



State Early Childhood Development Coordinating Council

November 2023

Agenda

- Welcome
- Restarting Medicaid Renewals
- HealthCare4ChildCare
- Results from 2022-23 Early Development Instrument (EDI)
- Fiscal Year 2024 (FY24) Early Childhood Educator Pay Equity Fund
- Office of the State Superintendent of Education's (OSSE's) 2023 Cost Model Analysis
- Announcements and Public Comment
- Next Steps



Restarting Medicaid Renewals



Restarting Medicaid Renewals: DHCF Update

SECDCC Meeting

Department of Health Care Finance

November 15, 2023



Reminder: Medicaid Beneficiaries Are Renewing Their Coverage for the First Time in 3+ Years

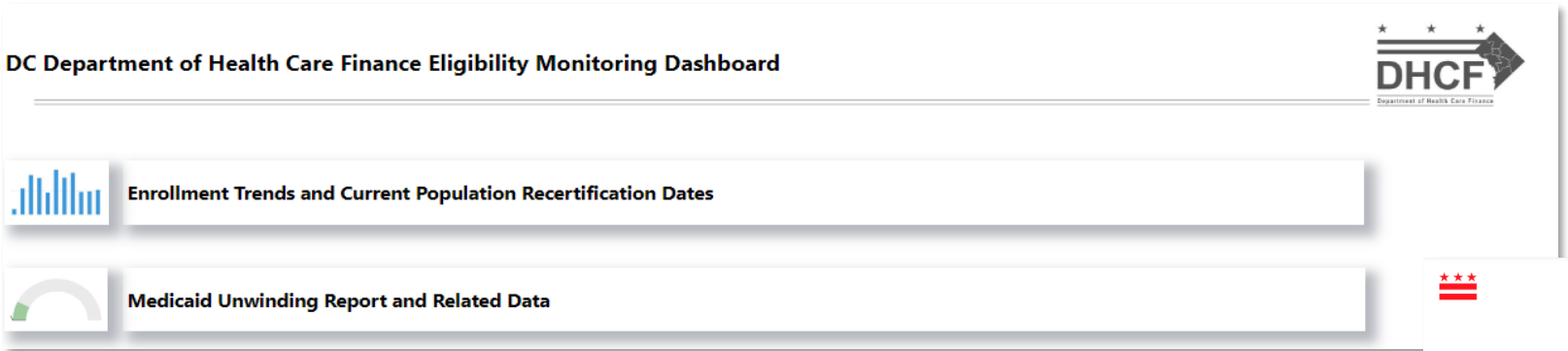


- In March 2020, CMS temporarily waived the need to renew Medicaid coverage and states received a 6.2% financial boost to accommodate the increased enrollment.
- Medicaid enrollment increased 20% since the start of the public health emergency
- At the end of 2022, Congress passed legislation ending the continuous eligibility requirement on March 31, 2023.
- The District restarted Medicaid eligibility **renewals beginning April 1, 2023**. (Alliance and Immigrant Children's Program renewals started in July 2022) and *more than half of all beneficiaries have received notices for renewal*

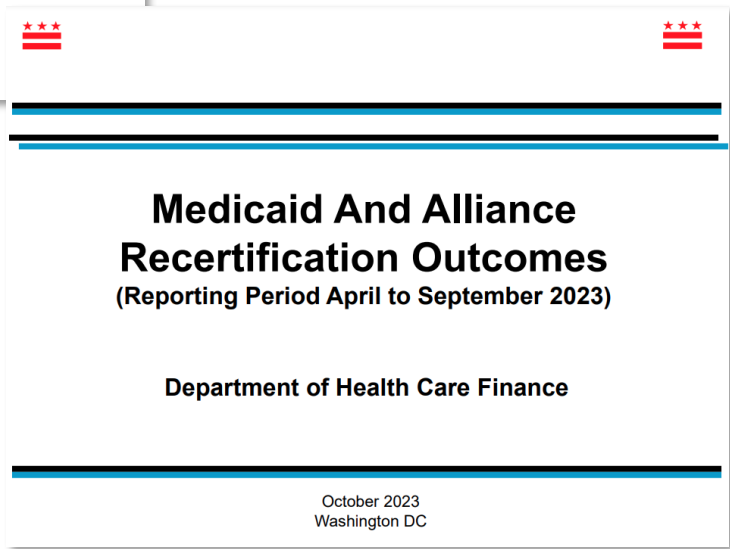
★★★ DC Medicaid Renewal Data is Publicly Available and Regularly Updated on the DHCF Website



- **Dashboard data** at <https://dhcf.dc.gov/eligibilitydashboard> is as of October 23. For an overview, see 10/25/2023 community [meeting materials](#).



- DHCF recently released its **fourth report on Medicaid redeterminations** at <https://dhcf.dc.gov/medicaid-renewal>. The monthly reports summarize information from the dashboard but also provide additional detail on characteristics of beneficiaries whose coverage was renewed, those who have not responded, and pending renewal timing.





What Can Stakeholders Say to Beneficiaries? *Don't Wait to Update!* *Then Check Mail for Important Information!*



What Beneficiaries Can Do Right Now

- Don't Wait to Update!: Update your contact information by logging into District Direct. If DHCF does not have the proper contact information, you will not receive notice of the need to renew your coverage through the mail or other means!
- Check Your Mail!: DHCF will mail you a letter about your Medicaid, Alliance, or ICP coverage. This letter will also let you know when it's time to complete your renewal.

What To Do After Receiving Your Renewal Notice

- Act Now. Stay Covered!: Complete your renewal by using districtdirect.dc.gov, a DHS Service Center or fill out the form and mail/fax/drop immediately to help avoid a gap in your coverage.



What Can You Do to Support DC Residents in Renewing Coverage?



Actions to Assist with Medicaid Renewal

- *Providers:* Check on patient / beneficiary renewal dates through the provider portal (www.dc-medicaid.com) and work with beneficiaries needing to renew
- *Community Partners:* Make fliers, etc. available onsite at your organizations; include information in newsletters and other outreach to District residents; connect beneficiaries to assistance as needed; raise issues to DHCF (medicaid.renewal@dc.gov).
- *Beneficiaries:* Don't wait to update your contact information and look in the mail for the District envelope with the green bar. If you're in doubt about what to do, reach out!
- *Everyone:* Share what you know about Medicaid Renewal to friends, family, and neighbors!



Stakeholder Toolkit Assists Stakeholders with Messaging and Further Details



- DHC's website has a **Stakeholder Toolkit** on Medicaid Renewal.
- The **Stakeholder Toolkit** contains:
 - Background
 - Key Messages
 - Downloadable fliers to print, post, and share
 - Draft social media posts and messaging
 - Drop In Article to put in your agency newsletter or bulletin board
 - Email and Website Text
 - Phone Call Scripts including information on District Direct registration
 - FAQs

The screenshot displays the 'End of Medicaid Continuous Enrollment' toolkit page. It features a header with three stars and the title 'End of Medicaid Continuous Enrollment' followed by the subtitle 'A COMMUNICATIONS TOOLKIT FOR COMMUNITY STAKEHOLDER ENGAGEMENT'. Below the header are two photographs: a family of three smiling and a man sitting on the grass with a child. The page is divided into sections: 'Social Media Posts' and 'Email Messages'. The 'Social Media Posts' section includes four posts (#4, #5, and #6) with text and small images of people. The 'Email Messages' section shows a 'Subject Line' and the beginning of the message text. The 'Website Text' section also shows the beginning of the message text. At the bottom of the page, there is a small number '12'.



Communication on Medicaid Renewal–External Outreach



- The District wants to join meetings of key stakeholders to explain Medicaid Renewal
 - DHCF staff would attend meetings hosted by your stakeholder group -or that you know about –*send invites to us via email at Medicaid.renewal@dc.gov*.
- This District is hosting monthly “How Do I Renew My DC Medicaid Health Insurance” meetings for beneficiaries and their families –next is **Saturday, November 18 @ 11:00 AM**
- The District is providing ~monthly Stakeholder Trainings to guide stakeholders through the District Direct enrollment process and actions–next is **Tuesday, November 21 @ 10:30 AM**
- The District created a website with information on Medicaid Renewal and the End of the Public Health Emergency that hosts the FAQ, Intro Video, Unwinding Plan, Stakeholder Toolkit, meeting info, etc.
- The District is hosting regular Community Stakeholder meetings such as this every other week - continuing every-other-Wednesday at 2:30 p.m. -**next is on Wednesday, December 6**
 - *Please email Medicaid.renewal@dc.gov to join the meetings and related mailing list if not on it already*



Questions and Comments



Learn more about DC Medicaid Renewals:

<https://dhcf.dc.gov/medicaid-renewal>

Medicaid Renewal

Medicaid.Renewal@dc.gov



HealthCare4ChildCare Update



HealthCare4ChildCare Through DC Health Link
www.DCHealthLink.com



DC Health Link: ACA State-Based Health Insurance Marketplace

- **DCHBX: Private-public partnership** (private Executive Board) responsible for DC Health Link – DC’s Affordable Care Act online health insurance marketplace
- **100,000 people** (private health insurance): 80,000+ people with job-based coverage (5,300+ District small businesses covered; 11,000 Congress -- Members and designated staff in district offices and on the Hill); 15,000 to 20,000 residents with individual coverage
- **Responsible for over \$670 million** in annual premiums
- **Cut uninsured rate in half** since DC Health Link opened for business. Near universal coverage with more than 97% of DC residents covered
 - ✓ DC ranks **#2** in U.S. for lowest uninsured
- **2024 plan year: 188 small group health plans and 27 individual and family health plans.**



DC Health Link Standard Plans

- ✓ **Standard Plans: No deductibles** for primary care, specialists, mental and behavioral health, urgent care and generic Rx.
- ✓ **Equity-Based Benefit Design:** Starting January 1, 2023 standard plans cover:
 - ✓ **Type 2 diabetes care** including insulin, lab work, eye and foot exams, and Rx and supplies without co-payments, co-insurance, and deductibles.
 - ✓ **Starting January 1, 2024 standard plans cover pediatric mental and behavioral health services at reduced cost sharing.**
 - ✓ **\$5** for office visits, certain lab work and medication (e.g. reduced \$45 copay to \$5 copay)



HealthCare4ChildCare

HealthCare4ChildCare (HC4CC) through DC Health Link helps licensed early child development centers and homes provide affordable health insurance for their employees. Free premiums and lower premiums started Jan.1, 2023.



Currently Enrolled (November 2023)

	Total facilities	Total employers	Newly insured employers	Employers with increased take up	Employees & dependents enrolled	% newly insured	% higher take up
TOTAL	168	113	50	23	1021	44%	44%

- 447 currently licensed eligible early child development facilities.
 - 76 facilities with more than 100 workers do not qualify for group coverage.
- 371 potentially eligible for HC4CC group coverage (some won't qualify because they do not have employees (e.g. homes run by self-employed people without employees)).
- Of 371 facilities: 168 currently have HC4CC group coverage.

Enrollment of Workers who are DC Residents (as of Nov 1)

Ward	Already in Medicaid	Eligible for HC4CC	We enrolled in Individual HC4CC coverage	We enrolled in group HC4CC	We enrolled in Medicaid	Enrolled Total	% Eligible Enrolled
Ward 1	105	159	16	25	4	45	28%
Ward 2	146	161	10	23	6	39	24%
Ward 3	84	193	11	53	3	67	35%
Ward 4	139	205	38	25	5	68	33%
Ward 5	124	107	17	12	5	34	32%
Ward 6	135	150	11	75	5	91	61%
Ward 7	109	57	16	7	4	27	47%
Ward 8	170	83	7	16	7	30	36%
TOTAL	1,012	1,115	126*	236	39	401	36%

***186 residents and dependents**

Note: Based on July staff list from OSSE. Does not include 1,661 people we know to be non-residents and 720 with no address listed.

DC Residents: Outreach results for September 2022 (Initial data from OSSE)

Ward	Already in Medicaid	Eligible for HC4CC	We enrolled in individual HC4CC coverage	We enrolled in SHOP HC4CC	We enrolled in Medicaid	Enrolled Total	% Eligible Enrolled
Ward 1	82	128	11	42	3	56	44%
Ward 2	13	36	6	9	2	17	47%
Ward 3	7	49	10	14	1	25	51%
Ward 4	181	244	39	50	5	94	39%
Ward 5	104	105	15	36	4	55	52%
Ward 6	83	64	7	17	5	29	45%
Ward 7	149	79	7	27	8	42	53%
Ward 8	245	85	13	37	11	61	72%
TOTAL	864	790	108	232	39	379	48%



New for 2024: HC4CC Will Pay For Gold Coverage

- ✓ **For Group Coverage:** For plan year 2024, the HC4CC premium discount is based on the lowest cost Gold standard plan
 - In 2023, the discount is based on the lowest cost Silver Standard Plan

- ✓ **For Individual and Family Coverage**, if the employer is not in HC4CC: Starting January 1, 2024, HC4CC pays for a Gold Standard plan
 - Choice: CareFirst Blue Cross Blue Shield PPO or HMO, or Kaiser Permanente
 - In 2023, HC4CC pays for Silver Standard Plan

- ✓ **The Gold Plan** has lower deductibles and out-of-pocket costs than the Silver plan



New for 2024: HC4CC Will Pay For Gold Coverage (cont.)

	Gold Plan	Silver Plan
Deductible	\$500	\$4,850 medical and \$350 prescription medication
Co-payment for a Primary Care Visit	\$25	\$40
Co-payment for a Specialist Visit	\$50	\$80



More Employer Choice for 2024

For 2024 plan year, employers will have the option to cover both DC residents and non-residents in their group plan.

In 2023, HC4CC required DC residents to get coverage in the Individual & Family Marketplace



HC4CC Outreach and Engagement Grant Program

- **In June 2023, HBX awarded five grants to trusted community organizations with the following objectives:**
 - Educate OSSE-licensed early child development centers and homes and their employees about HC4CC.
 - Provide HBX with leads on employer and employee prospects.
 - Facilitate outreach opportunities for HBX to participate in and connect with prospective employers and employees.
- **HC4CC Grantees:**
 - SPACES in Action
 - Community Educational Research Group
 - The Multicultural Spanish Speaking Providers Association
 - The DC Early Learning Collaborative, Inc.
 - DC Association for the Education of Young Children



Results from the 2022-23 Implementation of the EDI

Objectives

Key Features of the EDI

Results for Washington, DC

- Including Recap of Wave 1 and 2
- Latest Results

Uses of EDI for Action in the District



What is the EDI?

EDI Highlights

- **Population focus**
 - Community results reported by neighborhood geography (cluster, ward)
 - District receives confidential school level reports
 - Never reported by child or teacher
- **Holistic measure**
 - Covers five developmental domains, 16 subdomains
- **Feasible to implement at scale**
 - Collected once every three years by kindergarten teachers
 - User-friendly, online observational assessment, recall
- **Internationally validated**
 - Developed at McMaster's University, Canada
 - Successfully used in over 15 countries
 - National indicator in Australia
 - Strong reliability and validity
 - EDI predicts later standardized test scores

About the EDI



School Readiness

Measures the readiness skills of children when they enter kindergarten or are in transitional kindergarten/pre-K



Kindergarten or Pre-K

Completed by pre-K teachers on their own students



Online Survey

Measures children's development in five key areas with a holistic approach



Community level

Not used to screen, identify or diagnose specific children

Five Developmental Areas of the EDI



These five areas of development are known to impact child well-being and academic performance.

Opportunities for Positive Change





What EDI have been collected?

EDI Participation and Data Collection History

Wave	Year	Pre-K 4 EDI Records	Total Pre-K 4 EDI Records for Wave
Wave 1*	2015	29	4,664
	2016	4,350	
	2017	239	
Wave 2*	2019	3,803	3,855
	2020	52	
Wave 3**	2023	539	539

* For purposes of monitoring children’s wellbeing over time and looking at the possible impact of coronavirus (COVID-19) on children’s vulnerability, Waves 1 and 2 are pre-COVID-19 data

** For purposes of monitoring children’s wellbeing over time and looking at the possible impact of COVID-19 on children’s vulnerability, Wave 3 data is post-COVID data

EDI Data Collection Waves 1, 2 and 3

EDI Participation	Wave 1 (2015, 2016, 2017)	Wave 2 (2019, 2020)	Wave 3 (2023)
Participating LEAs			
<i>District of Columbia Public Schools (DCPS)</i>	1	1	1***
<i>Public Charter Local Education Agencies (LEAs)</i>	11	12	4
Community-Based Organizations (CBOs)	15	17	3
Total Schools/Centers	112	140	29
Total Classrooms	349	299	53
Children	4,618	3,855	539
<i>English Language Learners (ELL)</i>	659 (14%)	634 (16%)	46 (9%)
<i>Individualized Education Plans (IEPs)</i>	381 (8%)	426 (11%)	52 (10%)
Race/Ethnicity			
<i>African-American</i>	3,076 (67%)	2,615 (68%)	422 (79%)
<i>Asian, Native Hawaiian or other Pacific Islander</i>	79 (2%)	63 (2%)	3 (0%)
<i>Hispanic, Latinx</i>	673 (15%)	577 (15%)	60 (11%)
<i>White</i>	624 (13%)	485 (13%)	38 (7%)
<i>Other</i>	162 (3%)	112 (3%)	9 (2%)



* For purposes of monitoring children’s wellbeing over time and looking at the possible impact of COVID-19 on children’s vulnerability, Waves 1 and 2 are pre-COVID data

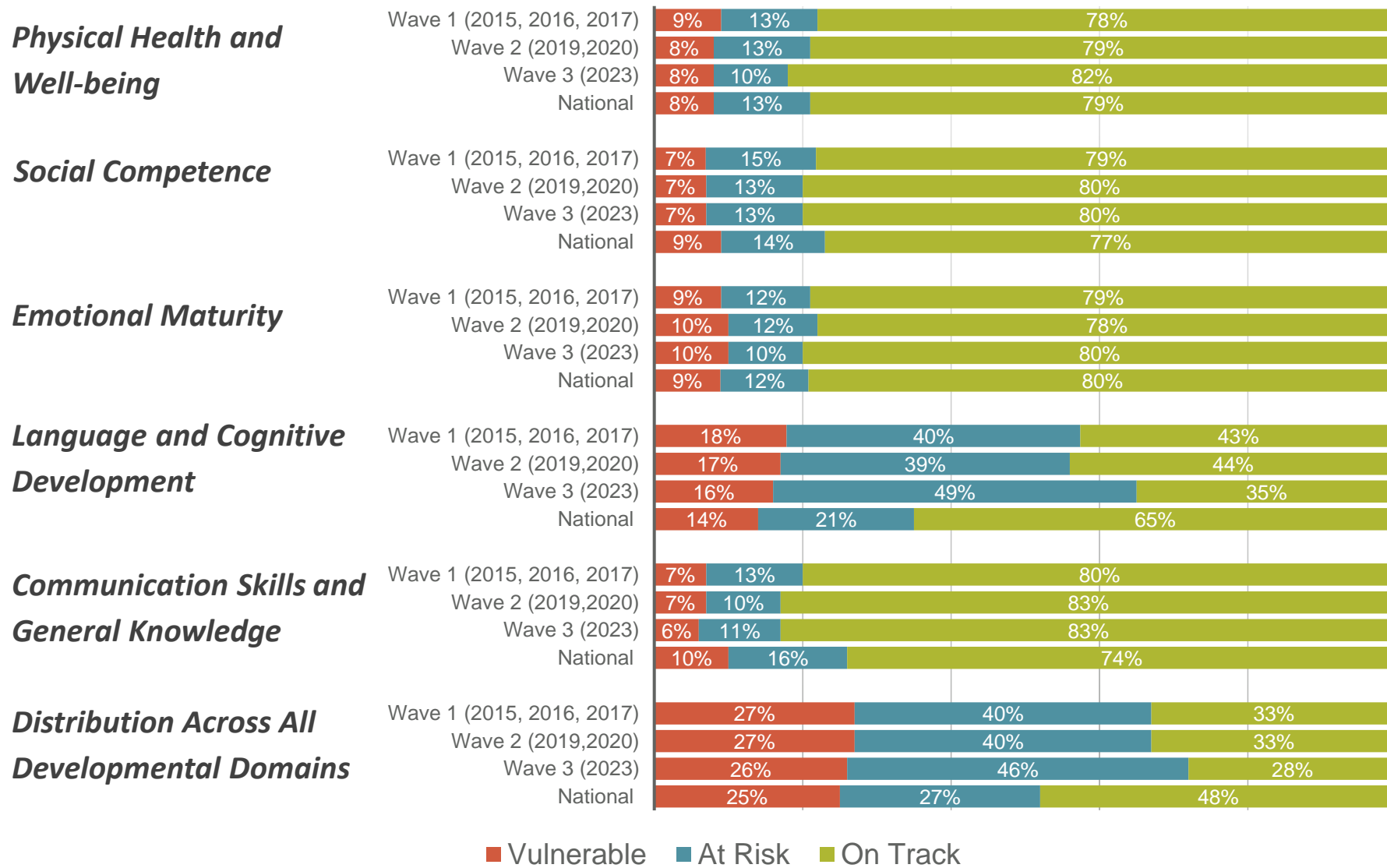
** For purposes of monitoring children’s wellbeing over time and looking at the possible impact of COVID-19 on children’s vulnerability, Wave 3 data is post-COVID data

*** Only represents 11 DCPS schools



EDI Results: What are children's strengths and challenges?

Comparison of EDI Results by Developmental Domain

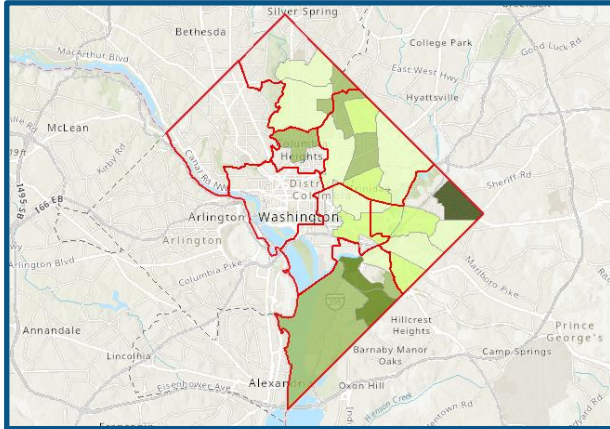


- Waves 1 and 2 are pre-COVID data
- Wave 3 data is post-COVID data



What are the patterns of vulnerability across neighborhoods?

Mapping the EDI

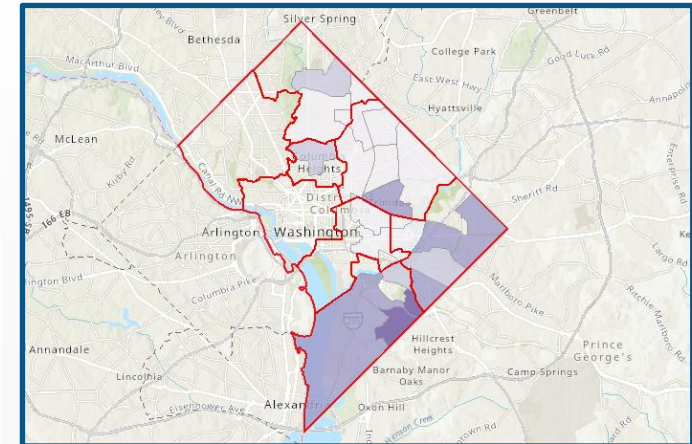


EDI Results

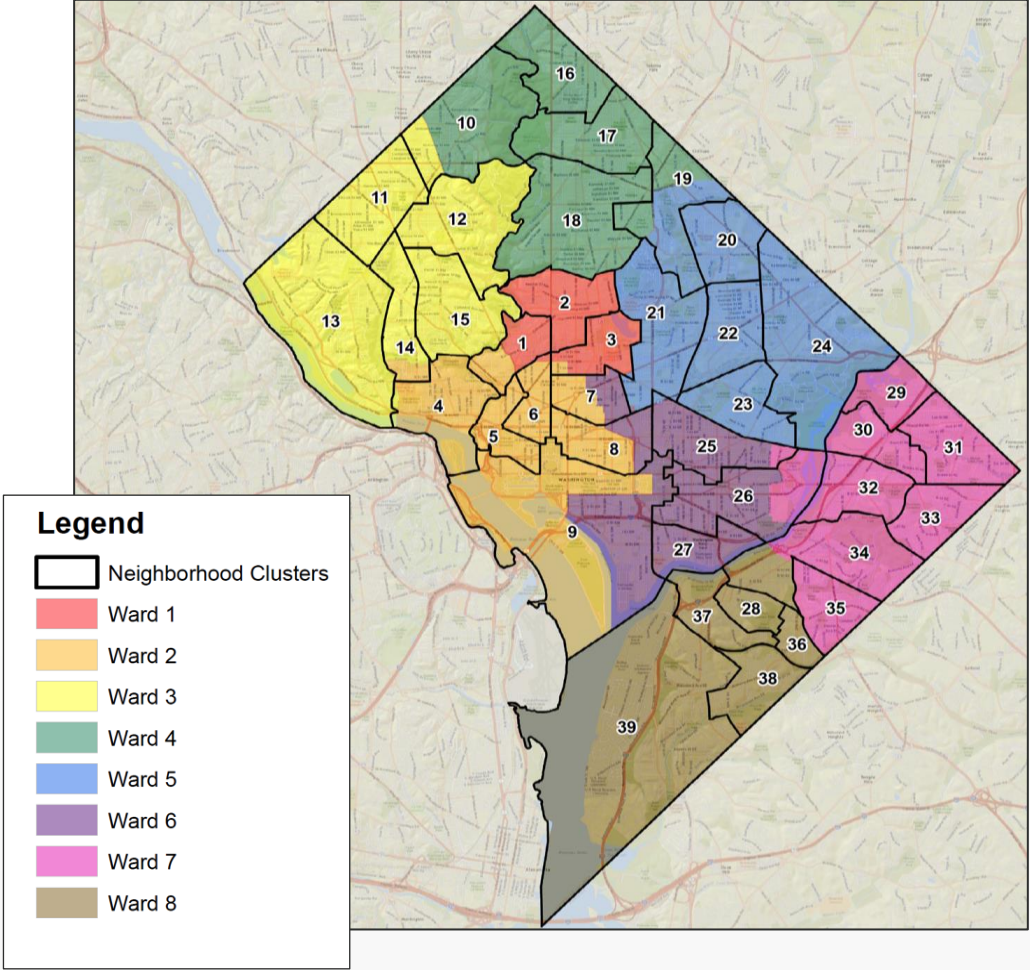
- Measure of kindergarten-age children's development, by neighborhood

Indicators and Assets

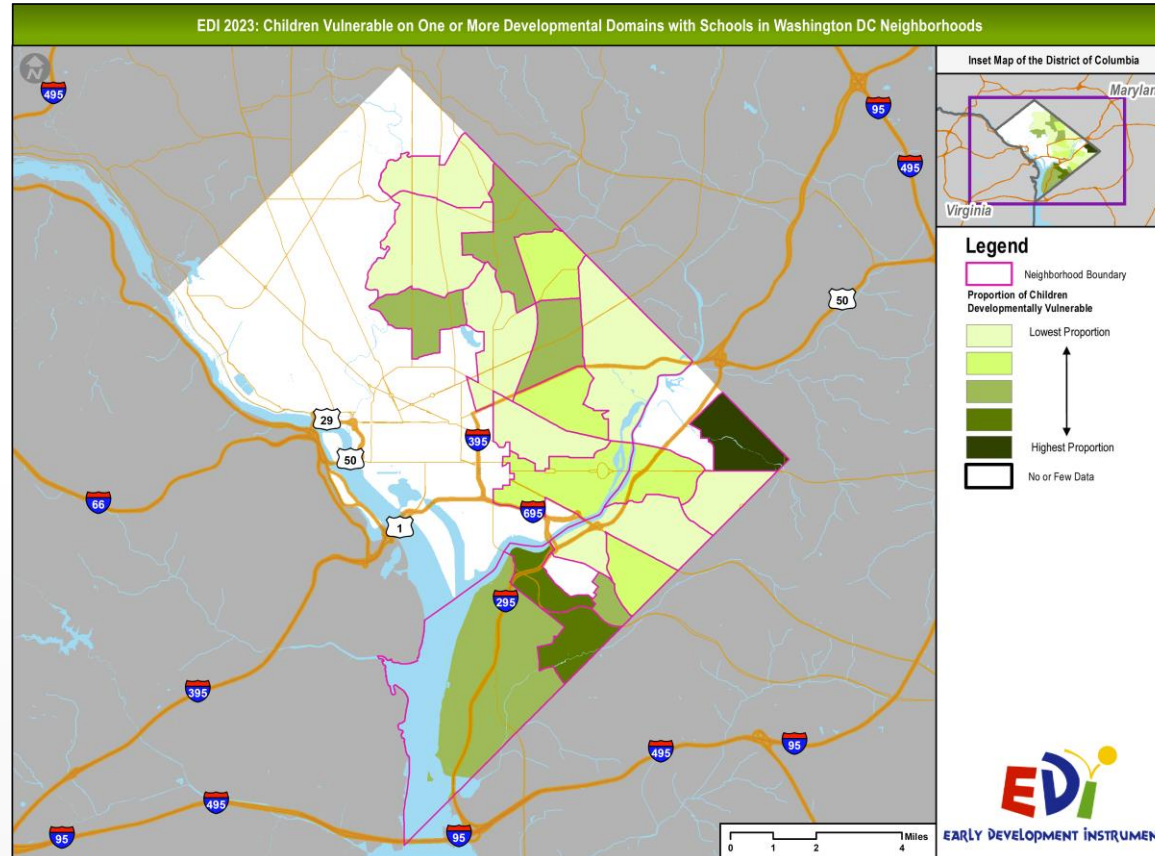
- Community conditions and resources, by neighborhood



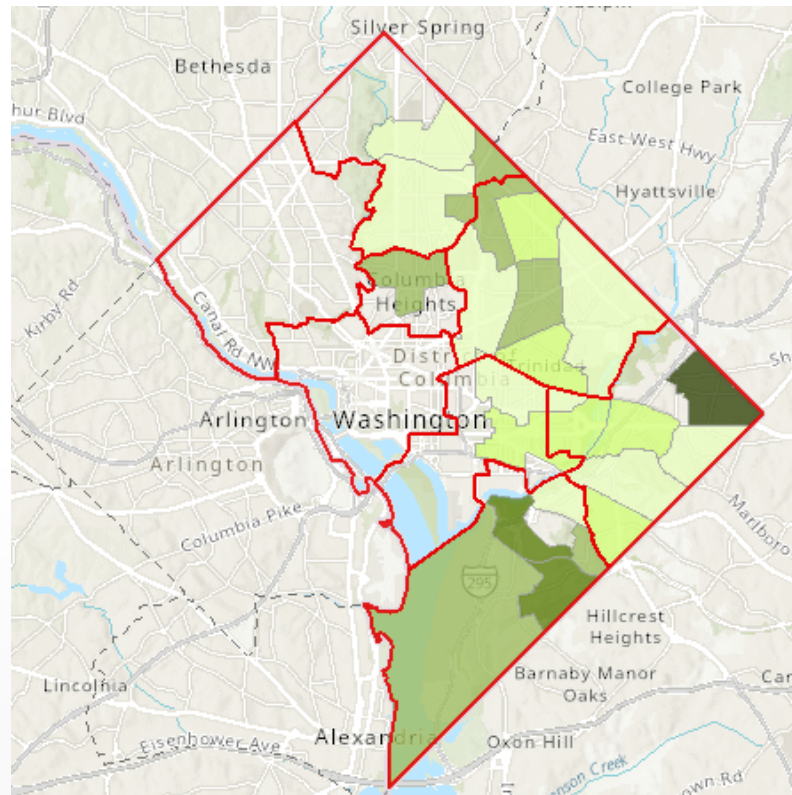
DC Wards and Neighborhood Clusters



Wave 3 EDI results



Ward and Cluster Layers Available on Web Map



arcg.is/1maPqX1

Data Limitations

- Data across all clusters did not meet the EDI participation rate threshold for neighborhoods of their respective size.
- Therefore, additional consideration is warranted as the data may not be representative of all children living there.



**FY24 Early Childhood
Educator Pay Equity Fund
Update**

FY24 Early Child Educator Pay Equity Fund

- In FY24, OSSE will distribute Early Childhood Educator Pay Equity Funds directly to child development facilities to increase compensation for early educators through a [child development facility \(CDF\) payroll funding formula](#).
- Early childhood educators will no longer receive direct payments through AidKit.



Deadlines

- The deadline for opting-in to Quarter 1 (Q1) of FY24 has passed.
- Participating programs will receive payments in December.
- Programs currently not participating have until Dec. 15, 2023 to opt-in to receive the Q2 payment in March.

FY24 OPT-IN/APPLICATION AND AGREEMENT SUBMISSION DEADLINES				
*all deadlines 5 p.m. ET				
Quarter	Provider Opt-in/Application Deadline	Provider Agreement Deadline	DELLT Updates Deadline	Payment Distribution
Quarter One	Sept. 15, 2023	Sept. 30, 2023	Oct. 31, 2023	Dec. 2023
Quarter Two	Dec. 15, 2023	Dec. 31, 2023	Jan. 31, 2024	March 2024
Quarter Three	March 15, 2024	March 31, 2024	April 30, 2024	June 2024
Quarter Four	June 15, 2024	June 30, 2024	July 31, 2024	Sept. 2024



First Quarter Participation Summary

- A total of 276 child care providers are participating in Q1 of FY24 of the Early Childhood Educator Pay Equity Fund.
 - 189 subsidy providers and 87 non-subsidy providers.
- In FY24, OSSE will waive compliance with the minimum salary requirements for FY24 of the Early Childhood Educator Pay Equity Fund if a provider demonstrates their inability to meet the minimum salary requirements without operating at an unsustainable budget deficit and meets identified criteria.
 - To date, OSSE has received 18 requests for waivers.



Looking Ahead to FY25 and Beyond

- OSSE values feedback received on implementation of FY24 of the Early Childhood Educator Pay Equity Fund to-date.
 - As a result of stakeholder feedback, OSSE made temporary changes to the program for FY24 to enhance the CDF payroll funding formula and offer waivers.
- OSSE will continue to seek stakeholder engagement and feedback on implementation and sustainability questions for FY25 and beyond.





OSSE's 2023 Cost Modeling Analysis

Background: What is cost modeling?

- Cost modeling estimates the **cost** of delivering child care services, as opposed to a market rate survey that measures the **price** of care.
- The District's cost modeling tool is a set of flexible financial models that project the costs to operate a child development facility while meeting:
 - District child care licensing regulations
 - Health, safety and quality requirements
 - Compliance with employment laws
- The tool can estimate costs based on various scenarios (i.e., facility size, ages of children, Capital Quality designation) and can also estimate revenue (i.e., private tuition, subsidy payments, Pre-K Enhancement and Expansion Program [PKEEP]).
- Cost modeling informs District policy and budgeting and can inform business decisions at the provider level.

Why Does the District Conduct Cost Modeling?

- The District believes cost modeling is the most accurate way to assess the true cost of care.
- The federal Child Care Development Fund (CCDF) requires states to set child care subsidy payment rates based on a market rate survey or an alternative methodology, such as a cost estimation model.
 - The District has used cost modeling to set child care subsidy provider payment rates since 2015.
- The District Birth to Three Act requires OSSE to complete a cost estimation model on a triennial basis.

Understand the actual cost of providing care

Set rates for subsidy

Compliance with the Birth to Three Act

Cost Model Timeline

Date	Activity
Fall 2022	OSSE sought stakeholder input, including through a 2022 Child Care Provider Survey
December 2022 / January 2023	OSSE worked with national experts to update the District’s cost model estimation tool and run cost model scenarios
September 2023	2023 Cost Model Report is published
October 2023	Updated child care subsidy reimbursement rates based on findings of 2023 cost model analysis
November-December 2023	OSSE will update cost model inputs as needed based on stakeholder input
February 2024	OSSE will update cost model analysis in compliance with DC Official Code § 4–410.01 and CCDF regulations
March 2024	OSSE will present updated cost model analysis to SECDCC
July 2024	OSSE submits CCDF triennial state plan



2023 Cost Estimation Model: Key Differences from 2021

- Adjusted program size and configuration assumptions to more closely reflect the actual distribution of programs in the District.
 - Modeled small, medium and large centers, homes and expanded homes.
 - Thresholds for employing a full-time director and assistant director were reduced and administrative staff were increased to more closely approximate actual staffing patterns.
- Health insurance benefits included in the 2023 cost estimation model are based on the premium costs for individual Silver Plan coverage purchased by the employer through the DC Health Benefit Exchange Authority, estimated at \$3,800 annually.
- Assumptions about cost drivers at various levels of quality in Capital Quality were updated to better reflect Capital Quality standards.
 - Wages are assumed consistent across quality designations.
 - Model allows for selecting additional staff positions (i.e., family engagement specialist, professional development coach) as optional inputs.
 - Cost findings are applicable across all quality designations.

Cost Estimation Findings

- On average, across all program configurations, **the cost of care increased** from 2021 to 2023.
 - Cost increases varied across providers types, age groups and quality designations.
- Regardless of a facility's size, **staff wages and benefits are the major drivers of costs**, and of cost increases.
- For many providers, the **costs to deliver care are higher than the resources available** through subsidies, tuition and other major revenue sources.
 - Providers that charge tuition at or above the 75th percentile of market rates likely make a profit.

Child Development Center Costs

Estimated Annual Cost Per Child			
Age Group	Small Center	Medium Center	Large Center
Infants	\$30,979	\$30,790	\$31,165
Young Toddlers	NA	\$30,790	\$31,165
Older Toddlers	\$26,962	\$26,833	\$27,223
3-year-olds	\$19,762	\$19,663	\$20,061
4-year-olds	NA	NA	\$17,840
School age (5 years and older)	NA	NA	\$10,161
Average per-child cost	\$24,655	\$26,453	\$19,233

Child Development Home Costs

Estimated Annual Cost Per Child		
Age Group	Child Development Home	Child Development Expanded Home
Infants	\$19,045	\$16,365
Toddlers	\$19,045	\$16,365
3-year-olds	\$19,045	\$16,365
4-year-olds	\$19,045	\$16,365
School age	\$10,581	\$9,091

Child Care Subsidy
Reimbursement

Tuition/Co-
payments

Child Care and Adult
Food Program

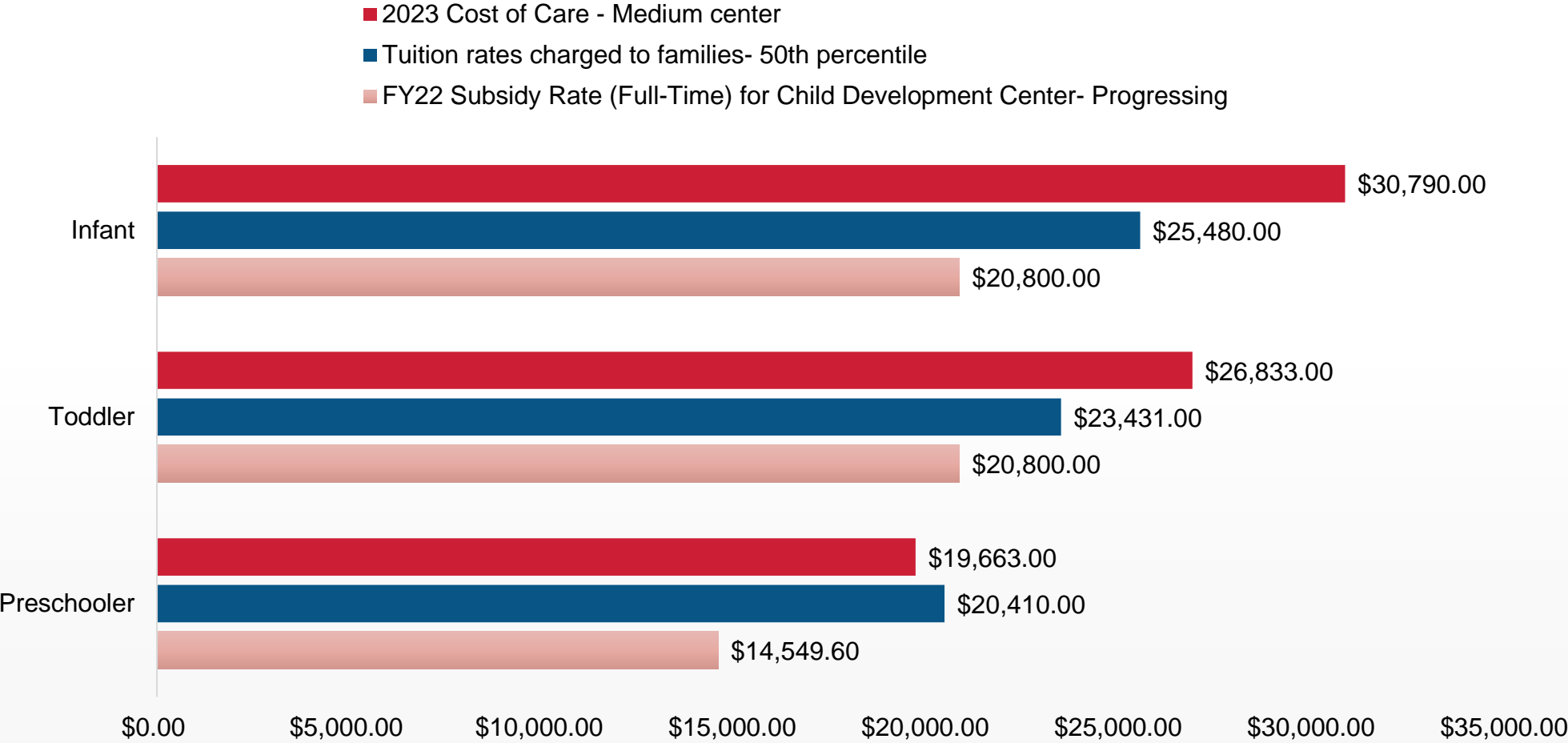
PKEEP

Other Sources*

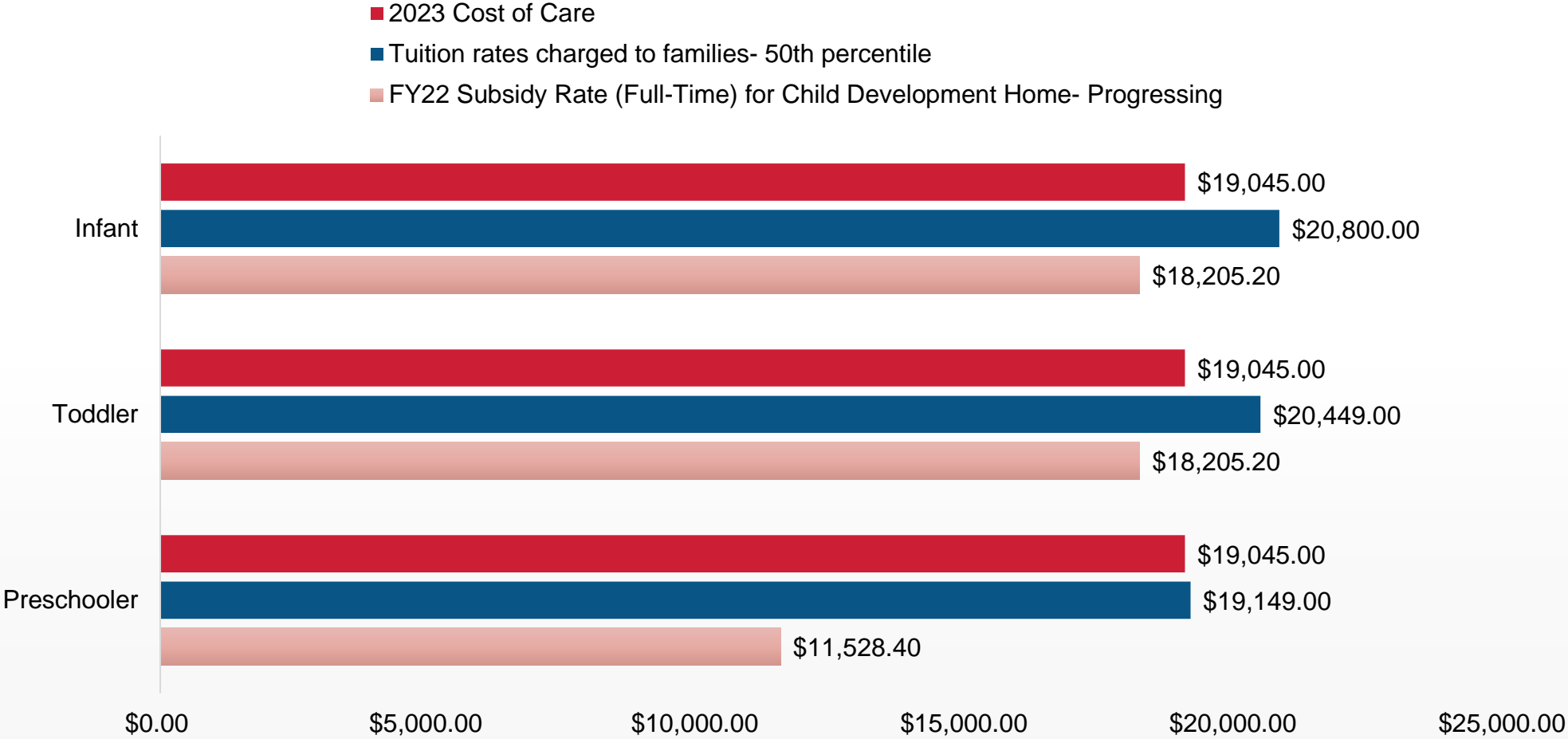
Child Development Center and Home Revenues Findings

In addition to estimating costs that child care providers incur to serve children under current regulatory requirements, the District's child care cost estimation model also incorporates revenue from various sources.

Costs Often Exceed Revenues for Child Development Centers



Costs Often Exceed Revenues for Child Development Homes



Estimated Annual Expenses and Revenues for Child Development Centers of Median Size By Revenue

Revenue Source	Expenses	Collected Revenues from All Sources	Revenue Less Expenses	Operational Deficit
All subsidy (“Progressing” level)	\$1,375,600	\$976,000	(\$399,600)	-29.0%
All subsidy (“Quality” level)	\$1,375,600	\$1,077,600	(\$298,000)	-21.7%
All tuition – 25th percentile	\$1,375,600	\$871,600	(\$504,000)	-36.6%
All tuition – 50th percentile	\$1,375,600	\$1,099,000	(\$276,600)	-20.1%
All tuition – 75th percentile	\$1,375,600	\$1,386,700	\$11,100	0.8%
Mix of subsidy at “Progressing” designation (50%) and tuition – 50th percentile (50%)	\$1,375,600	\$1,037,462	(\$338,138)	-24.6%

Estimated Annual Expenses and Revenues for Child Development Homes By Revenue

Revenue Source	Child Development Homes				Child Development Expanded Homes			
	Expenses	Collected Revenues from All Sources	Revenue Less Expenses	Operational Deficit	Expenses	Collected Revenues from All Sources	Revenue Less Expenses	Operational Deficit
All subsidy (“Progressing” level)	\$105,800	\$87,700	(\$18,100)	-17%	\$181,800	\$ 163,100.00	\$(18,700.00)	-10.3%
All subsidy (“Quality” level)	\$105,800	\$93,400	(\$12,400)	-12%	\$181,800	\$ 174,600.00	\$ (7,200.00)	-4.0%
All tuition – 25th percentile	\$105,800	\$95,900	(\$9,900)	-9%	\$181,800	\$ 192,500.00	\$ 10,700.00	5.9%
All tuition – 50th percentile	\$105,800	\$113,600	\$7,800	7%	\$181,800	\$ 229,300.00	\$ 47,500.00	26.1%
All tuition – 75th percentile	\$105,800	\$123,100	\$17,300	16%	\$181,800	\$ 246,700.00	\$ 64,900.00	35.7%

Cost Modeling FY24 Early Childhood Educator Pay Equity Fund Minimum Salary Requirements

- Implementing minimum salary requirements would raise the average per-child cost of care between 9 and 12 percent.
- Child Development Facility (CDF) payroll funding formula awards will subsidize the increased costs for providers.

Estimated Annual Cost Per Child: Medium Center			
Age Group	Cost at Current Salaries	Cost at FY24 Minimum Salaries	Difference
Infants	\$30,790	\$34,528	\$3,738 (12.1%)
Younger Toddlers	\$30,790	\$34,528	\$3,738 (12.1%)
Older Toddlers	\$26,833	\$30,213	\$3,380 (12.6%)
Preschoolers	\$19,663	\$21,680	\$2,017 (10.3%)

Estimated Average Annual Cost Per Child (Infant, Toddler or Preschooler): Child Development Home/Expanded Home			
Facility Type	Cost at Current Salaries	Cost at FY24 Minimum Salaries	Difference
Child Development Home	\$19,045	\$20,735	\$1,690 (8.9%)
Expanded Child Development Home	\$16,365	\$18,330	\$1,965 (12.0%)

Child Care Subsidy Reimbursement Rate Findings

- FY22 reimbursement rates were insufficient in relation to child care costs.
- Rates were lower than the cost of care for child development centers for all ages and quality designations.
- Rates for child development homes for infants and toddlers exceeded the cost of care for providers designated as Quality or High-Quality.
- Rates for all other age groups and for homes with quality designations of Developing and Progressing, did not cover the cost of care.
- Across all ages and settings, reimbursement for providers with lowest quality designations were furthest from the cost of care.

FY24 Child Care Subsidy Rate Increase

- Based on the 2023 cost modeling, OSSE raised subsidy reimbursement rates for all providers for FY24.
- The new reimbursement rates include three rate tiers, rather than four.
 - Child development facilities with a Capital Quality designation of Progressing or Developing are reimbursed at the same rate.
 - Providers with a designation of Quality or High-Quality continue to receive higher reimbursement rates.
 - Progressing and Developing rates were moved closer to the Quality and High-Quality rates.
- Reimbursement rates for infant and toddler care increased by the greatest amount.
 - The infant-toddler rate will increase between 15 to 29 percent for homes and centers, depending on a provider's Capital Quality designation.

Child Development Center - Subsidy Rate FY22 vs. FY24

Infant and Toddler

■ FY22 ■ FY24



Pre-school

■ FY22 ■ FY24



School- Age

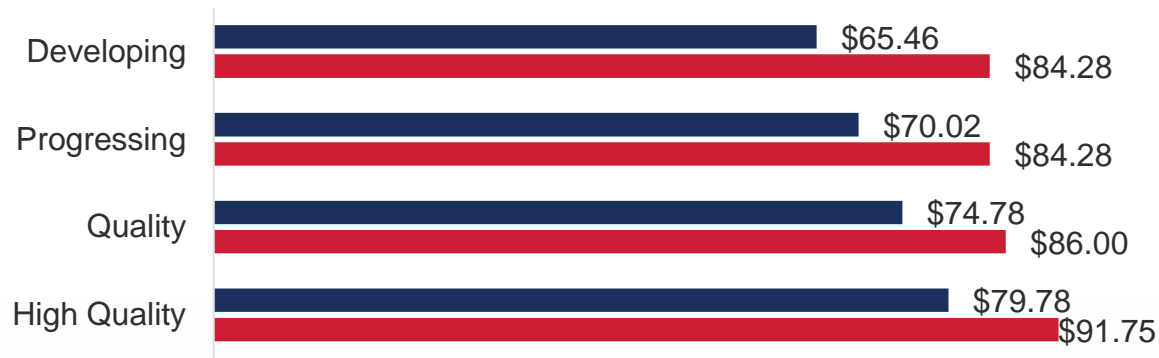
■ FY22 ■ FY24



Child Development Home - Subsidy Rate FY22 vs. FY24

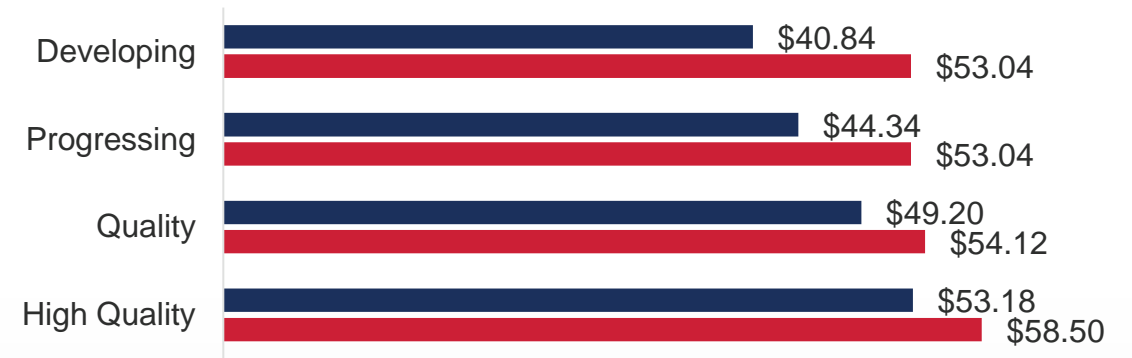
Infants and Toddlers

■ FY22 ■ FY24



Pre-school

■ FY22 ■ FY24

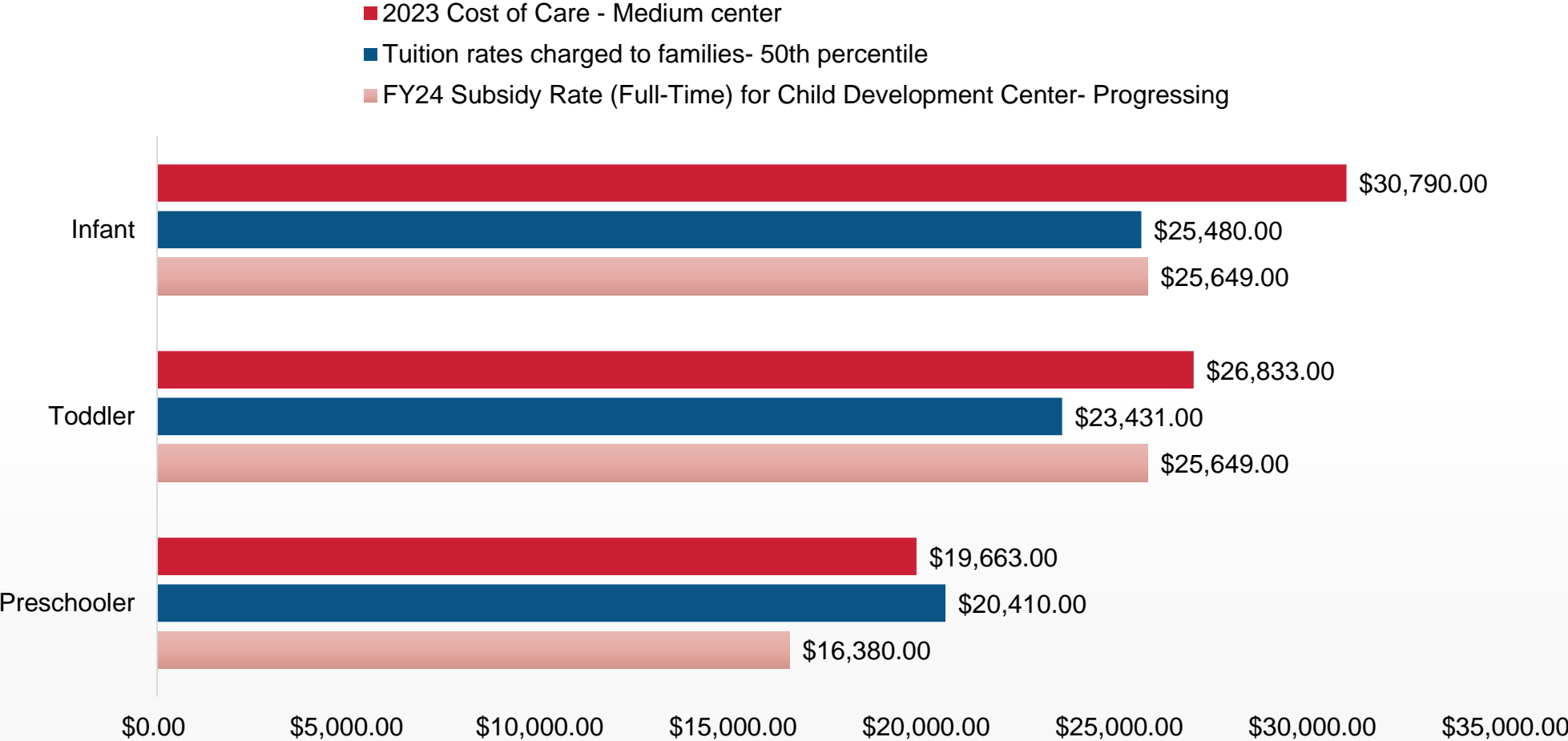


School-age

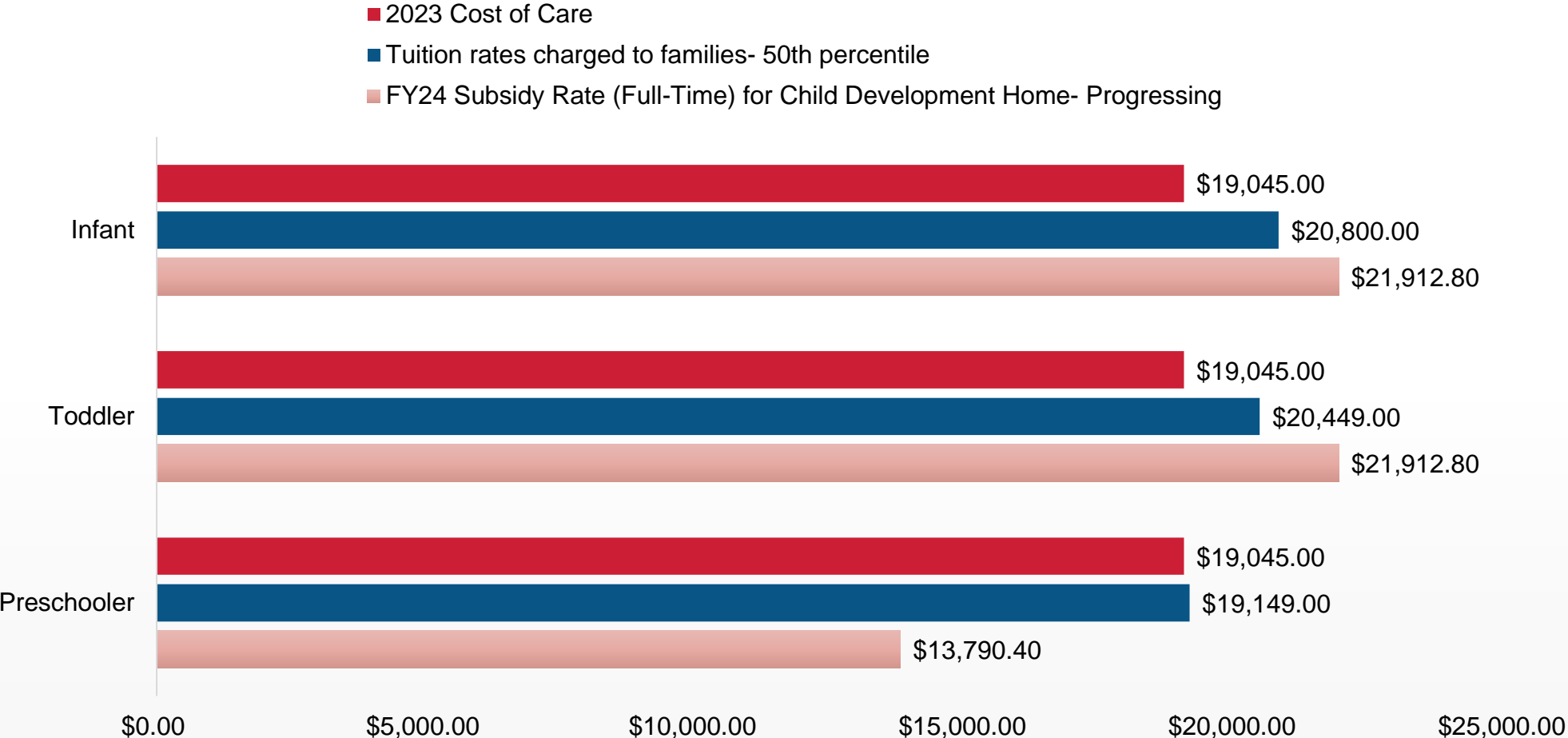
■ FY22 ■ FY24



FY24 rates are closer to the cost of care - Child Development Centers



FY24 rates are closer to the cost of care - Child Development Homes





Announcements and Public Comment



Wrap Up and Next Steps