



Subsidy Administration Resource List

Introduction

The 2016 Child Care and Development Fund (CCDF) final rule outlines regulations for implementing the Child Care and Development Block Grant (CCDBG) Act of 2014 and administering the CCDF program. The CCDF final rule includes new provisions aimed at promoting equal access to stable child care for children from low-income families. These include requirements around subsidy eligibility policies, stable financial assistance, and payment rates and practices. American Indian and Alaska Native (AI/AN) CCDF grantees with medium and large allocations are subject to the majority of the subsidy eligibility and equal access provisions in the final rule (medium allocations are \$250,000 to \$1 million in CCDF funds; large allocations are more than \$1 million). AI/AN CCDF grantees with small allocations (less than \$250,000) are exempt from most subsidy administration requirements, but are subject to the requirements to define “Indian child” and “service area” for the purposes of determining eligibility.

CCDF requirements provide AI/AN grantees with the flexibility to design subsidy systems that take into account local market dynamics, current budgetary parameters, and other factors to meet the unique needs of their communities. This document provides examples of key resources for AI/AN CCDF grantees related to the administration of a subsidy program.

Resource Spotlight: *American Indian and Alaska Native Child Care and Development Fund: Guide to Subsidy Administration for Medium- and Large-Allocation Grantees*

[This guide](#) provides an overview of CCDF subsidy administration. It focuses on CCDF final rule requirements for providing stable financial assistance to eligible CCDF families and ensuring equal access to quality child care. It explores key aspects of CCDF subsidy administration, such as defining which families are eligible to receive CCDF subsidies, establishing and overseeing processes for eligibility determination and redetermination, establishing payment rates for providers and copayment rates for families, and implementing provider payment practices.

Eligibility Determination and Redetermination Processes

CCDF Requirements

The CCDF final rule made significant changes to requirements around eligibility determination and redetermination in order to support stable child care financial assistance and continuity of care. Medium- and large-allocation AI/AN CCDF grantees are subject to these new provisions, which include the establishment of a minimum 12-month eligibility period. The resources below were developed for medium- and large-allocation AI/AN CCDF grantees to provide information regarding requirements for determining a child’s eligibility for CCDF assistance, the eligibility determination process, and the redetermination process.

Resource Title	Description
Subsidy Eligibility in American Indian and Alaska Native Child Care and Development Fund Programs: Part I	This webinar was hosted by the National Center on Tribal Early Childhood Development (NCTECD). The webinar provided an overview of CCDF subsidy eligibility for medium- and large-allocation AI/AN grantees. Topics included eligibility requirements, definitions, and recordkeeping examples.

Resource Title	Description
<u>Subsidy Eligibility in American Indian and Alaska Native Child Care and Development Fund Programs: Part II</u>	This webinar was hosted by the NCTEED. It provides an overview of CCDF subsidy eligibility determination and redetermination for medium- and large-allocation AI/AN CCDF grantees. Topics include CCDF continuity of care, grantee median income, and graduated phase-out.

Family-Friendly Eligibility Policies

Family-friendly eligibility policies are aimed at stabilizing families’ access to child care assistance and minimizing burdensome reporting processes for families that can disrupt work or education. Such policies help support the stability of parents’ employment or education and of children’s care arrangements. The resource below examines family-friendly CCDF eligibility policies and provides information regarding new provisions, which are applicable to medium- and large-allocation grantees.

Resource Title	Description
<u>“Family-Friendly Eligibility and Enrollment Policies”</u>	This resource from the National Center on Subsidy Innovation and Accountability (SIAC) explores CCDF eligibility policies that are family friendly, child focused, and fair to providers. It outlines key family-friendly policies, discusses opportunities and benefits, and offers considerations for implementation.

Waiting Lists

AI/AN CCDF grantees may need to implement strategies to manage subsidy caseloads and expenditures in circumstances where the need for CCDF-funded child care services exceeds available funds. The resources below provide general information regarding approaches and considerations for implementing a CCDF waiting list.

Resource Title	Description
<u>Wait List Management</u>	This brief developed by SIAC examines waiting list policies and methods that CCDF Lead Agencies use to manage subsidy caseloads. It provides information regarding various approaches to implementing and managing waiting lists.
<u>Wait List versus Enrollment Freeze</u>	This brief developed by SIAC provides information on the use of waiting lists and enrollment freezes. It discusses key considerations for Lead Agencies when determining whether they should create a waiting list of eligible participants or freeze the eligibility or enrollment process.

Ensuring Equal Access

CCDF Requirements

The CCDF final rule includes provisions aimed at supporting CCDF-eligible families' equal access to child care comparable to that available to non-CCDF families. These provisions are applicable to medium- and large-allocation AI/AN CCDF grantees. They include establishing sufficient provider payment rates for the provision of child care, determining family copayments, and ensuring timely provider payments based on generally accepted practices. The resource below was developed for medium- and large-allocation AI/AN CCDF grantees to provide information regarding equal access requirements.

Resource Title	Description
<u>Equal Access in American Indian and Alaska Native Child Care and Development Fund Programs</u>	This webinar was hosted by the NCTECD. It provides an overview of CCDF equal access requirements for medium- and large-allocation AI/AN CCDF grantees. Topics include sliding fee scales, copayments, child care market rates, and payment practices and provider stability.

Assessing Child Care Rates and Costs

All AI/AN CCDF grantees are exempt from the requirement to conduct a market rate survey or alternative methodology. However, medium- and large-allocation grantees are required to provide a description in their CCDF plans about how their payment rates are established and how these rates support quality. The resources below can help grantees understand and assess the costs of child care in order to inform their rates.

Resource Title	Description
<u>"Addressing Equal Access through Alternative Methodologies and Cost Analyses"</u>	States and territories are required to base their payment rates on a market rate survey or an alternative methodology. This Office of Child Care (OCC) presentation focuses on types of alternative methodologies that states and territories might use to inform their rate-setting process. Although AI/AN CCDF grantees are exempt from the requirement to conduct a market rate survey or alternative methodology, this resource can be useful for those who are interested in exploring methods of data collection and analysis to inform subsidy payment rates.
<u>"CCDF Payment Rates — Understanding the 75th Percentile"</u>	The benchmark for equal access established by OCC is the 75th percentile of the current child care market. OCC considers payment rates set at the 75th percentile or higher as providing equal access. This resource, developed by the SIAC, discusses this benchmark in the context of requirements for the market rate survey or alternative methodology (applicable to states and territories). However, AI/AN CCDF grantees can use this resource to gain a better understanding of market rate percentiles.
<u>Guidance on Estimating and Reporting the Costs of Child Care</u>	This document, developed by the National Center on Early Childhood Quality Assurance (ECQA Center), provides an introduction to strategies and considerations for estimating the costs of child care. This resource can be helpful to AI/AN CCDF grantees who need to collect information regarding the cost of care in order to inform their payment rates.

Resource Title	Description
Provider Cost of Quality Calculator (PCQC)	The PCQC is a tool developed by the ECQA Center that calculates the cost of child care by levels of quality based on site-level provider data. The tool can help AI/AN CCDF grantees, particularly those with tribally operated centers, understand the costs associated with delivering high-quality child care services. This website has information and guidance regarding using the PCQC.

Copayments and Sliding Fee Scales

AI/AN CCDF grantees with medium and large allocations must establish, and periodically revise, a sliding fee scale for copayments based on family size and family income. The resources below can assist grantees when developing or revising their sliding fee scales.

Resource Title	Description
“CCDF Family Copayments and Sliding Fee Scales”	Affordable copayments are an important component of equal access and help ensure that the cost of child care is not a barrier to low-income families’ access to CCDF services. This discussion brief by SIAC summarizes the requirements contained in the CCDF final rule and provides programmatic objectives for Lead Agencies to consider when designing their sliding fee scales.
“State Median Income and Federal Poverty Level Calculation Tool”	This document contains instructions for the State Median Income and Federal Poverty Level Calculation Tool. This tool was designed by SIAC to assist CCDF grantees with calculating the annual and monthly state median income estimates and federal poverty level numbers used to determine income eligibility and family copayments for their child care subsidy programs.

Strategies for Promoting Equal Access

There are a variety of strategies for promoting equal access to stable financial assistance and high-quality care. The resources below explore approaches that grantees can consider in order to support equal access and supply-building and meet requirements under the CCDF final rule.

Resource Title	Description
“Contracting for Child Care Services for Families Eligible for Subsidy”	This SIAC presentation provides an overview of information about contracts through the child care subsidy program funded by CCDF. It includes information about the fundamentals and purpose of subsidy contracts, benefits and limitations, and implementation considerations.
The Intersection of Subsidy and Quality in School-Age Care Webinar	This presentation was developed by the National Center for Afterschool and Summer Enrichment. It focuses on emerging strategies for linking subsidy and quality in school-age care. Topics included exploring how subsidy can impact quality and understanding why subsidy and quality need to be linked across all age groups and settings.
“Promoting Partnerships in Tribal Programs”	This SIAC document highlights areas in which CCDF and Head Start and Early Head Start policies closely align and can support partnerships in tribal communities. It discusses aligning policies to encourage stability and continuity of care, streamlining administrative procedures, and identifying opportunities to support partnerships and providers.

Resource Title	Description
<u>Strategies for Building and Financing the Supply of High-Quality Child Care</u>	This webinar series from the ECQA Center is geared toward those interested in identifying gaps in the availability of child care in high-need communities, exploring rate strategies to finance child care, sharing innovations, and hearing about practical tools to support supply-building efforts.

Increasing Access for Specific Populations

The CCDF final rule includes requirements around improving access for vulnerable children and families. For examples, grantees with medium and large allocations are required to provide priority for child care services to “children with special needs,” as defined by the grantee. Medium- and large-allocation grantees are also required to describe their strategies to increase the supply and improve the quality of child care services for children in underserved areas, infants and toddlers, children with disabilities, and children who receive care during nontraditional hours. The resources below explore requirements and strategies for increasing access for specific populations.

Resource Title	Description
<u>“Serving Children Experiencing Homelessness with Child Care and Development Fund Subsidies”</u>	The CCDF final rule includes provisions to improve access to care for children experiencing homelessness. For example, AI/AN CCDF grantees with medium and large allocations are required to give priority for child care services to children experiencing homelessness and must expend funds on activities that improve access to quality child care services for children experiencing homelessness. In addition, all AI/AN CCDF grantees are required to establish a grace period that allows children experiencing homelessness to receive CCDF services while their families take steps to meet immunization and other health and safety requirements. This SIAC brief discusses requirements in the CCDBG Act and CCDF final rule regarding homelessness and explores policy and practice options for Lead Agencies.
<u>State Strategies for Building the Supply of High-Quality Infant/Toddler Care</u>	AI/AN CCDF grantees with medium and large allocations are required to describe how they will increase the supply and improve the quality of child care services for infant and toddlers. Additionally, starting in fiscal year 2019, medium- and large-allocation grantees are required to spend a portion of their funds on quality activities for infants and toddlers. This webinar presentation from the Child Care State Capacity Building Center identifies multiple strategies for building a supply of quality infant and toddler care, specifically in high-need areas.

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