

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF SOCIAL SERVICES
Statutory Authority: 31 Delaware Code, Section 512 (31 **Del.C.** §512)

FINAL

ORDER

Child Care Subsidy Program, Provider Reimbursement

NATURE OF THE PROCEEDINGS

Delaware Health and Social Services ("Department") / Division of Social Services initiated proceedings to amend the Division of Social Services Manual (DSSM) regarding the Child Care Subsidy Program, specifically, Provider Reimbursement. The Department's proceedings to amend its regulations were initiated pursuant to 29 **Delaware Code** Section 10114 and its authority as prescribed by 31 **Delaware Code** Section 512.

The Department published its notice of proposed regulation changes pursuant to 29 **Delaware Code** Section 10115 in the December 2012 Delaware *Register of Regulations*, requiring written materials and suggestions from the public concerning the proposed regulations to be produced December 31, 2012 at which time the Department would receive information, factual evidence and public comment to the said proposed changes to the regulations.

SUMMARY OF PROPOSAL

The proposal described below amends policies in the Division of Social Services Manual (DSSM) regarding the Child Care Subsidy Program, specifically, Provider Reimbursement.

Statutory Authority

45 CFR §98.40, Compliance with applicable State and local regulatory requirements

Background

Effective October 1, 1996, Congress enacted the Child Care Development Fund (CCDF) which consolidated funding for child care for low-income working families and families reentering the workforce. The Child Care Subsidy Program provides support for families with young children to enable the caretaker to hold a job, obtain training or meet special needs of the child. Child care may also be provided in child abuse cases to help protect the child.

2011 Delaware Child Care Market Rate Study

The 2011 Delaware Child Care Market Rate Study by Workplace Solutions was conducted to meet federal requirements of 45 Code of Federal Regulations Parts 98 & 99 to ensure that reimbursement rates allow subsidized low-income children equal access to early education and care. The goal of this Rate Study was to develop statistically credible information on the present market prices charged by licensed providers in Delaware. "Market prices" are prices providers charge parents for the care of their private-paying children. They are non-discounted prices charged to unrelated and unaffiliated parents.

Summary of Proposed Changes

Based on the findings of the 2011 Delaware Child Care Market Rate Study, the Delaware Legislature increased budget monies to give a provider reimbursement rate increase to 65% of Market Rate plus 50 cents effective October 1, 2011. Child care subsidy rates for child care services were updated for those providers participating in the subsidized child care program.

Accordingly, DSSM 11006.4, Provider Reimbursement is amended reflecting minor language changes. Additionally, this regulatory action removes the Delaware Child Care Provider Rate chart and the Child Care Income Limits chart from the Division of Social Services Manual (DSSM). The provider rate chart will be posted on the Division of Social Services' (DSS) website. The income limits chart is already on the DSS website.

SUMMARY OF COMMENTS RECEIVED WITH AGENCY RESPONSE

The Governor's Advisory Council for Exceptional Citizens (GACEC) and the State Council for Persons with Disabilities (SCPD) offered the following observations and recommendations summarized below. The Division of Social Services (DSS) has considered each comment and responds as follows.

As background, based on findings of the 2011 Delaware Child Care Market Rate Study, the Legislature increased provider rates in this program to 65% of Market Rate plus 50 cents effective October 1, 2011. However, the actual regulation contains outdated family income eligibility and provider reimbursement charts. DSS proposes to eliminate the charts from the regulation and publish them on its Website. This should result in quicker updates.

GACEC and SCPD endorse the proposed regulation subject to one observation. DSS indicates that the income limits chart is already on the Website. This is accurate. DSS also indicates that the provider rate chart "will be posted" on the Website. As of December 21st, we could not locate the provider rate chart. GACEC and SCPD would like to remind DSS to post the latter chart to facilitate easy access to the information.

Agency Response: DSS thanks the GACEC and the SCPD for their endorsement. We anticipate that the provider rate chart will be available on the DSS website in the near future.

FINDINGS OF FACT:

The Department finds that the proposed changes as set forth in the December 2012 *Register of Regulations* should be adopted.

THEREFORE, IT IS ORDERED, that the proposed regulation to amend the Division of Social Services Manual (DSSM) regarding the Child Care Subsidy Program, specifically, Provider Reimbursement is adopted and shall be final effective February 10, 2013.

Rita M. Landgraf, Secretary, DHSS

**DSS FINAL ORDER REGULATION #13-05
REVISION:**

11006.4 Provider Reimbursement

Reimbursement is monthly as indicated on the Day Care Contract (Compensation, Method of Payment, and Collection of Fee sections). Complete records must be retained by the provider for a period of three years, listing each child's daily attendance, accurately stating the number of authorized days present by type, and the number of absent days. These records will be monitored on a regular basis.

Payment will be made only for the number of days and type of authorization indicated on individual Form 618d the child's authorization notice and in accordance with absent day policy. Reimbursement rates differ for children under the age of two and children two years of age and older each type of child care setting.

~~FFY 2006 CHILD CARE PROVIDER RATES~~

~~NEW CASTLE COUNTY~~

	LICENSED HOMES		CENTERS		IN-HOME/RELATIVES	
	Regular	Special Needs	Regular	Special Needs	Regular	Special Needs
0	\$ 110.00	\$ 115.50	\$ 145.00	\$ 152.25	\$ 105.00	\$ 110.25
1	\$ 105.00	\$ 110.25	\$ 122.00	\$ 128.10	\$ 100.00	\$ 105.00
2 to 5	\$ 82.35	\$ 86.45	\$ 104.60	\$ 109.85	\$ 58.00	\$ 60.90
6 & over	\$ 84.30	\$ 88.50	\$ 104.60	\$ 109.85	\$ 58.00	\$ 60.90

~~KENT COUNTY~~

	LICENSED HOMES		CENTERS		IN-HOME/RELATIVES	
	Regular	Special Needs	Regular	Special Needs	Regular	Special Needs
0	\$ 80.00	\$ 84.00	\$ 97.50	\$ 102.40	\$ 75.00	\$ 78.75
1	\$ 75.00	\$ 78.75	\$ 85.00	\$ 89.25	\$ 75.00	\$ 78.75
2 to 5	\$ 66.20	\$ 69.50	\$ 70.00	\$ 73.50	\$ 45.90	\$ 48.20
6 & over	\$ 68.15	\$ 71.55	\$ 71.95	\$ 75.55	\$ 45.90	\$ 48.20

~~SUSSEX COUNTY~~

	LICENSED HOMES		CENTERS		IN-HOME/RELATIVES	
	Regular	Special Needs	Regular	Special Needs	Regular	Special Needs

0	\$ 75.50	\$ 79.30	\$ 97.50	\$ 102.40	\$ 75.00	\$ 78.75
1	\$ 75.00	\$ 78.75	\$ 85.00	\$ 89.25	\$ 75.00	\$ 78.75
2 to 5	\$ 66.20	\$ 69.30	\$ 70.00	\$ 73.50	\$ 45.90	\$ 48.20
6 & over	\$ 68.15	\$ 71.53	\$ 71.95	\$ 75.55	\$ 45.90	\$ 48.20

CHILD CARE INCOME LIMITS - EFFECTIVE 10/01/2005	
FAMILY SIZE	INCOME
1	\$1,596.00
2	\$2,140.00
3	\$2,682.00
4	\$3,226.00
5	\$3,770.00
6	\$4,312.00
7	\$4,856.00
8	\$5,400.00
Additional person add	\$544.00

10 DE Reg. 564 (09/01/06)

16 DE Reg. 876 (02/01/13) (Final)