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CCDF/OMW Pre-K Subsidy Reimbursement Rate Public Comment Responses

The Office of Early Childhood and Out-of-School Learning is grateful to everyone who attended the system update sessions as well as those who submitted comments and questions. We sincerely appreciate the time spent and thoughtfulness of what was received. Below is our response to the questions and comments presented. We have separated questions into those that were specific to CCDF Subsidy Reimbursement Rates and other general questions related to CCDF or other programs in Indiana. Comments and questions were grouped if answers were similar.

CCDF/OMW Pre-K Transitional Reimbursement Rates

OECOSL received several comments related to the Family Child Care Home Transitional Reimbursement Rates, including comments that the rate does not cover current rates that families are charged.

State Response: Indiana is using a new cost-based approach to set CCDF reimbursement rates. The new rates reflect the costs of providing care across specific settings, geographies, seat types and quality levels using cost information collected from the Child Care Stabilization Grants. To date, cost data has been collected by age group, provider type and quality level for more than 3,100 providers and 8,984 classrooms across early childhood and school-age programs. The state reviewed a comprehensive set of cost factors, including class sizes, hourly wages and benefits, facility size and cost per square foot, child assessments and more. OECOSL also committed to ensuring that no provider saw a decrease in payments from current reimbursement rates including the additional 20% reimbursement through Emergency Relief Grants. New rates offer a minimum 20% increase across all payments and additional increases for specific providers and care types where cost data showed inequities. OECOSL will continue to work with child care providers to obtain cost information that will inform reimbursement rates in the coming years. OECOSL, in partnership with Spark Learning Lab, will offer professional development opportunities for child care providers to help determine the true cost of care within its programs and other business-related topics. Spark Learning Lab will continue to offer professional development on general business topics, 1:1 business consultations, and business coaching to programs in support of determining the true cost of care. We will use provider input and survey results to determine additional professional development needs.

A family child care provider submitted their projected monthly costs to OECOSL.

State Response: We sincerely appreciate the sharing of this information. OECOSL will work with child care providers to formally collect cost information to inform rates in the coming months.



OECOSL received questions related to understanding the difference between rates across county types (rural, urban, suburban).

State Response: Reimbursement rate structures have historically been based on market rate surveys. While an important input, market rates do not always reflect the cost of providing care. To minimize the difference, Indiana is using a new cost-based approach to set CCDF reimbursement rates. The new rates reflect the costs of providing care across specific settings, geographies, seat types and quality levels using cost information collected from the Child Care Stabilization Grants. To date, cost data has been collected by age group, provider type and quality level for more than 3,100 providers and 8,984 classrooms across early childhood and school-age programs. The state reviewed a comprehensive set of cost factors, including class sizes, hourly wages and benefits, facility size and cost per square foot, child assessments and more. OECOSL committed to ensuring that no provider saw a decrease in payments from current reimbursement rates including the additional 20% reimbursement through Emergency Relief Grants. New rates offer a minimum 20% increase across all payments and additional increases for specific providers and care types where cost data showed inequities. Throughout this process, OECOSL committed to ensuring that providers did not receive a reduction in reimbursement from what they are currently receiving (20% increase). Because of this, there is a difference in rates between some county types where the methodology provided a lower rate.

OECOSL received questions related to the change in differential rates for programs at various Paths to QUALITY™ levels.

State Response: Reimbursement rate structures have historically been based on market rate surveys. While an important input, market rates do not always reflect the cost of providing care. To minimize the difference, Indiana is using a new cost-based approach to set CCDF reimbursement rates. The new rates reflect the costs of providing care across specific settings, geographies, seat types and quality levels using cost information collected from the Child Care Stabilization Grants. To date, cost data has been collected by age group, provider type and quality level for more than 3,100 providers and 8,984 classrooms across early childhood and school-age programs. The state reviewed a comprehensive set of cost factors, including class sizes, hourly wages and benefits, facility size and cost per square foot, child assessments and more. OECOSL committed to ensuring that no provider saw a decrease in payments from current reimbursement rates including the additional 20% reimbursement through Emergency Relief Grants. New rates offer a minimum 20% increase across all payments and additional increases for specific providers and care types where cost data showed inequities. OECOSL will continue to work with child care providers to obtain cost information that will inform reimbursement rates in the coming years. OECOSL, in partnership with Spark Learning Lab, will be offering professional development opportunities for child care providers to specifically help determine the true cost of care within their programs and other business related topics. Spark Learning Lab will continue to offer professional development on general business topics, 1:1 business consultations, and business coaching to programs in support of determining the true cost of care. We will use provider input and survey results to determine additional professional development needs.

OECOSL received a question related to if reimbursement is different for limited eligibility On My Way Pre-K families.

State Response: The reimbursement for On My Way Pre-K Limited Eligibility vouchers remains the same.

OECOSL received many positive comments regarding the change in establishing reimbursement rates by looking at the cost of care rather than market rates.

State Response: Indiana is committed to sustaining and increasing access to early learning opportunities for families qualifying for the state's child care assistance programs. OECOSL committed to ensuring that no provider saw a decrease in payments from current reimbursement rates including the additional 20% reimbursement through Emergency Relief Grants. New rates offer a minimum 20% increase across all payments and additional increases for specific providers and care types where cost data showed inequities.

OECOSL received a question about if these rates will decrease in the future.

State Response: The new reimbursement rates went into effect on July 30. Providers should have seen the new structure applied to payments received on August 30. These rates will continue through fall 2024. During this time, OECOSL will continue to collect cost data from providers and use this data to establish new, permanent rates to align with the next triennial state plan.

OECOSL received a comment that the reimbursement rates for 3-5 year olds is low for centers and ministries.

State Response: Reimbursement rate structures have historically been based on market rate surveys. While an important input, market rates do not always reflect the cost of providing care. To minimize the difference, Indiana is using a new cost-based approach to set CCDF reimbursement rates. The new rates reflect the costs of providing care across specific settings, geographies, seat types and quality levels using cost information collected from the Child Care Stabilization Grants. To date, cost data has been collected by age group, provider type and quality level for more than 3,100 providers and 8,984 classrooms across early childhood and school-age programs. The state reviewed a comprehensive set of cost factors, including class sizes, hourly wages and benefits, facility size and cost per square foot, child assessments and more. OECOSL committed to ensuring that no provider saw a decrease in payments from current reimbursement rates including the additional 20% reimbursement through Emergency Relief Grants. New rates offer a minimum 20% increase across all payments and additional increases for specific providers and care types where cost data showed inequities. OECOSL, in partnership with Spark Learning Lab, will be offering professional development opportunities for child care providers to help determine the true cost of care within their programs and other business related topics. Spark Learning Lab will continue to offer professional development on general business topics, 1:1 business consultations, and business coaching to programs in support of determining the true cost of care. We will use provider input and survey results to determine additional professional development needs.

CCDF Policy and Program

OECOSL received a question about whether programs need to fill out new provider forms.

State Response: New provider forms are only needed for new CCDF family enrollment and at the time of reauthorization.

OECOSL received questions related to if families will need to reapply for their vouchers to get the new reimbursement rate and if this will change their copayments.

State Response: Families do not need to reapply. No action is needed on their part until it is time to reauthorize their vouchers.

OECOSL received a question about if programs are allowed to charge or collect fees for registration, curriculum, and/or supplies for CCDF children.

State Response: OECOSL is currently evaluating the total number of fees charged to families and will be announcing the amount of annual reimbursement this fall. It is expected that no additional fees will be collected from CCDF families.

OECOSL received a question about if families will continue to receive the same number of personal days when new rates go into effect.

State Response: The subsidy reimbursement rates have no impact on the number of personal days.

OECOSL received a question about whether parent who receives a CCDF voucher for their child can work in the same program their child attends.

State Response: OECOSL does allow a parent who receives a CCDF voucher to work in the same child care that their child attends as long as the parent is working in a separate classroom than their child.

OECOSL received a question related to if programs would be able to assist with the CCDF intake process due to the influx of new families.

State Response: There is a toolkit available for providers to assist in this process. It can be accessed here: <https://www.in.gov/fssa/carefinder/files/PROVIDER-Toolkit-Expanded-Child-Care-Assistance-Eligibility.pdf>.

Child and Adult Care Food Program Reimbursement

OECOSL received several comments related to the updated Child and Adult Care Food Program Reimbursement Rates.

State Response: These comments were shared with the Indiana Department of Education which oversees this program.