helps to assure that children in child care receive good nutrition through ongoing training, technical assistance and support. CACFP is very critical to children's success when they transition to the meals offered in elementary school.

Food insecurity, poor nutrition and overweight and obesity disproportionately affects low-income children both before and during COVID-19. In the recent USDA report, the food insecurity rate for households with children was 15.3 percent. Existing inequities have been exacerbated by COVID-19, 21.7 percent for Black and 17.2 percent for Latinx households were food insecure in 2020. Intervening in early childhood and providing good nutrition and high quality child care programming is critically important to ensuring children are ready to learn when they enter kindergarten. By paying for these nutritious meals and snacks for eligible children enrolled at participating child care centers, family child care homes and afterschool programs, CACFP plays an important role in supporting working parents by both improving the quality of child care programs and also in making them more affordable for low-income parents.

In 2020, CACFP provided high-quality nutrition and learning experiences for over 4.1 million children in child care each working day: more than two-thirds of them in child care centers including afterschool programs, and the rest in family child care homes. Nearly \$3 billion in federal reimbursements for meals and snacks is distributed to child care centers and homes each year. The program plays a vital role in improving the quality and affordability of child care for many families with low-incomes. However, there are thousands of child care programs across the nation that do not participate in CACFP due to systemic barriers. Over half of the family child care homes operate without CACFP support for healthy meals. Although participation among child care centers has increased, not all eligible children have access to the program. In one study, researchers found that 60 percent of randomly sampled, non-participating centers were located in areas where the median household income was below the federal poverty level.

Many child care programs do not participate in CACFP because: (1) the benefits are inadequate; (2) the program is wrought with burdensome paperwork; and (3) the losses and penalties are too detrimental to child care programs that operate on razor-thin margins. The brunt of these barriers disproportionately impacts both communities of color and providers with fewer resources, contributing to gross inequities in child care quality and nutrition.

Child Nutrition Reauthorization Recommendations for CACFP

The Forum believes equity in CACFP can be achieved if we remove systemic barriers that often give advantages to better-resourced programs. The upcoming reauthorization of the child nutrition programs provides an opportunity to make much-needed improvements to increase

CACFP access and strengthen CACFP's role in supporting good health and nutrition through the following recommendations:

- **Allow child care centers and homes the option of serving an additional meal (typically a snack or supper), as was previously allowed.** National child care standards, based on the best nutrition and child development science, specify that young children need to eat small healthy meals and snacks on a regular basis throughout the day. Many children are in care for more than eight hours per day as their parents work long hours to make ends meet, so they rely on child care providers to meet a majority of their nutrition needs. Previously, child care providers could receive funding for up to four meal services – most commonly two meals and two snacks. Congress cut out one meal service to achieve budget savings. This penny-wise and pound-foolish step harms children's nutrition and health and weakens child care. We should restore CACFP support to the full complement of meals and snacks young children need and stop short-changing young children at a time when they, and their families can least afford it.
- **Allow annual eligibility for proprietary (for-profit) child care centers.** Many of these child care centers are small, independent "Mom and Pop" operations that provide much-needed child care and afterschool programs to low-income children in underserved areas. Proprietary child care centers are eligible to participate in CACFP if at least 25 percent of the children they serve are living in low-income households. Unfortunately, USDA requires these child care centers to document institutional eligibility *every month* rather than the *annual eligibility* allowed for other centers and homes. This creates unnecessary and substantial paperwork and administrative burdens.

No-Cost Recommendations:

- **Streamline program requirements, reduce paperwork, and maximize technology to improve program access.** This can be accomplished through a variety of proposals which will improve CACFP's ability to reach low-income families and improve equity by streamlining program operations, increasing flexibility, maximizing technology and innovation to reduce parent paperwork, and allowing sponsors and providers to operate most effectively. These include the following recommendations:
 - Modernize applications, eliminate normal days and hours on forms,

- Allow the use of electronic data collection and virtual visit systems following all the required federal CACFP standards, and
- Support sponsoring organizations' ability to mediate and fix problems through improvements to the serious deficiency process.

Reducing CACFP paperwork and rules will increase the power of CACFP to address inequity. When confronted with the complex CACFP paperwork requirements, many providers choose not to participate because they can't be assured of receiving reimbursements for their work and if they make paperwork errors the consequences can be severe. It is easier just to resort to serving cheaper, less nutritious meals and operate without the CACFP standards, oversight, and required paperwork. It is not uncommon for providers to forgo offering even the less costly meals and simply let children rely on food sent from home. Research has consistently shown that food brought from home is far less nutritious than the meals and snacks that children receive through CACFP.

The federal requirement for a CACFP specific additional enrollment form with normal days and hours in care has become a significant administrative burden and a barrier to participation in underserved communities. Requiring normal days and hours of care is based on outdated assumptions that parents work regular and consistent hours. Now, more than ever, many low income families work a wide variety of shifts which may change from week to week. Many states require forms to be updated to reflect each change, creating a paperwork burden for both the parent and the provider. There have been many cases where child care providers and sponsors have been required to payback substantial reimbursements for meals served and, in some cases, were terminated from the program, due to these outdated assumptions. If a child care provider is terminated from CACFP they are then barred from participating in a broad range of other government programs. This outdated and unnecessary requirement discourages participation by creating the risk of losing payment for healthy meals served to children in care and the risk of being terminated from the program losing the right to participate in a range of other important government programs.

Additional Cost Recommendations:

- **Make permanent the elimination of the area eligibility test to streamline access to healthy meals for young children in family child care homes.** Currently, under the COVID-19 waiver, all family child care homes qualify for highest reimbursement rate. This eliminates the usual area eligibility requirement that requires an area meet a 50 percent low-income threshold. This threshold is not an effective mechanism, it misses many providers serving low-income children. This is especially

true in rural and suburban areas which do not typically have the same pattern of concentrated poverty seen in urban areas. In addition, the area eligibility test completely bypasses providers and families struggling in high cost-of-living areas. Making the elimination of the area eligibility test permanent would bring more child care providers who serve low-income children into CACFP, and many more children in need would receive healthy CACFP meals and snacks.

- **Increase CACFP reimbursements to stem participation declines.** Cost is one of the most commonly cited barriers to providing healthier foods. Increasing the availability and consumption of fruits and vegetables, whole grains, and lower-fat dairy products among young children in child care is absolutely essential to improve development, promote health and prevent obesity at exactly the time – early childhood – when it can have the most long-term effect. This effort needs to be supported by adequate meal reimbursements. Higher reimbursements will assure that more children participate in CACFP, both attracting more child care centers and helping to stem the loss of family child care providers.
- **Enhance program reimbursements to support CACFP sponsoring organizations.** Sponsor's administrative reimbursement rates should be brought to the level necessary to cover costs of administering the program. Access to healthy meals is threatened by the breakdown in the network of CACFP sponsors, the non-profit community-based organizations supporting the participation of family child care homes in CACFP. Many sponsors were unable to make ends meet due to high program costs and the loss of economies of scale as providers dropped out of the program, leading to a significant decrease in the number of sponsors in the last dozen years. Access to healthy meals particularly in rural areas, is threatened by the breakdown in the network of CACFP sponsors, the non-profit community-based organizations supporting the participation of family child care homes in CACFP.

CACFP During COVID-19

The National CACFP Forum wishes to thank Congress for the emergency funding to CACFP sponsors, centers, homes, and afterschool programs included in the American Rescue Plan Act. This funding will help cover operating-cost deficits that were created by shutdowns, as well as a shift in services, which occurred during the first three and a half months of COVID-19. This important provision in the American Rescue Plan Act is crucial to maintaining the infrastructure and financial viability of program operators and administrators. The value of the

emergency funds CACFP in the first three and a half months of COVID is worth approximately a quarter of a million dollars.

Emergency funding was vital based on the most recent data available from USDA that reveals during the first year of COVID-19 (March 2020 through February 2021), CACFP served 590 million fewer meals, a 30.5percent decrease, compared to the prior year . As a result, CACFP child care providers' reimbursements decreased by \$811 million (24.6 percent). Yet, CACFP remained a vital source of support for many children and their families by providing nutritious onsite and "grab and go" meals through helpful waivers authorized by Congress.

Conclusion

When children miss out on CACFP meals and snacks, it strains family budgets, contributing to food insecurity. To reach more families with CACFP and to strengthen its positive effects on good nutrition, quality child care, and supporting working parents, the National CACFP Forum urges Congress to act on our priority recommendations - improving the adequacy of benefits by allowing another meal or snack for children in a full day of care, making proprietary care eligibility consistent with other federal nutrition programs by allowing yearly verification, and eliminating overly burdensome and outdated paperwork - in addition to our other important recommendations including increased reimbursement rates for providers and sponsors, area eligibility, and making permanent area eligibility waivers..These changes are crucial to ensuring that children are ready to learn when they start kindergarten.