



News Release

Indiana to increase the amount paid to reimburse child care providers who care for low-income children

Increases will be tied to quality level of child care provider

Indianapolis (April 7, 2014) – For the first time in nearly seven years, Indiana is increasing the amount that child care providers are reimbursed for caring for children from low-income families. This move is part of the Family and Social Services Administration’s (FSSA) ongoing effort to support low-income, working families in finding affordable, high-quality care for their children.

Beginning in mid-May 2014, FSSA’s Bureau of Child Care (BCC) will implement new reimbursement rates for child care providers who accept vouchers from the federal Child Care Development Fund (CCDF) to care for low-income children. The amount providers will be reimbursed will be based upon the provider’s participation in Indiana’s voluntary, four-tiered Paths to QUALITY™ system, which rates participating providers at levels 1 through 4, dependent upon meeting certain key quality standards. Level 4 child care providers who care for children receiving CCDF benefits will receive the highest increase in reimbursement.

“Our goal is to not only ease the burden of finding affordable child care for low-income working families, but also to help improve the overall quality of care available to all Hoosier families,” said Melanie Brizzi, Administrator of FSSA’s Bureau of Child Care. “Increasing reimbursements will help ensure that high-quality providers are able to continue to serve low-income families. And giving higher reimbursements to higher-rated Paths to Quality providers incentivizes other providers to either join Paths to Quality or work to increase their overall quality and level in the program.”

Families interested in finding a Paths to Quality provider may search at www.childcareindiana.org

Detailed information about the formula used to calculate the rate increase for providers is available here. FSSA will communicate these changes to providers and CCDF clients via letters

and a series of webinars which begin this week.

Studies have shown that the number one barrier to work for low-income families is access to child care. Currently, more than 41,000 children from more than 22,000 Hoosier families receive child care subsidies from the federal government's Child Care Development Fund.

Paths to QUALITY™ is Indiana's voluntary quality rating and improvement system for child care. The system identifies child care providers based on 4 levels of quality. Beginning at Level 1 - meeting basic health and safety standards - child care programs may progress to the highest level - Level 4, achieving national accreditation.

Indiana's current CCDF fact sheet can be found here:

<http://www.in.gov/fssa/files/FactSheet.pdf>

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Contact Information:

Name: Marni Lemons

Phone: 317-234-5287

Email: Marni.Lemons@fssa.IN.gov

Name: Jim Gavin

Phone: 317.234.0197

Email: Jim.Gavin@fssa.IN.gov