

922 KAR 2:210. STARS for KIDS NOW Program for Type II licensed and certified family child-care homes.

RELATES TO: KRS Chapter 13B, 199.894, 199.8941, 199.8943, 199.896(4), 199.8982, 199.990, 42 U.S.C. 601-619, 45 C.F.R. 98
STATUTORY AUTHORITY: KRS 194A.050(1), 199.8941(1), 199.8943(2)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.050(1) requires the Secretary of the Cabinet for Health and Family Services to promulgate administrative regulations necessary under applicable state laws to protect, develop, and maintain the health, personal dignity, integrity, and sufficiency of the individual citizens of the Commonwealth. KRS 199.8943(2) requires the Cabinet for Health and Family Services to promulgate an administrative regulation that implements a voluntary quality-based graduated child care rating system for family child-care homes; agency time frames for review of quality ratings; an appeals process under KRS Chapter 13B; and a process for the reevaluation of quality ratings. KRS 199.8941(1) requires the Early Childhood Development Authority to develop a program of monetary incentives tied to participation in a quality rating system. This administrative regulation establishes criteria for implementation of the voluntary quality rating system for Type II licensed child-care centers and certified family child-care homes and establishes the amount of each monetary incentive awarded to a participant in the STARS for KIDS NOW Quality Rating Program.

Section 1. Definitions. (1) "Anniversary date" means the approval date on a STARS for KIDS NOW quality rating certificate.

(2) "Assistant" means a person:

- (a) Who meets the requirements listed in 922 KAR 2:100, Sections 2(4) and 9(7), (8), (9); and
- (b) Who works either paid or unpaid.

(3) "Commonwealth Child Care Credential" means a certificate of completion of sixty (60) clock hours of instruction from a state agency-approved organization in accordance with 922 KAR 2:250.

(4) "Environment assessment" means one (1) of four (4) rating scales designed to assess the process quality in an early childhood or school age care group, and consists of the following items to evaluate:

- (a) Physical environment;
- (b) Basic care;
- (c) Curriculum;
- (d) Interaction;
- (e) Schedule and program structure; and
- (f) Parent and staff education.

(5) "Family child-care home" means a certified family child-care home as defined by KRS 199.8982 and KRS 199.894(5).

(6) "Parental or family participation" means a Type II center or family child-care home's provision of information or inclusion of a parent or custodian in the Type II center or family child-care home's activities, such as:

- (a) Distribution of a newsletter;
- (b) Distribution of a program calendar;
- (c) A conference between the Type II center or family child-care home and a parent or custodian; or
- (d) Other activity designed to engage a parent or custodian in the program's activities.

(7) "STARS for KIDS NOW Program" or "STARS" means the voluntary quality-based graduated childcare rating system established by KRS 199.8943(1).

(8) "Type II child-care center" means the primary residence of the licensee in which child care is regularly provided for at least seven (7), but not more than twelve (12) children, including children related to the licensee.

Section 2. Application. (1) A Type II center or a family child-care home may:

- (a) Apply to participate in the STARS program after six (6) months from the date of initial licensure or certification; and
- (b) Achieve a quality rating certificate of Level 1 through Level 4.

(2) If an applicant seeks participation in STARS as a Level 1 quality rating certificate:

(a) The applicant shall complete a:

- 1. "DCC-400, Level 1 Rating Certificate Application"; and
- 2. "DCC-401, STARS for KIDS NOW-Level 1 Standards Check List"; and

(b) The cabinet or its designee shall verify on the DCC-401 the applicant's documented compliance with the Level 1 requirements described in Section 3 of this administrative regulation.

(3) If an applicant seeks a Level 2, 3, or 4 quality rating certificate, the:

(a) Applicant shall complete a DCC-401, and DCC-405, STARS for KIDS NOW Rating Visit Request Form"; and

(b) Cabinet or its designee:

- 1. Shall contact the applicant within fifteen (15) working days to schedule a STARS rating visit, upon receipt of a completed DCC-401 and DCC-405;
- 2. And the applicant shall agree to a two (2) week time period for the STARS rating visit to occur; and
- 3. Shall issue to an approved applicant, within sixty (60) calendar days from the date of the STARS rating visit, a quality rating certificate that shall:
 - a. Be valid for a period specified in Section 11(3) of this administrative regulation; and
 - b. Specify the rating level approved for the Type II center or family child-care home.

(4) For the purpose of redetermining the Type II center's or family child-care home's rating, a participant in the STARS Program may request, at least six (6) months after issuance of a quality rating certificate, another rating visit.

(5) A Type II center or family child-care home applying or participating in the STARS program shall:

(a) Not have an immediate closure, denial of relicensure or recertification, suspension, or revocation action against the Type II center's license or home's certificate; and

(b) Pay any civil penalty levied against the Type II center or family child-care home if the:

- 1. Right to appeal a civil penalty has been waived; or
- 2. Civil penalty has been upheld on appeal.

Section 3. Level 1 Quality Rating Certificate Requirements. (1) A Type II center or family child-care home:

(a) Shall not be allowed to hold a Level 1 quality rating certificate for more than two (2) years; and

(b) May reapply for participation six (6) months after expiration of the Level 1 quality rating certificate.

(2) A Type II center or family child-care home participating in STARS and holding a Level 1 quality rating certificate shall:

(a) Post prominently in the home, and maintain compliance with the:

- 1. Capacity requirements established in 922 KAR 2:100, Section 10, if the STARS participant is a family child-care home; or
- 2. Following staff-to-child ratios if the participant is a Type II center:

Type II center	
Age of Children	Ratio
Birth to 1 year	1:5
1 to 2 years	1:6
2 to 3 years	1:10
3 and older	1:12

(b)1. In the case of a family child-care home, comply with the requirements set forth in 922 KAR 2:100; or

2. In the case of a licensed Type II center, comply with the requirements established in:

- a. 922 KAR 2:090, Child care center licensure;
 - b. 922 KAR 2:110, Child care facility provider requirements; and
 - c. 922 KAR 2:120, Child care facility health and safety standards;
- (c) Attend an overview of STARS prior to program participation;

- (d) Agree to an environment assessment under the following conditions:
1. The Type II center or family child-care home shall conduct the environmental assessment within the first twelve (12) months of participation in the program, and may request assistance from the cabinet or its designee.;
 2. The Type II center or family child-care home shall not be required to achieve a specific score on the environment assessment; and
 3. Upon completion of the environment assessment during the second year of certification at a Level 1 quality rating, the Type II center or family child-care home shall develop a written plan for improved performance in each area identified by the environment assessment as needing improvement, and may request assistance from the cabinet or its designee;
- (e) Post in a prominent area, the Type II center or family child-care home's:
1. Planned program of activities; and
 2. Daily schedule;
- (f) Coordinate at least one (1) annual activity involving parental or family participation;
- (g) Maintain a written child care agreement with each child's parent or custodian, including the name of each person designated by the parent to pick up the child;
- (h) Maintain a written description of services that includes:
1. Current rates for child care;
 2. Hours of operation;
 3. A plan for daily communication with each child's parent or custodian; and
 4. Policy regarding:
 - a. Late fees;
 - b. Holidays;
 - c. Vacation;
 - d. Illness; and
 - e. How an arrangement shall be made for an individual, other than one (1) previously designated by the parent, to pick up a child;
- (i) Comply with 922 KAR 2:160, Child Care Assistance Program (CCAP); and
- (j) In the case of a:
1. Family child-care home, develop and implement a written plan for obtaining annual training required by KRS 199.8982(2); or
 2. Type II center, develop and implement a written annual plan for obtaining training for each employee, including the licensee.

Section 4. Level 2 Quality Rating Certificate Requirements. A Type II center or family child-care home participating in STARS and holding a Level 2 quality rating certificate shall:

- (1) Meet the requirements of Sections 2(3) and 3(2)(a) through (c), (e), and (g) through (j) of this administrative regulation;
- (2) Coordinate at least two (2) annual activities that involve parental or family participation;
- (3) Provide documentation of a written plan for parental or family involvement;
- (4) Achieve an average score of at least three (3) on the environment assessment portion of the STARS rating visit, except as required by subsections (6) and (7) of this section;
- (5) If the Type II center or family child-care home achieves an average score of three (3) on the environment rating scale portion of the STARS rating visit, develop a written plan for improved performance on subsequent environment assessment, and obtain assistance from the cabinet or its designee upon request;
- (6) Achieve an average score of at least four (4) on the environment assessment portion of the STARS rating visit by the fourth year of certification at a Level 2 quality rating;
- (7) Maintain an overall average score of four (4) on the environment assessment portion of the STARS rating visit for each year beyond the fourth year of certification at a Level 2 quality rating;
- (8) Review and sign the "DCC-402, STARS for KIDS NOW-Level 2 Standards Checklist" during the STARS rating visit;
- (9) Ensure that at least one (1) person on duty is certified in infant and child:
 - (a) Cardiopulmonary resuscitation; and
 - (b) First aid;
- (10) Meet the training requirement as follows:
 - (a) A family child-care home, complete nine (9) clock hours of early care and education training approved by the cabinet or its designee annually; or
 - (b) A Type II center shall have the licensee and each staff person annually complete fifteen (15) clock hours of early care and education training approved by the cabinet or its designee.
- (11) In the case of a Type II center, comply with the provisions of:
 - (a) 11 KAR 16:040, Early Childhood Development Scholarship Program recordkeeping requirements; and
 - (b) 11 KAR 16:060, Early Childhood Development Scholarship Program system of monetary incentives; and
- (12) Provide proof that a recordkeeping system is maintained, including:
 - (a) Documentation of child care business expenses; and
 - (b) Income from the business.

Section 5. Level 3 Quality Rating Certificate Requirements. A Type II center or family child-care home participating in STARS and holding a Level 3 quality rating certificate shall:

- (1) In the case of a:
- (a) Family child-care home, have an assistant if the home cares for at least six (6) children and more than three (3) are infants or children under the age of twenty-four (24) months; or
 - (b) Type II center, meet the following staff-to-child ratios:

Age of Children	Ratio
Birth - 1 year	1:4
1 to 2 years	1:5
2 to 3 years	1:8
3 and older	1:12

- (2) Meet the requirements of Sections 2(3) and 3(2)(b), (c), and (e), (g) through (j) of this administrative regulation;
- (3) Coordinate at least three (3) annual activities involving parental or family participation;
- (4) Achieve an average score of at least 4.5 on the environment assessment portion of the STARS rating visit;
- (5) Achieve a score of at least five (5) on the environment assessment portion of the STARS rating visit pertaining to the use of television;
- (6) Review and sign the "DCC-403, STARS for KIDS NOW-Level 3 Standards Checklist" during the STARS rating visit;
- (7) Meet the requirements of Section 4(3), (9), (11), and (12) of this administrative regulation;
- (8) Provide each parent or custodian with a:
 - (a) Written daily report for a child under two (2) years of age; and
 - (b) Handbook containing a description of Type II the center or family child-care home's policies; and
- (9) Meet the training requirement as follows:
 - (a) A certified family child-care home operator shall:
 1. Complete eighteen (18) clock hours of early care and education training approved by the cabinet or its designee annually; or
 2. Complete nine (9) clock hours of early care and education training approved by the cabinet or its designee and have one of the following:
 - a. A Commonwealth Child Care Credential;
 - b. A Child Development Associates Credential;
 - c. A Director's Credential or an equivalent credential approved by the Early Childhood Development Authority;

- d. A Montessori Certificate;
- e. An associate degree or higher level of education in:
 - (i) Interdisciplinary early childhood education;
 - (ii) Early childhood special education;
 - (iii) Early childhood education;
 - (iv) Early child care and education;
 - (v) Elementary education for teaching kindergarten through fourth grade, if caring for school-age children; or
 - (vi) A related degree approved by the Early Childhood Development Authority;
- 3. By the fourth year of participation in the STARS Program, have obtained a Child Development Associate's Credential or higher level of education as specified in subparagraph 2b through e of this paragraph; and
- 4. Ensure that each assistant has:
 - a. Attended basic orientation training; and
 - b. Obtained six (6) hours of early care and education training approved by the cabinet or its designee annually.
- (b) A Type II center shall:
 - 1. Ensure that each staff person:
 - a. Completes eighteen (18) clock hours of early care and education training approved by the cabinet or its designee annually; or
 - b.i. Has a higher level of education described in paragraph (a)2a through e of this subsection; and
 - ii. Completes fifteen (15) clock hours of early care education training approved by the cabinet or its designee annually;
 - 2. Ensure that the director:
 - a. Completes twenty-one (21) clock hours of early care and education training approved by the cabinet or its designee annually; or
 - b.i. Has a higher level of education as specified in paragraph (a)2a through e of this subsection; and
 - ii. Completes eighteen (18) clock hours of early care and education training approved by the cabinet or its designee annually; and
- 3. By the fourth year of participation in STARS, have obtained a Child Development Associate's Credential or higher level of education as specified in paragraph (a)2b through e of this subsection.

Section 6. Level 4 Quality Rating Certificate Requirements. A Type II center or family child-care home participating in STARS and holding a Level 4 quality rating certificate shall:

- (1) Not exceed nine (9) children if a certified family child-care home;
- (2) Meet the requirements of Section 3(2)(b) (c), (e), and (g) through (j) of this administrative regulation;
- (3) Coordinate at least four (4) annual activities involving parental or family participation;
- (4) Meet the requirements of Sections 2(3), 4(3), (9), (11), and (12) of this administrative regulation;
- (5) Meet the requirements of Section 5(1), (6), (8), and (9) of this administrative regulation;
- (6) Achieve an average score of at least 5.5 on the environment- assessment portion of the STARS rating visit;
- (7) Review and sign the "DCC-404, STARS for KIDS NOW-Level 4 Standards Checklist";
- (8) Be accredited by:
 - (a) The National Association for Family Child Care; or
 - (b) An organization approved by the Early Childhood Development Authority;
- (9) Show proof of membership in an early childhood professional organization that has national, multi-state, regional, or statewide affiliation; and
- (10) Meet the following relevant training requirement:
 - (a) A Type II center director or family child-care home operator shall:
 - 1. Have a higher level of education as specified in Section 5(9)(b)2 or 3 of this administrative regulation; and
 - 2. Complete the Director's Credential or an equivalent credential approved by the Early Childhood Development Authority; and
 - (b) Each staff person employed by a Type II center shall:
 - 1. Complete twenty-one (21) clock hours of early care and education training approved by the cabinet or its designee annually; or
 - 2. Have a higher level of education as specified in Section 5(9)(b)2 or 3 of this administrative regulation.

Section 7. STARS Achievement Awards. To the extent that funds are available, the cabinet shall pay achievement awards to qualified STARS participants.

- (1) A STARS achievement award shall be awarded to a Type II center or family child-care home:
 - (a) The first time the Type II center or family child-care home achieves a STARS level, according to the following chart:

Level 1	Level 2	Level 3	Level 4
\$100	\$250	\$500	\$1,000

; and

- (b) The first time and each subsequent time the Type II center or family child-care home achieves a higher STARS level for that center or house, for each STARS level up to and including the approved STARS level.
- (2) A Level 3 or 4 Type II center or family child-care home that continues to be a STARS rated provider shall be eligible for an annual achievement award during the month of their anniversary date as follows:
 - (a) \$250 per year for a Level 3; or
 - (b) \$500 per year for a Level 4.

Section 8. Quality Incentive Awards. To the extent funds are available, the cabinet shall pay quality incentive awards to qualified STARS participants.

- (1) A Level 1 STARS rated Type II center or family child-care home shall not be eligible to receive a quality incentive award.
- (2) A quality incentive award shall be calculated and paid for each child served by the Child Care Assistance Program as described in 922 KAR 2:160.
- (3) The following chart shall be used when calculating the amount of a quality incentive award:

STARS Level	Amount per month per child under age three (3)	Amount per month per child age three (3) and over
Level 2	\$10	\$9
Level 3	\$14	\$13
Level 4	\$17	\$16

- (4) A quality incentive award shall be paid to a qualified STARS participant annually.

Section 9. Enhancement Award. To the extent funds are available, the cabinet shall pay enhancement awards to qualified STARS participants.

- (1) A Level 4 Type II center or family child-care home shall be eligible for an annual enhancement award of \$500 during the month of its anniversary date if the Type II center or family child-care home:
 - (a) Achieves an average score above 5.5 (five and five-tenths) on the environment assessment; and
 - (b) Completes the DCC-404E, STARS for KIDS NOW-Level 4 Enhanced Standards Checklist.

Section 10. Interim Report. (1) Except during a renewal year, a STARS level 2, 3, or 4 Type II center or family child-care home shall complete and submit to the cabinet or its designee prior to the anniversary date a:

- (a) DCC-413, STARS for KIDS NOW Interim Report Standards Documentation; and
- (b) DCC-414, STARS for KIDS NOW Interim Report Staff Training Documentation, for each staff person.

(2) The cabinet or its designee shall notify a participating Type II licensed or certified family child-care home of requirements in subsection (1) of this section at least ninety (90) calendar days prior to the anniversary date.

Section 11. Renewal of a Quality Rating Certificate. (1) The cabinet or its designee shall notify a participating Type II center or family child-care home at least ninety (90) calendar days before expiration of the center or home's quality rating certificate.

(2) A participating Type II center or family child-care home shall submit a DCC-405 written request to the cabinet or its designee for a quality rating visit at least sixty (60) calendar days prior to expiration of the quality rating certificate.

(3) A quality rating certificate shall be renewed by a quality rating visit:

- (a) Annually for a Level 1 rated Type II center or family child-care home;
- (b) Every two (2) years for a Level 2 rated Type II center or family child-care home;
- (c) Every three (3) years for a Level 3 rated Type II center or family child-care home; and
- (d) Every four (4) years for a Level 4 rated Type II center or family child-care home.

Section 12. Conditions Requiring Reevaluation. (1) Reevaluation of a participating Type II center or family child-care home's quality rating certificate and associated level shall be conducted if the:

- (a) Location of the Type II center or family child-care home changes;
 - (b) Type II center or family child-care home requests a reevaluation in accordance with Section 2(4) of this administrative regulation;
 - (c) Cabinet or its designee determines a need to reassess the Type II center or the family child-care home's STARS participation or quality rating certificate level due to reports or findings related to a reduction in the Type II center or family child-care home's quality of care or services; or
 - (d) Type II center or family child-care home fails to complete requirements in Section 10(1) of this administrative regulation.
- (2) A decrease in level rating due to a re-evaluation shall reduce the basis of awards in Sections 7, 8, and 9 of this administrative regulation.

Section 13. Conditions Requiring Revocation. (1) A Type II center or family child-care home's quality rating certificate shall be revoked for:

- (a) Closure pursuant to KRS 13B.125, 199.896(4), or 199.8982(1)(f);
 - (b) Denial of recertification or relicensure;
 - (c) A pending suspension or revocation action taken against the Type II center or family child-care home's certificate or license to operate;
 - (d) Failure to comply with the requirements of 922 KAR 2:160;
 - (e) Failure to:
 1. Comply with payment of a civil penalty levied against the Type II center or family child-care home, if:
 - a. The Type II center or family child-care home waived the right to appeal the civil penalty; or
 - b. The civil penalty has been upheld on appeal; or
 2. Make payment arrangements for a civil penalty within sixty (60) days and comply with that arrangement; if:
 - a. The Type II center or family child-care home waived the right to appeal the civil penalty; or
 - b. The civil penalty has been upheld on appeal;
- (f) Two (2) or more civil penalties levied against the Type II center or family child-care home in the previous twelve (12) months, in accordance with KRS 199.990; or
- (g) A change in ownership.
- (2) Upon revocation of a quality rating certificate, payment shall cease for:
- (a) A quality incentive award;
 - (b) An enhancement award; and
 - (c) An annual achievement award.

Section 14. Quality Rating Certificate. A quality rating certificate shall be returned to the cabinet or its designee if:

- (1) The certificate is revoked;
- (2) The certificate is not renewed; or
- (3) The Type II center or family child-care home voluntarily withdraws from the STARS.

Section 15. Appeals. (1) If the cabinet or its designee determines that a participating Type II center or family child-care home does not meet the rating level standards for which it is certified, the Type II center or family child-care home shall:

- (a) Accept a lower rating level; or
 - (b) Request an administrative hearing in accordance with 922 KAR 1:320, Section 2(11).
- (2) Payment of an award in Section 7, 8, or 9 shall be held in abeyance pending resolution of appeal of a reduced quality rating certificate level.
- (3) If denial, suspension, or revocation of a Type II center or family child-care home's certificate or license to operate is reversed upon appeal, the:
- (a) Type II center or family child-care home may reapply for participation in the STARS program; or
 - (b) Cabinet may reinstate a Type II center or the family child-care home's STARS quality rating certificate and associated level if the:
 1. Type II center or family child-care home submits a request for reinstatement; and
 2. Type II center's or family child-care home's STARS quality rating certificate and licensure has not expired.

Section 16. Incorporation by Reference. (1) The following material is incorporated by reference:

- (a) "DCC-400, Level 1 Rating Certificate Application", edition 9/06;
 - (b) "DCC-401, STARS for KIDS NOW-Level 1 Standards Checklist", edition 1/08;
 - (c) "DCC-402, STARS for KIDS NOW-Level 2 Standards Checklist", edition 1/08;
 - (d) "DCC-403, STARS for KIDS NOW-Level 3 Standards Checklist", edition 1/08;
 - (e) "DCC-404, STARS for KIDS NOW-Level 4 Standards Checklist", edition 1/08;
 - (f) "DCC-404E, STARS for KIDS NOW-Level 4 Enhanced Standards Checklist", edition 01/08;
 - (g) "DCC-405, STARS for KIDS NOW-Rating Visit Request Form", edition 07/06.
 - (h) "DCC-413, STARS for KIDS NOW Interim Report Standards Documentation", edition 01/08; and
 - (i) "DCC-414, STARS for KIDS NOW Interim Report Staff Training Documentation", edition 01/08.
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