

PROGRAM DESCRIPTION

Department of Elementary and Secondary Education

HB Section(s): 2.310

Child Care Subsidy

Program is found in the following core budget(s): **Child Care Subsidy Program**

1a. What strategic priority does this program address?

Early Learning & Early Literacy

1b. What does this program do?

The child care subsidy program increases children's access to early learning by assisting eligible parents/guardians with payments for child care. The purpose of the program is to not only ensure children have access to early childhood programs but also to help families with the cost of child care so that they are able to focus on finding and holding steady jobs and/or are able to attend school & training programs. Providing child care prevents children from being left in inappropriate, unsafe, or unsupervised environments. This program is funded with the federal Child Care Development Fund (CCDF) block grant.

Payment for child care may be paid to a legal provider as defined in Section 210.211, RSMo. Child care providers who are licensed may contract with DESE and receive payment for providing child care services to eligible children. Other legally operating providers, who register with DESE, may also receive payment for childcare as outlined in regulation. License-exempt providers must have an exemption established by DESE.

Traditional Child Care

The current income eligibility limit for a three (3) person traditional household is 138% to 150% of the Federal Poverty Level (FPL). Parents are required to share in the cost through a sliding fee scale based on household income. Parents are also responsible for paying the difference between the provider's actual charge and the state maximum payment rate. Sliding fees are waived for special needs or protective service children children receiving care.

The traditional income thresholds for child care subsidies shall be a full benefit for individuals with and income level which is less than or equal to 150% of the federal poverty level.

Transitional Child Care

Transitional child care provides a gradual phase-out for families with increasing income who have been receiving traditional child care subsidy. Since 2009, an expanded child care eligibility up to 215% of the poverty level has been available to families receiving traditional child care who income exceeds the 138% FPL. In 2022, this benefit was further expanded to include a third level of eligibility. Transitional Child Care (TCC) is only available to families who are already receiving traditional child care subsidy. TCC households have an increased share in the cost of care due to their increased income and continued eligibility.

Income eligibility for Transitional Child Care Level 1 (TCC1) shall be 151 percent of poverty but not to exceed 185 percent of poverty. The applicant shall be responsible for paying the sliding fee to the provider. DESE shall fund 80 percent of the remaining state base rate.

Income eligibility for Transitional Child Care Level 2 (TCC2) shall be 186 percent of poverty but not to exceed 215 percent of poverty. The applicant shall be responsible for paying the sliding fee to the provider. DESE shall fund 60 percent of the remaining state base rate.

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-Income eligibility for Transitional Child Care Level 3 (TCC3) shall be 216 percent of poverty but not to exceed 242 percent of poverty. The applicant is responsible for paying the sliding fee to the provider. DESE funds 50 percent of the remaining state base rate.

Income eligibility guidelines may decline at a proportionate rate when the FPL is adjusted each year.

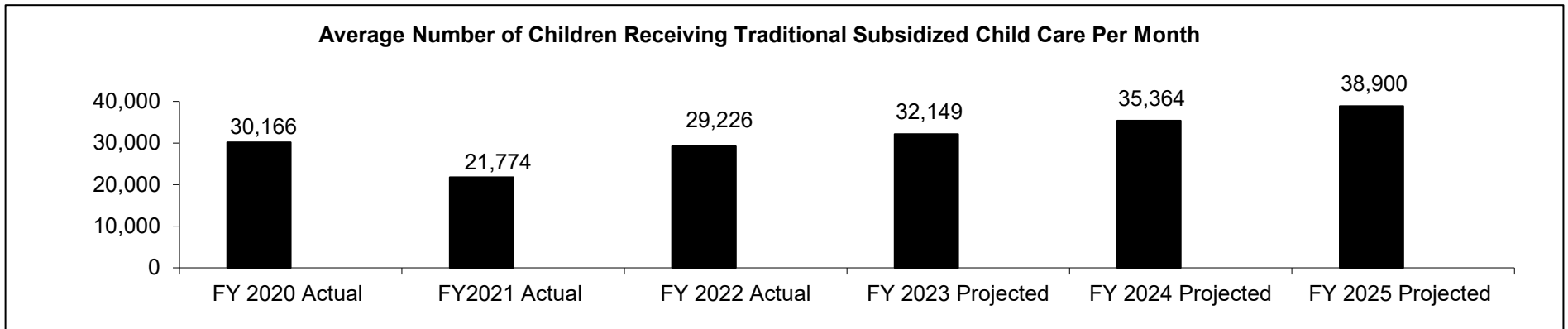
Child Care Provider Rates

DESE pays a maximum base rate determined by geographic area, type of facility (child care center, group child care home, or family child care home), duration of care (full, half, or partial day) and the age of the child (infant/toddler, preschool or school-age).

When providers meet the following qualifications, their base rate may be enhanced:

- Offer care after 7 p.m. and before 6 a.m., and/or on Saturday/Sunday may receive a 15% enhancement to their base rate
- Accredited by an accrediting organization recognized by the department may receive a 20% enhancement to their base rate
- Licensed providers, who are contracted with the Department and whose enrollment consists of 50% or more subsidy eligible children, may receive a 30% enhancement to their base rate

2a. Provide an activity measure(s) for the program.



Note: Child count is based on the child has an active application and utilization for subsidy services.

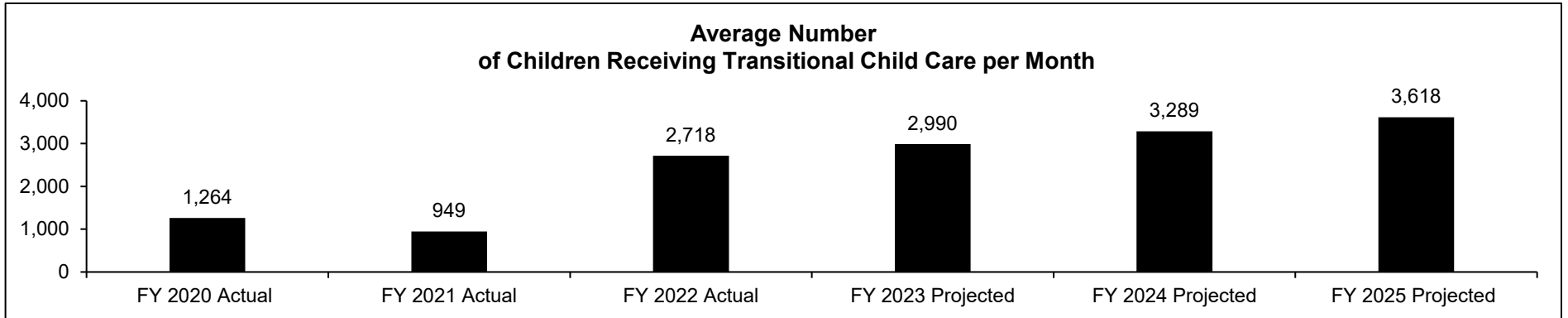
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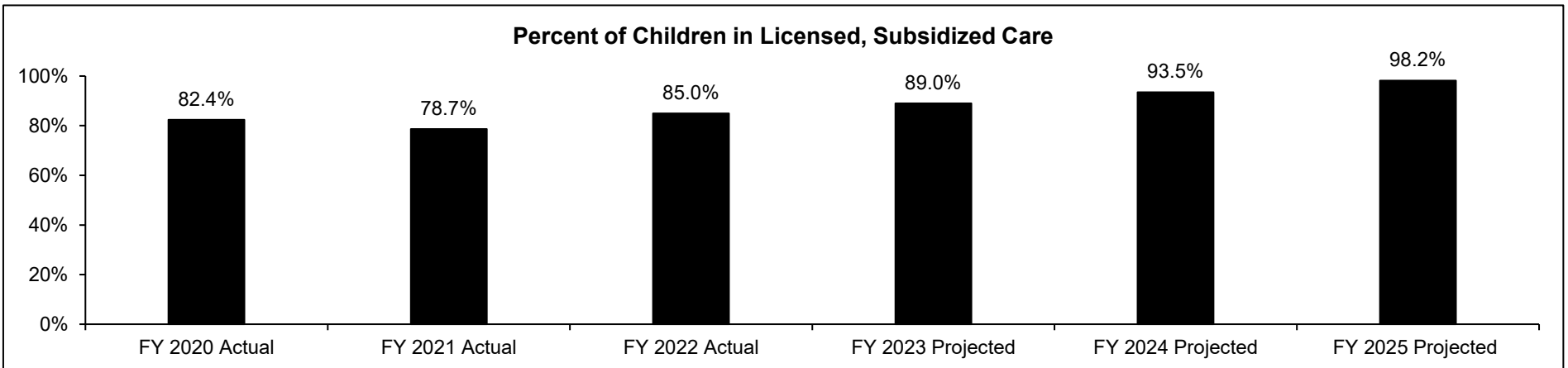
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Note: Child count is based on the child has an active application and utilization for subsidy services.

2b. Provide a measure(s) of the program's quality.



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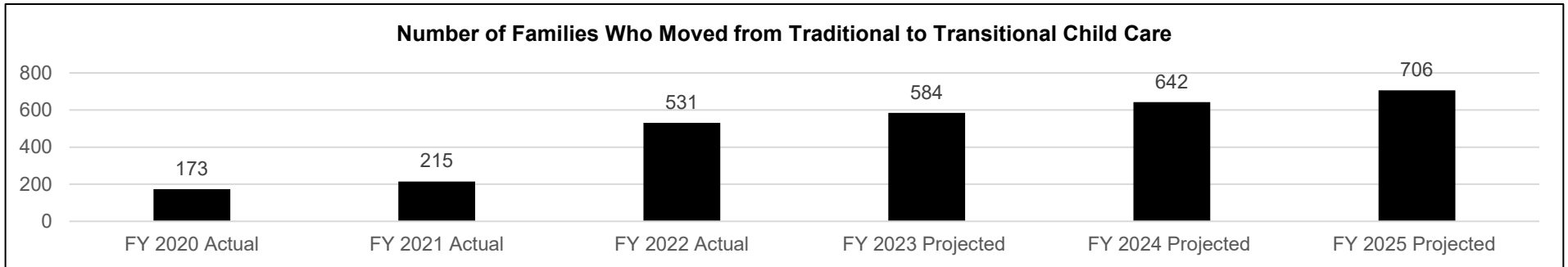
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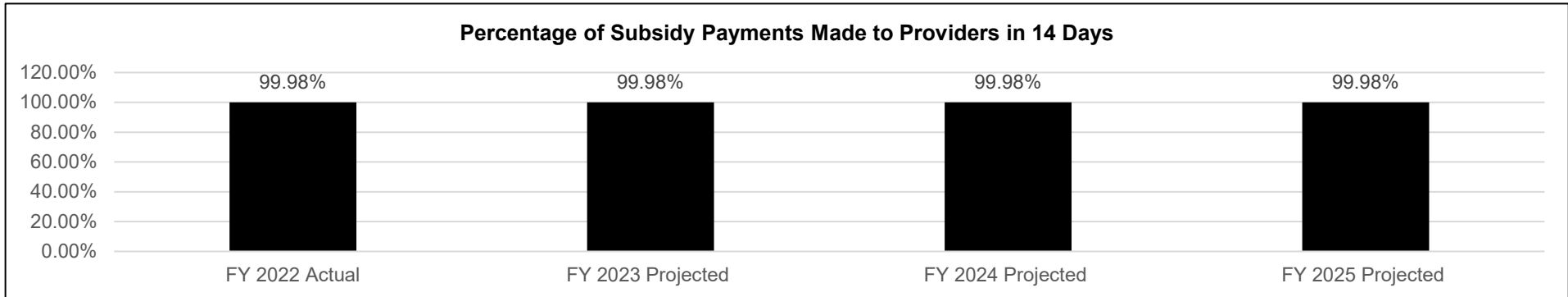
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2c. Provide a measure(s) of the program's impact.



2d. Provide a measure(s) of the program's efficiency.



Note: FY 2021 data not available.

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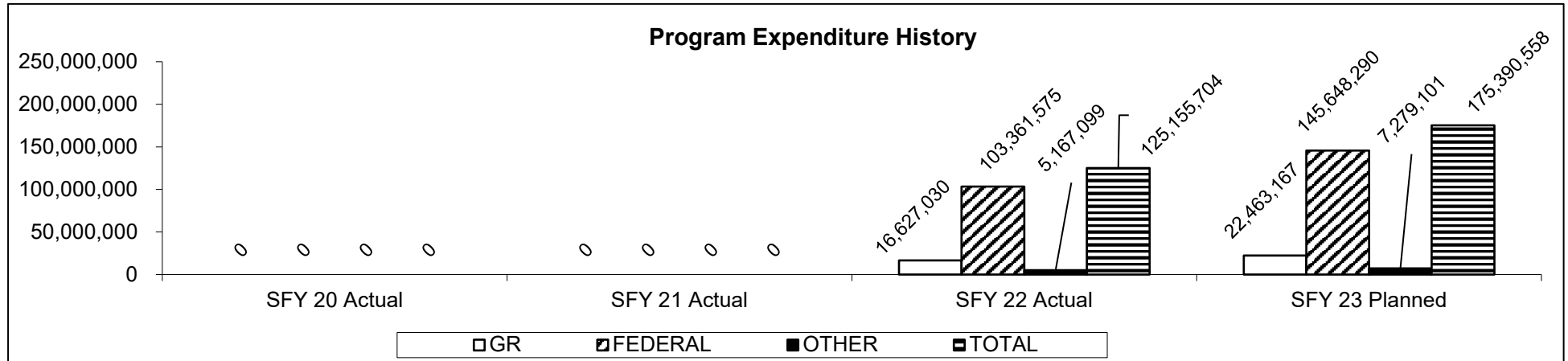
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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



Note: DESE does not have access to the expenditure history for these funds.

4. What are the sources of the "Other " funds?

Early Childhood Development Education and Care Fund (0859).

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 161.215, 208.044, and 208.046, RSMo.; 13 CSR 35-32.040; Federal Regulation: 45 CFR 98.10.

6. Are there federal matching requirements? If yes, please explain.

Yes. The federal CCDF block grant funds subsidy and quality subsidy supports. This block grant is broken down into three types of funding: mandatory, matching, and discretionary. To receive mandatory funding, a state must maintain the Maintenance of Effort (MOE). The CCDF reimbursement rate for matching funding is the FMAP (Federal Medical Assistance Percentage). The FMAP fluctuates annually based on state and national economic and population data, but generally, the state matching requirement is around 35%, and the federal match 65%.

7. Is this a federally mandated program? If yes, please explain.

No.