



CABINET FOR HEALTH
AND FAMILY SERVICES

Child Care Update

Senate Standing Committee on Families & Children

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Secretary, Cabinet for Health and Family Services

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Investments to Child Care

Additional Funding

- CARES \$67.7M
- CRRSA \$192.5M
- ARPA \$763M
 - Stabilization \$470M
 - Discretionary \$293M
- State Funds \$76M
 - Family copays \$26M
 - Stabilization \$50M

Services

- CARES : Sustainment payments, cleaning stipends, and hero bonuses (liquidated by 9/30/2023)
- CRRSA: Sustainment payments, background check fees, training and technical assistance (CPR/first aid and trauma-informed care and resiliency) (liquidated by 9/30/2023)
- ARPA:
 - Increased CCAP reimbursement rate
 - Increased CCAP eligibility threshold making more families eligible
 - Increased add-on incentives for those providing care to children with special needs; providing care during non-traditional hours; and program who are accredited
 - Offered start-up grants for center based and family child care programs
 - Offered public preschool partnership grants
 - Piloted an infant and toddler contracted slots program
 - Provided an array of training opportunities at no cost
 - Increased scholarships to those employee in child care settings
 - Offered technology grants to assist programs with administration
 - Offering free access to a child care management system
 - Supported registered apprenticeship programs
 - Stabilization payments liquidated by 9/30/2023, other funding liquidated by 9/30/2024

Annual cost to maintain Child Care Investments

\$200M	Recurring quarterly sustainability payments
\$40M	Increased provider reimbursement rates (80 th percentile of the Market Rate Study)
\$40M	Increased CCAP eligibility threshold (200% of the federal poverty guidelines)
\$20M	Facility reimbursement based on CCAP enrollment versus attendance
<u>\$30M</u>	Income exclusion for child care facility staff
<u>\$330M</u>	Total

Governor's Budget Request for Child Care

- \$40M each fiscal year to retain provider reimbursement rates at current level
- \$35M over biennium to increase reimbursement rates to child care providers specifically for the care of children ages 0 through 3 not eligible for the Child Care Assistance Program (CCAP)
- \$172M each fiscal year to finance universal preschool education for all four-year old children

Universal Preschool

Benefits

- Access to:
 - Transportation services
 - Family Resource and Youth Service Centers (FRYSC)
 - School nurses
 - Nutritional services
 - Intervention staff
 - Afterschool services
 - Access to extracurricular activities
- Improves kindergarten readiness