

Child Care Subsidy and Payment Changes in Response to COVID-19 **Last updated April 8, 2020**

Below is a compilation of various state policy changes made related to child care subsidy and payments in response to COVID-19. Generally, many states are continuing subsidy payments to try to keep subsidized child care programs whole if they choose to or are forced to close, or if they experience significant declines in attendance.

Below are some additional actions that states have taken around subsidies, copayments, and other funding to support child care programs. Please note that some of the policies apply only to child care providers serving essential workers. Also note that this is not an exhaustive account of all states' actions. If you have anything to add or see any inaccuracies, please contact Albert Wat, Senior Policy Director, at awat@earlysuccess.org.

- Waive copayment (NJ, OR, PA, RI)
- Cover parents' co-payment (FL, KY, LA, MA, ME, NC, NM, TX, VT)
- Covering private pay tuition (VT)
- Enrollment not attendance (CT, DC, FL, GA, KY, LA, MA, MI, MS, NV, NM, NC, PA, RI, TX, UT)
- Relaxing policies re: child absences (FL, IL, ME, NM, ND, OR, PA, RI, TX)
- Increased rates for emergency/open child care providers (IL, NJ, NM, NC, WV)
- Grant programs for impacted providers (IN, KS, ND, TN, VT)

CT

https://www.ct.gov/oec/lib/oec/Memo_3_funding_and_closure_final_3_13_20.pdf

The OEC will continue funding all state-funded programs and settings (Child Day Care, Early Head Start-Child Care Partnerships, Even Start, School Readiness, Smart Start, State Head Start Supplement) at the full monthly allocation regardless of child attendance or program closure through March 30, 2020. We are exploring options to extend this payment policy if the effects of COVID-19 continue. We will update you as soon as possible

DC

<https://files.constantcontact.com/581e3977001/28aa8a0d-a3ef-4438-b7d1-71090779f07a.pdf>

For all OSSE approved closures, subsidy payments will continue during the activation of the CCDRP, and will not be based on actual attendance as long as the closure is approved pursuant to the process described above. Approved closures during the activation of the CCDRP must be classified as an approved closure (AC) on the monthly attendance submission in OATS.

Providers should continue to submit attendance (even if it is zero) by the 5th business day of each month.

FL

<http://www.fldoe.org/em-response>

All school readiness, voluntary prekindergarten, K-12, career and technical centers and state college programs will receive their full allocation of funding, and therefore staff and contractors can be paid fully, through June 30, 2020, as though there was no disruption in education.

GA

<http://dec.al.ga.gov/documents/attachments/Commissioner%20Letter%20on%20Closures%2003152020.pdf>

Georgia Pre-K payments will not be impacted, and Pre-K lead and assistant teachers will still be paid. Also, we will not require Georgia Pre-K classes to makeup days at this point. Children are not to be disenrolled if parents choose to keep their child out of school. For child care programs who receive child care subsidy (CAPS) payments from us, we will continue to pay for children who were in their care as of March 1st even if the children do not attend or the program closes.

ID

<https://www.cdhd.idaho.gov/pdfs/cd/Coronavirus/Corona%20Virus%20Child%20Care%20Frequently%20Asked%20Questions-%20Final.pdf>

ICCP providers will receive payment for eligible children as long as the child attended care at least one day within the month. The childcare program will have needed to remain open and operating during that same period. Remember that it is an ICCP requirement to maintain attendance records for every child in your care.

Will my business continue to receive payment from ICCP (Idaho Child Care Program) if I choose to close? • It is very important that children of parents who must continue to work access childcare as needed. • For ICCP eligible children who have attended care at least one day within the calendar month, ICCP will pay ICCP eligible providers their usual and customary rates for childcare that month. • If a child needs to attend another facility during a month due to your closure, ICCP will not make payments to your closed facility as families need their ICCP funds to access childcare at another program.

At this time, the collection of ICCP copays from families can be your choice as a business. We know that you need those funds to sustain your business, but some of you may want to waive copayments for families. IDHW and ICCP will not consider failure to collect copays from families to be a program violation at this time. IDHW will reevaluate and communicate additional changes to this policy.

IL

<http://earlysuccess.org/sites/default/files/COVID-19%20Guidance%20for%20Child%20Care%20Centers%2C%20Child%20Care%20Homes%2C%20and%20Early%20Education%20Programs.pdf>

Early education programs funded through the Illinois State Board of Education (ISBE) are advised that their funding will not be affected by program closure in response to the public health emergency, and ISBE will provide flexibility to grantees. The Office of Head Start has issued guidance that Head Start and Early Head Start programs will not be penalized for closure during the COVID-19 State Emergency. The Chicago Department of Family and Support Services will not reduce funding due to closures or low attendance during this period. The Illinois Department of Human Services is developing a simplified waiver process for the 80% attendance requirement in the Child Care Assistance Program for being paid for all eligible days for all enrolled children. Guidance on this process will be provided in the coming days. For programs funded by any or all of these funding streams, programs are expected to continue to pay all staff per their regular work schedule during any closures due to the public health emergency.

<http://earlysuccess.org/sites/default/files/COVID19IllinoisEarlyChildhoodCareandEducationResponse33020.pdf>

All licensed Emergency Child Care Centers, license-exempt centers, and licensed homes providing care as license-exempt during the emergency are eligible to receive a stipend to offset some of the additional costs providers may incur during the emergency.

IDHS has developed a simplified waiver process for the 80% attendance requirement for CCAP so programs can be paid for all eligible days of care. The policy and form are available here. It is also available in Spanish. Providers submitting the waiver must attest that they have continued to pay their staff through each month for which they submit the waiver.

IN

<https://www.in.gov/fssa/carefinder/5760.htm>

OECOSL with CCDF quality dollars will offer an opportunity to apply for temporary grants or assistance to impacted providers to retain the child care supply during periods of closures.

KS

https://kusurvey.ca1.qualtrics.com/jfe/form/SV_5v7PlcWXKuy1GRf

Child Care Action Lab Grants are \$500 grants to help child care providers in Kansas during the COVID-19 crisis.

KY

<https://chfs.ky.gov/agencies/dcbs/dcc/Documents/orderclosurechildcarecenters.pdf>

The Kentucky Division of Child Care (DCC) has asked the national Office of Child Care for an amendment to our state plan to allow Child Care Assistance Program (CCAP) funding for CCAP-eligible families based on enrollment and NOT on attendance. This request would last through the State of Emergency and be in place regardless if a center is open or closed. DCC has also asked for an amendment for the Division to cover the cost of parent co-payments during the State of Emergency to ensure financial security for centers and for families.

LA

https://www.louisianabelieves.com/docs/default-source/louisiana-believes/covid-19-faq_-child-care-centers_providers.pdf?sfvrsn=61d19b1f_4

The Department will:

- Pay all authorized children the full weekly amount (the state maximum rate) regardless of the number of days or hours they attended. (Full-Time will receive 22 units monthly, Part-Time will receive 20 hours weekly).
- Waive copayments for families.
- Extend family redeterminations for 3 months.
- Extend reporting deadlines for eligibility determinations.

CCAP co-pays being waived means that all families will be subsidized at 100 percent of the state maximum rate, which can be found here. Providers can continue to charge the difference between the state maximum rate and the cost of their tuition.

MA

https://eeclead.force.com/apex/EEC_ChildCareEmergencyFAQProviders

EEC will continue paying subsidies, vouchers, contract and parent fees for our subsidized cases for the duration of the closure.

- For Subsidized Care

Providers who have subsidized families enrolled will continue to receive child care subsidy payments from the state. EEC will also cover the cost of parent fees for subsidized families enrolled in care until May 4 or the duration of the state of emergency.

- For Private Pay

We recognize that child care providers are businesses losing critical revenue in this uncertain time. We encourage all our programs to be flexible with charging enrollment fees. The state is providing [financial assistance programs for small businesses](#), including child care providers, that may help programs offer that flexibility. We are assessing all funding options and will provide additional guidance as soon as possible.

ME

<https://www.maine.gov/dhhs/ocfs/documents/CCSP%20Emergency%20Provider%20Memo%203-16-2020.pdf>

For the Child Care Subsidy Program (CCSP), OCFS will be implementing the following:

- Paying providers for CCSP children as “excused absences” during closures due to COVID-19
- Assessing and covering the cost of parent fees on an as needed basis for 60 days

MI

https://www.michigan.gov/documents/coronavirus/COVID_FAQ_Memo_3.19.20_update_3.30.20_685224_7.pdf

During the time period of March 16, 2020 – April 13, 2020 (Pay Periods 007, 008 and 009), providers should bill regular child care subsidy hours for all subsidy eligible children enrolled in their care.

- If you are closed, bill for the time the child would have normally been in your care.
- If you are open and serving essential workers, bill for the time you are serving a subsidy-eligible child in your care and bill for all subsidy eligible children who would have normally been in your care.

MS

<https://secac.ms.gov/covid19/>

All providers participating in the CCDF program will be paid for March 2020 based on the number of children enrolled regardless of attendance as long as the child attended at least one day in March. Payments for April 2020 will be based on enrollment regardless of attendance, meaning a child would not need to attend in April for a provider to be paid as long as the child is still enrolled. Payments will occur for March and April even if a provider chooses to temporarily close during these months.

NV

<http://earlysuccess.org/sites/default/files/ChildCareHealthResponseCovid1912.pdf>

Any licensed provider in Nevada that is closed by any government agency due to COVID-19 will continue to receive subsidy payments based on the previous month’s enrollment for the term of the quarantine. If a child that is enrolled in one of these programs enrolls in another program due to the closure, subsidy will be paid to both providers through the term of the quarantine or for up to 30 days, whichever is less, as long as the second provider is also eligible for subsidy.

NJ

<https://www.childcarenj.gov/getattachment/Resources/Coronavirus/FINALPolicySnapshotEmergencyandDisaster.pdf?lang=en-US>

Co-Payment Adjustments. Waive parents/caregivers' child care subsidy co-payments for those who request it due to impacts from COVID-19.

Increased Rates for Open Providers. Increase rates for child care providers who remain open during this critical time to support working parents, and emergency and essential personnel. The state will pay a differential of \$100 per child per month above the state reimbursed rate for children enrolled in the child care subsidy program.

NM

<http://www.newmexicokids.org/wp-content/uploads/Early-Childhood-FAQ-3-24-20-1.pdf>

The state submitted a waiver to the federal government to waive copayments for families during the health emergency declaration. Additionally, we will pay licensed providers who stay open a differential of \$250 for all children enrolled in child care assistance per month during the health emergency declaration. We will also provide waivers to programs licensed at 3 STAR or above who want to open additional sites during the health emergency declaration.

If a center remains open during the emergency health declaration period, they will be paid in full for all children enrolled during the emergency period, even if the child is absent for more than five days. If a licensed child care provider continues to provide service they will be paid a differential for all children enrolled in child care assistance of \$250 per child per month.

Co-pays are not included in the \$250.00 differential. The state will reimburse providers for the full rate of service for all children enrolled in the child care assistance program.

The \$250 differential is not earmarked for specific expenses. We encourage all licensed facilities to prioritize the health and well-being of its employees. Additionally we encourage all employees who feel they are being taken advantage of by an employer to call the child care complaint hotline. All complaints will be investigated.

NC

<https://earlysuccess.org/sites/default/files/NCEmergencyChildCareOperationsGuidelinesApplicationForm03252020.pdf>

Guidance includes provisions for “bonus pay” for emergency child care providers, how subsidy and co-payments are handled, and a new Critical Worker Emergency Child Care Subsidy for parents deemed as essential workers.

https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/C/COVID-19_Child_Care_Payment_Policies_04032020.pdf?ver=2020-04-03-131933-720

DCDEE will make Subsidized Child Care Program payments to ALL subsidized child care providers for March, April, and May service months, regardless of whether the facility is open or closed. The payment amount for March, April, and May will be consistent with the March payments for February services for all providers (as recorded in NC FAST).

Payments for School-Age Children: In April and May, DCDEE will pay child care providers serving school-age children the difference between the blended rate and the full-time rate. The actual attendance of school-age children recorded by child care providers in April and May will be used to calculate the difference between the blended rate and full-time rate. This payment for school-age children will be paid mid-month (May 15th and June 12th).

Copayments: DCDEE will cover the cost of all parent copayments for the child care subsidy program for April and May 2020. Child care programs must not collect parent copayments for these months.

ND

<http://www.nd.gov/dhs/info/covid-19/docs/child-care-op-grant-overview.pdf>

In order to help childcare providers cover some of the extra costs of operating that will come with the modified operating practices, and to help sustain the childcare industry through this period of disruption, the state of North Dakota will be offering emergency operating grants to childcare providers. This grant will be available to all childcare providers licensed by the State of North Dakota.

<http://www.nd.gov/dhs/info/covid-19/docs/covid-19-faq-child-care-billing-for-ccap-and-ceog.pdf>

CCAP has temporarily modified payment policies to allow payment for more than 40 absent hours due to extended absences. Continue to bill for hours when the child was present and when a child was absent from care. Bill for the number of weeks when the child was both present and not present. When issuing payment, CCAP will take into consideration all hours when determining the payment amount.

OH

<http://emanuals.jfs.ohio.gov/ChildCare/ChildCareCenter/CCCMTL/CCCMTL-23.stm>

Child Care Payment During Closure

At the time child care programs must close the Department will establish a weekly payment which reflects a historical weekly payment for the program and provide it weekly through the duration of the closure, or as long as funds allow. At the time a closure occurs ODJFS will provide additional information on the payment structure.

See also: <http://emanuals.jfs.ohio.gov/ChildCare/ChildCareManual/Chapter16/5101-2-16-10.stm>

OR

<https://groups.io/g/earllysuccess/attachment/198/1/DHS%20Child%20Care%20Policy%20Changes.docx>

Expanded absent day policy (TANF and ERDC): Providers will be able to bill for all eligible children who were scheduled to have been in care who are unable to attend due to the virus. This will allow providers to have confidence in their finances during unprecedented demand.

\$0 copay for families receiving ERDC: Eligible families will have no copay amount for the duration of the state of emergency. Families who have already paid their copay for the month of March may arrange reimbursement privately with their provider; DHS is unable to reimburse families directly.

PA

<https://files.constantcontact.com/3e3d36fe201/0bbe4c59-860b-4c35-a814-1a81274f0104.pdf>

Effective March 13, 2020 through April 30, 2020 all CCW payments to child care providers will be made regardless of program operation or reason for closure. In addition, during this time period, child absences will not count toward the annual 40-day limit. CCW payment will not be made based on children's attendance in the program but will be made based on current enrollment . . . OCDEL recognizes that families will also be impacted by changes to their own work schedule and income, during child care closures related to COVID-19. Child care providers will not collect the family co-pays for CCW for the period of the closure.

RI

No link available. From email communications on March 24, 2020.

As a recap, here are a few of the payment practices we have amended since advising statewide closure of child care programs:

- DHS is committing to paying for CCAP enrollment, not attendance, during weeks the state of RI advises child care closure in response to COVID-19.
- DHS will continue to waive all copays for families during child care closures in response to COVID-19.
- DHS will waive the allowable absence policy for CCAP families, allowing families to utilize as many absences as they need during this time period without fear of losing their CCAP subsidy.

TN

<https://www.tn.gov/humanservices/news/2020/3/24/financial-assistance-now-available-to-child-care-providers.html>

The Tennessee Department of Human Services (TDHS) is partnering with The Community Foundation of Middle Tennessee to make \$10 million in new assistance available to help licensed childcare agencies that were impacted by the recent COVID-19 emergency and the March 3 tornado disaster. Starting Tuesday, March 24, agencies will be able to apply for grant money to recoup some of their losses and expenses.

TX

<https://twc.texas.gov/news/twc-approves-40000000-supplemental-child-care-distribution-texas-support-communities-and-families-during-covid-19>

The Texas Workforce Commission (TWC), in an effort to support our working community and families affected by COVID-19, will distribute \$40,000,000 of supplemental child care. These funds will allow local Workforce Development Boards to provide child care to the new COVID-19 Essential Workers, and, pending approval of a federal waiver from the Office of Child Care, make supplemental payments to child care programs to cover lost Parent Share of Cost (PSOC) payments. These measures are part of the State's efforts to address the impact the COVID-19 virus is having on the state's economy and its workforce.

In addition to resources for new COVID-19 Essential Workers, boards will also have funds to cover lost PSOC payments. Given the broad impact of COVID-19, many parents enrolled in the child care subsidy program may face financial hardship. Families may be unable to pay the PSOC due to loss of income, inability to leave home due to self-isolation or quarantine, child care program closure, or other COVID-related reasons. Offsetting the PSOC losses to all affected child care programs could help mitigate the financial impacts to programs.

<https://www.twc.texas.gov/news/covid-19-resources-child-care>

- Effective March 1, 2020, children may accrue absences without impacting ongoing eligibility for services or provider reimbursements. TWC will continue to monitor the COVID-19 situation and make a future determination on when this absence policy will conclude. Providers will continue to be paid, if children are absent, or if the provider is temporarily closed due to COVID-19.
- Workforce development boards (Boards) are authorized to make supplemental payments to child care programs to offset lost parent share of cost payments.

UT

<https://jobs.utah.gov/covid19/ccfaqproviders.pdf>

What happens to subsidies if children are sick with COVID-19? Child care subsidies will continue to be paid to providers based on the enrollment of children covered by subsidies. Providers should temporarily discontinue reporting a child stopped attending in the DWS Provider Portal so the payments can continue to be issued based on enrollment. Future payments will end if a parent reports a change in providers to Workforce Services.

VT

<https://governor.vermont.gov/sites/scott/files/documents/Directive%20%20-%20Childcare%20For%20Essential%20Service%20Providers.pdf>

During the Closure Period, the State shall continue to provide current levels of tuition payments on behalf of eligible families to: (a) all child care programs serving CCFAP-eligible children; and (b) child care programs and schools providing services under Act 166 for pre-K students.

<https://dcf.vermont.gov/sites/DCF/files/CDD/Docs/COVID/COVID-Private-Tuition-Payments-Stabilization-Guidance.pdf>

Child care is a critical infrastructure to families in Vermont. It is a system that relies on tuition payments to maintain programs to care for children statewide. We are encouraging families to continue to pay their tuition and co-payments to child care programs during the time of closure. If a family cannot afford to pay their child care program during this time, the State of Vermont has approved this program to support child care programs financially whose enrolled families are unable to afford paying tuition or co-payments during this Closure Period.

https://dcf.vermont.gov/sites/DCF/files/CDD/Docs/COVID/FAQ_COVID-Stabilization-For_Private-CC-Tuition-Payments.pdf

FAQ on Child Care Stabilization Payment Program for Private Tuition, a fund for providers who serve private-pay families (non-subsidy).

WV

https://groups.io/g/earllysuccess/attachment/195/4/Critical%20Child%20Care%20Memo%20March%2024%202020_FINAL%20%28003%29%20%28003%29.pdf

Any person who meets the definition of an essential worker will qualify for childcare assistance. Essential workers shall contact their local Child Care Resource and Referral agency to apply. If an essential worker is found eligible the CCR&R case manager will issue a regular 12-month Child Care Certificate.

Childcare providers caring for the child(ren) of an essential worker will be paid Tier III rates. The CCR&R agency shall notify the Division of Early Care and Education once it is notified that a provider is caring for the child of an essential worker. This enhanced rate will be paid as long as funding is available. Childcare providers who are granted Tier III status during this crisis will revert to their original Tier status once the crisis has passed.