

September 2017

The Child Care and Development Block Grant Act of 2014: Uneven State Implementation of Key Policies

Karen Schulman

TABLE OF CONTENTS

Introduction	1
New Child Care Licensing Staff	3
Eligibility Period and Interim Reporting for Child Care Assistance	4
Payment for Days When Children Are Absent from Child Care	8
Differential Payment Rates for Specialized Care	11
Conclusion	14
Tables	17

Introduction

The Child Care and Development Block Grant (CCDBG) Act of 2014,¹ which reauthorized (renewed and updated) the major federal child care assistance program for the first time since 1996, aimed to accomplish several essential goals: ensuring the health and safety of children in child care, improving the quality of care, and making it easier for families to get and retain child care assistance. These are important objectives, but achieving them entails costs—and Congress has not yet provided sufficient funding to enable states to cover those additional costs. In the absence of new funding, states will find it extremely challenging to fully implement the specific requirements of the reauthorization law, much less meet the law's broader goals of helping parents work and promoting children's healthy development by supporting affordable, high-quality child care. As states devote more resources to meeting the new requirements, they may be forced to cut the number of families receiving assistance or reduce payments to child care providers, which would limit families' access to affordable, high-quality care. Already, the number of children receiving child care assistance decreased by 373,000 between 2006 and 2015 due to insufficient funding.² A further decline in the number of families receiving assistance would result in more parents being unable to afford the child care they need to work and gain financial security for their families, and more children without the stable child care they need for a strong start.

States, which receive funds through CCDBG to help low-income families afford care and to support activities to improve the quality of care, set policies for their child care assistance programs within federal parameters. The CCDBG Act of 2014 established a number of new requirements that

states must meet, but states still have significant flexibility to determine their own policies, and have been given time to come into compliance with the law. In addition, many states have received individual waivers allowing them an additional year to implement certain provisions of the law.³

The National Women's Law Center has been tracking states' progress in implementing the CCDBG Act of 2014 and will continue to do so in the coming years by obtaining updates from state administrators and advocates and collecting data on state policies. As part of this effort, this report analyzes data on state policies and policy changes in four key areas addressed by the law. These four areas were selected as indicators of states' progress in carrying out the law because they reflect the range of objectives of the law—related to improving the health and safety of child care, the supply and quality of child care, and families' access to child care assistance. The four areas are:

- Additional staff hired to implement the law's new licensing and monitoring requirements.
- Length of the eligibility period during which families can continue to receive child care assistance without having to recertify and interim reporting requirements during that period.
- Payment to child care providers for days when children receiving child care assistance are absent.
- Differential (higher) payment rates for special needs care, care during nontraditional hours, and other specialized care in short supply.

The trends in state policies in these four areas indicate that while many states have taken steps

forward to meet specific requirements of the law, many states have not yet moved toward compliance in one or more of these areas. The trends also demonstrate that states have made fewer policy changes in those areas where the reauthorization law's requirements are less specific—possibly because states are instead focusing their insufficient resources on complying with aspects of the law where there are clear, detailed requirements, or because they are still uncertain about how to implement those more general provisions. This report examines the extent to which states made changes in these four areas between the law's enactment and mid-2017, and the key findings include:

- Twenty-one states hired additional licensing staff to help implement the health and safety requirements of the reauthorization law. However, the remaining 30 states had not yet hired additional licensing staff as of June 2017.
- Nineteen states expanded the eligibility period—the period that families could continue receiving child care assistance without having to recertify their eligibility—to 12 months for some or all families. As of June 2017, a total of 41 states had a 12-month eligibility period for all families, as required by the reauthorization law, but 10 states had a shorter recertification period for some or all families.
- Thirteen states reduced interim reporting requirements or implemented other changes to their policies on interim reporting to make it easier for families to retain child care assistance for their entire eligibility period.
- Only seven states adopted more generous policies for paying child care providers during days when children receiving child care assistance are absent from care. Two states adopted, or planned to adopt, less generous policies for paying providers when children are absent.
- Only five states added, increased, or expanded access to differential rates for specialized types of care.

States will need to make additional changes in their policies and practices to ensure that children are healthy and safe in child care, families are able to retain child care assistance over an extended period, child care providers are adequately compensated and have incentive to serve families receiving child care assistance, and families and children with specialized needs have high-quality child care options.

At the same time they are working to comply with reauthorization law, states must also deal with existing gaps in their state child care assistance programs. Many low-income families are unable to receive child care assistance. Fewer than one out of six children eligible for child care assistance under federal law receives it.⁴ Twenty states placed eligible families on waiting lists or froze intake (turned away eligible families without adding their names to a waiting list) for child care assistance in 2016.⁵ Even if families are able to receive child care assistance, they may not have access to high-quality care because provider payment rates are so low. Only one state set payment rates for child care providers serving families receiving child care assistance at federally recommended levels as of February 2016.⁶ Low payment rates discourage high-quality providers from serving families receiving assistance, and may deprive providers serving these families of the resources they need to support high-quality care. For states to make greater progress in implementing the reauthorization law, while addressing rather than exacerbating these gaps, federal and state policymakers must provide significant new investments in child care.

METHODOLOGY

The policy data included in this report were initially collected from child care administrators in the 50 states and the District of Columbia (counted as a state in this report) as part of the Center's broader annual survey on state child care assistance policies in the spring and summer of 2016. State child care administrators were contacted again by Center staff in the spring of 2017 to verify and update the data included in this report.

New Child Care Licensing Staff

As one component of the effort to ensure healthy, safe child care settings, the CCDBG Act of 2014 established new requirements for monitoring and licensing child care providers. Under the law, licensed providers must receive at least one inspection prior to licensing to ensure compliance with health, safety, and fire standards and at least one annual, unannounced inspection for compliance with all child care licensing standards, including health, safety, and fire standards.⁷ License-exempt providers (except for those related to all children in their care) must receive an annual inspection for compliance with health, safety, and fire standards at a time to be determined by the state.⁸ The law also requires that states have a sufficient number of licensing inspectors to fulfill the inspection requirement.⁹

Most states did not fully meet these requirements at the time of the law's passage,¹⁰ and had to increase the frequency of their licensing visits or expand the types of providers subject to the inspection requirements. While the law does not require states to have a specific number of child care licensing staff or hire additional staff, many states recognized the need for more licensing staff to meet the law's requirements.

States may need even more licensing staff to carry out pre-licensing and annual inspections, and do so in a way that is fair to providers and thorough enough to address any health and safety risks to children.

- Twenty-one states (Alabama, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Kentucky, Louisiana, Michigan, Nevada, New Hampshire, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Texas, Utah, Virginia, and Washington) hired additional licensing staff that will help them comply with the inspection and other licensing requirements between the start of 2015 and June 2017 (see *Table 1*).
- These 21 states hired a total of 242.5 full-time equivalent (FTE) staff, which represented a 13 percent increase in staff in these states.
- One state (Minnesota) received legislative approval for funding to hire additional licensing staff in May 2017, but had not yet begun hiring new staff as of June 2017.
- The remaining 29 states had not hired additional licensing staff and had no immediate plans to do so.

As states work toward full compliance with the law's requirements for inspections and other health and safety measures, they will need additional funding to cover the extra costs involved in hiring and training new licensing staff. These costs may continue to grow as states realize that they may need even more licensing staff to carry out the pre-licensing and annual inspections, and do so in a way that is fair to providers and thorough enough to identify and address any health and safety risks to children.

Eligibility Period and Interim Reporting for Child Care Assistance

Under the reauthorization law, states must allow families to remain eligible for child care assistance for a minimum of 12 months, regardless of temporary changes in parental employment or participation in education or training or changes in income, as long as household income remains below 85 percent of state median income.¹¹ Other than exceeding the federal income limit, there are only a few circumstances in which a family's child care assistance can be terminated before the end of the 12-month eligibility period: the family moves out of state, the child has excessive unexplained absences despite attempts to contact the family, a substantiated fraud or intentional program violation that invalidates prior determinations of eligibility, or the parent has a permanent job loss (although the parent must first have at least three months to search for a job before losing assistance).¹²

To ensure that families have a truly continuous 12-month eligibility period, the reauthorization law and regulations limit interim reporting requirements. Under the final rule, states may only require families to report changes that affect their eligibility (such as income increasing to above 85 percent of state median income and, at the state's option, a non-temporary change in the parent's work status or participation in training or education) or that affect the ability of the state to contact the family or pay providers (such as a change in the family's address or their child care provider). States must allow families to report changes that could benefit them—for example, an increase in work hours that requires additional child care hours or a decrease in income that

would correspond to a reduction in the family's copayment.

Allowing families to remain eligible for child care assistance for a full year without interruption is important for providing stability for the family. Parents are able to work without worrying that a small change in income or temporary change in work status could result in a sudden loss of their child care assistance, making their child care arrangement unaffordable. And without disruptions to their child care every time their parent loses a job or has a change in income, children are able to have the continuity of care that nurtures their healthy development. In addition, a longer eligibility period with limited interim reporting requirements reduces administrative burdens and costs for families and state agencies.

Approximately four-fifths of the states now have a 12-month eligibility period for all families receiving child care assistance. While many of these states had a 12-month eligibility period prior to the enactment of the CCDBG reauthorization law, a number of these states adopted the 12-month eligibility period following the law's enactment. However, a few states, with waivers allowing them more time to comply with the law's requirements, maintained shorter eligibility periods as of mid-2017.

- Forty-one states allowed all families to continue receiving child care assistance for 12 months before having to recertify their eligibility as of June 2017 (see *Table 2a*).¹³ Seventeen of these states had increased their eligibility period to 12 months for all families in 2015 or 2016.

- Thirteen of these states (Alabama, Arizona, Idaho, Indiana, Iowa, Montana, New Mexico, Oklahoma, Pennsylvania, South Dakota, Tennessee, Utah, and Wyoming) increased their eligibility period from six months to 12 months as of 2015 or 2016.
- One of these states (Connecticut) increased its eligibility period from eight months to 12 months as of 2016.
- One of these states (Texas), which previously permitted localities to determine the length of the eligibility period, began requiring all localities to allow families to have a 12-month eligibility period as of 2016.
- Two of these states (Mississippi and Oregon), which previously had a shorter eligibility period for families receiving other types of assistance when doing so aligned with the eligibility period for those other assistance programs, began allowing all families to have a 12-month eligibility period as of 2015 or 2016.
- Florida, which previously had an eligibility period that differed across localities and groups of families, began allowing all families, except TANF families (who still have a six-month eligibility period), to have a 12-month eligibility period as of 2016.
- North Dakota increased its eligibility period from six months to 12 months for all families, except homeless families (who still have a one-month eligibility period in most cases), in 2016.
- New Hampshire, which had typically used an eligibility period of six months for families receiving other types of assistance in addition to child care assistance, planned to allow all families to have a 12-month eligibility period for child care assistance as of July 2017.
- Five states (Alaska, Hawaii, Illinois, Minnesota, and West Virginia) allowed families to continue receiving child care assistance for only six months before having to recertify their eligibility as of June 2017.¹⁵

Allowing families to remain eligible for child care assistance for a full year without interruption is important for providing stability for the family.

- Four states (Florida, Louisiana, New Hampshire, and North Dakota) allowed most families to continue receiving child care assistance for 12 months before having to recertify their eligibility, but required certain groups of families—families receiving Temporary Assistance for Needy Families (TANF), families receiving other types of financial assistance, or families experiencing homelessness—to recertify their eligibility more frequently as of June 2017.¹⁴ Two of these states had increased their eligibility period to 12 months for most families in 2016, and one of these states planned to extend 12-month eligibility to all families in 2017.

Although most states allow families to receive child care assistance for 12 months without having to recertify their eligibility, states generally require families to report any significant change in their circumstances shortly after the change occurs. States vary widely in what types of changes—such as changes in income, the parent's work schedule, the child's child care schedule or arrangement, and/or household members—they require families to report (see *Table 2b*). A number of states have limited their interim reporting requirements, or stopped acting on reported changes, since the enactment of the reauthorization law, but many states still require families to report on changes

other than the narrow set of changes specified in the regulations. In addition, as of June 2017, some states may still have been taking adverse actions—such as making families ineligible for child care assistance or reducing their level of benefits—in response to reported changes that should not result in negative consequences for families according to the regulations.

- Ten states (Arizona, Colorado, Connecticut, Florida, Minnesota, Missouri, Rhode Island, Texas, Vermont, and Wisconsin) reduced their interim reporting requirements for families receiving child care assistance—decreased the frequency of required reporting, limited the types of changes required to be reported, or took other steps that lessened the burden for families—as of 2016 (see *Table 2c*). Four states (Alaska, California, Massachusetts, and New Hampshire) planned to reduce or eliminate interim reporting requirements in the second half of 2017.
- Three states (Georgia, Kentucky, and Vermont) reported that, as of 2016, they stopped taking adverse actions—such as ending families' child care assistance or reducing their benefits—in response to interim changes reported by families, unless the family's income exceeded 85 percent of state median income.
- Four states (Arkansas, Mississippi, Ohio, and Rhode Island) did not require interim reporting as of June 2017. The remaining 47 states required interim reporting in at least some circumstances.
- A number of states require families to report changes only in the case of a limited set of circumstances—policies that appear to align with the reauthorization law and regulations. For example:
 - Colorado requires families to report only when their income increases to above 85 percent of state median income or when parents have a non-temporary change or cessation of their eligible activity.
 - Connecticut requires families to report only when their income increases to above 85 percent of state median income, parents cease participating in an approved activity, they change their provider, or their child leaves the household.
 - Delaware requires families to report only when they no longer need child care.
 - Florida requires families to report only when their income increases to above 85 percent of state median income, parents cease participating in their employment or education activity, or they have a change in family size or address.
 - Michigan requires families to report only when their income increases to above 85 percent of state median income, they have a change in address or provider, they lose their state residency, the parent is incarcerated, the child leaves home, or their assets exceed \$1 million.
 - Missouri requires families to report only when their income increases to above 85 percent of state median income.
 - Pennsylvania requires families to report only when their income increases to above 85 percent of state median income or parents have a permanent loss of employment.
 - South Dakota requires families to report only when their income increases to above 85 percent of state median income, parents have a permanent change in employment, they stop attending education or training, or they are no longer participating in TANF.
 - Texas requires families to report only when their income increases to above 85 percent of state median income, parents have a non-temporary change in activities, or they have a change in family size or primary contact information.
- Many states have interim reporting requirements that appear to be broader than those allowed under the regulations, requiring families to report in circumstances such as any changes in income

(rather than just when income rises above 85 percent of state median income), parents' activities (even if temporary), parents' work hours, hours of care needed, household composition, marital status, and/or other changes. For example:

- Louisiana requires families to report when they have a change in monthly income, household composition, address, need for child care, child care schedule, or provider.
- Maryland requires families to report when they have a change in income, employment, family composition, marital status, address, or hours or days of child care.
- Virginia requires families to report when they have an increase in income to above the state eligibility limit, when they have a change in employment, household members, address, hours of child care, or provider, or when their child reaches age 13.
- The 47 states that required interim reporting by families when they experienced certain changes differed in how much time they gave families to report those changes as of June 2017.
 - Five of these states (Arizona, California, New Mexico, North Carolina, and West Virginia) required families to report certain changes within five days.¹⁶
 - One of these states (Washington) required families to report a change in provider within five days and certain other changes within 10 days.
 - Twenty-two of these states (Alabama, Alaska, Connecticut, Florida, Hawaii, Indiana, Iowa, Maine, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Utah, Vermont, Virginia, and Wisconsin) required families to report certain changes within 10 days.¹⁷
 - Two of these states (Massachusetts and Texas) required families to report certain changes within 14 days.
 - One of these states (Idaho) required families to report certain changes by the tenth day of month following the month of the change.
 - Sixteen of these states (Colorado, Delaware, District of Columbia, Georgia, Illinois, Kansas, Kentucky, Louisiana, Maryland, Missouri, Montana, Nevada, New York, Pennsylvania, South Carolina, and Wyoming) required families to report certain changes, but did not indicate a specific timeframe for reporting that change.

While most states are making progress in implementing the CCDBG law's provisions on 12-month continuous eligibility, many states need to make further changes for complete compliance and to enable families to retain their child care assistance without unnecessary hurdles. To ensure families truly have access to a full 12 months of child care assistance without interruption, while allowing new families to access child care assistance, states will need additional resources.

While most states are making progress in implementing the CCDBG law's provisions on 12-month continuous eligibility, many states need to make further changes for complete compliance and to enable families to retain their child care assistance without unnecessary hurdles.

Payment for Days When Children Are Absent from Child Care

The reauthorization law requires states to adopt payment practices for child care providers serving children who receive child care assistance that reflect generally accepted payment practices for providers in their state or service area that serve children who do not receive child care assistance.¹⁸ In particular, the law requires that, to the extent practicable, states delink provider payment rates from an eligible child's occasional absences due to holidays or unforeseen circumstances, such as illness.¹⁹ The regulations indicate that states can meet this requirement by: paying based on a child's enrollment (paying for all scheduled days) rather than based on attendance; providing full payment if a child attends at least 85 percent of the authorized time; providing full payment if a child is absent for five or fewer days in a month; or an alternative approach that the state justifies in the plan it must submit every three years detailing how it will carry out its child care assistance program.

It is important to pay providers for days when children are absent because providers have fixed costs—for staff, rent, and utilities—that they must cover whether or not children are in attendance on any given day. If providers do not receive payment for absent days for children receiving child care assistance, they likely will prefer to serve children of private-paying parents, who typically are charged for absent days, leaving families receiving child care assistance with limited child care options. Providers may be particularly reluctant to serve children receiving assistance that are at risk of frequent absences—for example, infants and toddlers (whose immune systems are still developing) and children with chronic illnesses.

Those providers that do serve children receiving assistance but are not paid for absent days are deprived of the resources they need to support a high-quality program. By paying for absent days, states can increase families' access to high-quality child care options, ensure those families can hold onto their child care slot even when their children have frequent absences, and enable providers to have the stable source of income they need to maintain their program.

Several states increased the number of days for which they will pay child care providers when a child receiving child care assistance is absent from care after the reauthorization law's enactment. However, two states made or plan to make their absent day policies more restrictive, and most states have not made any recent improvements in their absent day policies. Although nearly all states pay for some absent days, the amount of absences for which states will pay varies widely (see *Table 3*).²⁰ While nearly two-thirds of the states pay for a sufficient number of absent days to align with the reauthorization law and regulations, over one-third of the states do not pay for an adequate number of absent days.

- Seven states increased the number of days for which they will pay child care providers when a child receiving child care assistance is absent from care, or made other changes in their absent day policies to increase flexibility for families, in 2015 or 2016.
- Louisiana increased the number of paid absent days from two days per month or 10 percent of

- authorized days, to five days per month or 23 percent of authorized days, as of August 2015.
- Montana increased the number of paid absent days from 10 consecutive days (and up to 150 hours in a state fiscal year) to 24 days in a fiscal year as of September 2016.
 - Nevada, which previously had paid for only 21 absent days per year, began paying based on enrollment as of March 2016.
 - North Dakota, which previously had paid for absent days only if the child was ill or had a medical appointment, began paying when a child was absent for any reason (for up to 16 hours per month, the same amount of time allowed previously) as of April 2016.
 - Texas, which previously allowed localities to determine the number of paid absent days, began paying on an enrollment basis statewide as of October 2016.
 - Utah, which previously required a child to be in care for at least eight hours in the first week of the month or to attend in the second week as regularly scheduled for the provider to receive full payment, simplified its policy to allow providers to receive full payment as long as the child is in care for at least eight hours by the fifteenth of the month, as of April 2016.
 - Wyoming, which previously did not pay for any absent days, began paying for one absent day per month as of September 2016.
- One state reduced the number of days for which it will pay child care providers when a child receiving child care assistance is absent from care in 2015, and one state planned to reduce the number of absent days for which it will pay child care providers in 2017.
 - Alaska, which had been providing full payment if a child attended at least one day during the month, planned to begin providing full payment only if the child attended at least six days during the month as of July 2017.²¹
 - Tennessee reduced the number of paid absent days from 10 days per month to five days per month as of July 2015.
 - Thirty-two states had policies that were largely consistent with (or more generous than) the reauthorization law's provisions on following generally accepted practices in the private market or with the options specified in the regulations for meeting the law's requirements on paying for absent days, as of June 2017. These states either paid based on a child's enrollment, provided full payment even when the child was absent for 15 percent of his or her authorized time,²² provided full payment even when the child was absent for five days per month, or paid for absent days in accordance with the provider's policy for private-paying parents.
 - Eight states (California, Hawaii, Kansas, Nebraska, Nevada, New Mexico, Texas, and Utah) paid on a prospective or enrollment basis, paying for all days that children were scheduled to attend, even if absent.
 - Two states (Connecticut and Idaho) paid for absent days based on the provider's policy for charging private-paying parents for absent days.
 - Two states (Alaska and Washington) paid for all absent days during a month if the child attended at least one day during the month.
 - Georgia paid for all absent days during a week if the child attended at least one day during the week.
 - West Virginia paid for all absent days if the child attended at least 13 days during the month.
 - Vermont paid for all absences due to illness as well as up to 15 days when the provider was closed and 10 family vacation days per year.
 - The District of Columbia paid for up to five unexcused absences per month, 15 excused absences per month, and 10 vacation days per year.
 - Wisconsin paid for up to six weeks of absences due to illness and two weeks (once per year) for family vacation.

- Two states (Alabama and North Carolina) paid for up to 10 absent days per month.
- Oklahoma paid for up to seven absent days per month.
- Six states (Delaware, Kentucky, Louisiana, Missouri, Oregon, and Tennessee) paid for up to five absent days per month.
- South Dakota paid for up to 36 hours of absences per month.
- Arkansas paid for up to 12 or 16 absent days per four-month period, depending on the time of year.
- Massachusetts paid for up to 30 absent days per six-month period.
- Maryland paid for up to 60 absent days per year (or more in case of documented illness or injury).
- Two states (Illinois and New Jersey) paid for absences equal to up to 20 percent of scheduled time.
- Nineteen states had policies that were not aligned with one of the options offered in the regulations for meeting the law's requirement on payment for a child's absent days, as of June 2017; the regulations require states that do not adopt one of these options to justify their absent day policies in their state plans.
 - Iowa paid for up to four absent days per month.
 - Florida paid for up to three absent days per month.²³
 - Arizona paid for up to two absent days per month.
 - Wyoming paid for up to one absent day per month.
 - North Dakota paid for up to 16 hours of absences per month.
 - Ohio paid for up to 10 absent days per six-month period.
- Rhode Island paid for up to two weeks of absences per year.
- South Carolina paid for up to 32 absent days per year.
- Two states (Minnesota and Pennsylvania) paid for up to 25 absent days per year.²⁴
- Two states (Montana and Virginia) paid for up to 24 absent days per year.
- Indiana paid for up to 20 absent days per year.
- Mississippi paid for up to 15 absent days and 11 holidays per year.
- Michigan paid for up to 208 hours of absences per year.
- Maine paid for up to 200 hours of absences per year.
- Colorado required counties to pay for at least six absent days per year.²⁵
- New York allowed, but did not require, local districts to pay for up to 40 absent days per six-month period.
- New Hampshire paid for no absent days.

Many states will need to make further progress on their absent day policies, as well as their other provider payment policies, to reduce the discrepancy in payment practices between the private market and the child care assistance program and to ensure that providers serving families receiving child care assistance have the resources they need to offer high-quality services. States may consider adopting one of the options for paying for absent days specified in the regulations in their next state plans.²⁶ States will need additional funding so that they can cover payments for absent days without shortchanging other components of their child care assistance programs that are essential to giving children and families access to assistance and supporting high-quality child care.

Differential Payment Rates for Specialized Care

The reauthorization law requires states to describe in their state plans how they will implement strategies to increase the supply and improve the quality of child care for children in underserved areas, infants and toddlers, children with disabilities, and children who receive care during nontraditional hours.²⁷ One strategy for increasing the supply and quality of these types of care is to pay higher, or differential, rates to providers that offer the care to children receiving child care assistance. Differential rates can give providers an incentive to offer care that is in short supply and the resources to cover the additional costs entailed in doing so. The law clarifies that states are not barred from differentiating payment rates based on a provider's geographic location, a child's age or particular needs, whether a provider offers care during nontraditional hours (such as early morning, evening, overnight, or weekend hours), and/or a provider's quality level.²⁸ (This section covers differential payment rates for specialized care other than higher-quality care or care for infants and toddlers, which are addressed in a separate National Women's Law Center report.²⁹)

Expanding the supply of specialized care through strategies such as differential rates is essential because families with certain circumstances and needs—including families who have children with disabilities and families with parents working nonstandard or variable hours—struggle to find care. Care for children with disabilities is scarce in many communities because it is costly to provide, as it requires low child-staff ratios to allow children to receive individualized attention, sufficient

compensation for staff with specialized training on caring for children with disabilities, specialized equipment and learning materials, and facilities that can accommodate children's needs. Child care during nontraditional hours is also in short supply because there is often not sufficient demand in a concentrated location to sustain a licensed program or because not enough teachers and staff are available and willing to work during the late evening, overnight, or morning hours necessary to accommodate parents' work schedules.

While the law's provisions encourage states to take steps to address unmet needs for particular types of care, including care for children with disabilities or other special needs and care during nontraditional hours, the law does not require states to take any specific actions to increase the supply and quality of these types of care. As a result, few states have made changes to their differential rates for these or other specialized types of care.

Five states adopted new differential rates, increased existing differential rates, or expanded the availability of differential rates for special needs care, nontraditional-hour care, or some other specialized type of care between the start of 2015 and June 2017:

- Connecticut increased its differential rate for special needs care from 15 percent above the base rate to 25 percent above the base rate as of July 2016.
- Georgia began allowing providers to receive differential rates for special needs care as of October 2016.

- Louisiana increased its differential rates for special needs care as of February 2017.
- Missouri began allowing new providers to qualify for its disproportionate share differential rate—which applies to providers that have at least 50 percent of the children enrolled in their program receiving child care assistance—as of September 2016. Prior to that date, only providers that had already been receiving the differential as of 2003 were allowed to receive it. Providers that qualify for this differential receive a rate that is 30 percent higher than the base rate.
- New York began requiring local districts to pay a differential rate that is 5 to 15 percent higher than the base rate for all providers caring for children during nontraditional hours and for regulated providers caring for children experiencing homelessness as of March 2017. Previously, the state allowed, but did not require, local districts to set differential rates for nontraditional care up to 15 percent above the base rate, and the state did not have a policy on differential rates for care for homeless children.

The remaining states did not report changes in their differential rates for specialized care. However, many states already have differential rates for certain populations or circumstances.

Approximately two-thirds of the states have differential rates for special needs care, approximately one-quarter of the states have differential rates for care during nontraditional hours, and a handful of states have differential rates for care for one or more particularly vulnerable groups of children (see *Table 4*). But states vary widely in how they set their differential rates and in the amount of the differential. In many cases, that differential is likely too small to serve as an incentive to offer the care or to cover the higher costs involved in providing it—especially since the differential is often added to a base rate that is far from adequate.

- Thirty-four states pay a differential rate to providers caring for children with special needs.

One additional state allows localities the option of paying a differential rate for special needs care. In some of these states, the special needs rate exceeds the base rate by a set percentage or dollar amount. In other states, the state sets the special needs rate at a particular level that is not necessarily related to the base rate. And in some states, the payment for special needs care is negotiated based on each child's individual needs and the costs required to address those needs.

- Ten states (Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Missouri, Montana, Ohio, and Vermont) pay a differential rate for special needs care that exceeds the base rate by a certain percentage amount, with that amount ranging from 5 percent above the base rate in one state to 50 percent above the base rate in another state.³⁰
- Five states (Kentucky, New Hampshire, Oklahoma, West Virginia, and Wyoming) pay a differential rate for special needs care that exceeds the base rate by a certain dollar amount, with that amount ranging from \$1 per day above base rate in one state to \$8 or \$14 per day (depending on the child's needs) above the base rate in another state.
- Three states (Arizona, Kansas, and South Dakota) set a rate for special needs care that applies to all such care regardless of the age of the child, where the child lives, or the type of care, and that is higher than the base rate for any other category of care.
- Four states (Iowa, Louisiana, Mississippi, and New Jersey) set rates for special needs care that vary by the age of the child, where the child lives, and/or the type of care, and that are higher than the base rate for each category of care.
- Oregon pays at the infant rate for special needs care, regardless of the age of the child.
- New York allows localities to pay a rate for special needs care that is equal to the highest base rate in the state, regardless of the age

of the child, where the child lives, or the type of care.

- Utah determines the rate for special needs care on a case-by-case basis, and pays up to the amount of the infant rate for the type of care at the next higher rate level (for example, family child care would be paid at the rate for center care) if the child is an infant and up to the infant rate for the type of care being used for children of all other ages.
- Florida determines the rate for special needs care on a case-by-case basis, and pays up to 20 percent above the maximum infant care rate established by the local coalition (as each local coalition determines its own payment rates in the state).
- South Carolina determines the rate for special needs care on a case-by-case basis, and pays up to \$20 per week above the base rate.
- Texas allows providers to receive a rate for special needs care that is up to 90 percent above the base rate.
- Virginia allows providers to receive a rate for special needs care that is up to twice the base rate.
- Minnesota allows providers to receive a rate for special needs care that is up to three times the base rate.
- Four states (District of Columbia, Nebraska, Washington, and Wisconsin) determine the rate for special needs care on a case-by-case basis, and did not indicate a maximum allowable payment level.
- Georgia allows providers to receive a rate for special needs care that is equal to the rate the provider charges private-paying parents, even if that private-pay rate is higher than the base rate.
- Thirteen states pay differential rates for care during nontraditional hours.
 - Seven states (California, Maine, Maryland, Missouri, New Mexico, New York, and Ohio) pay a differential rate for nontraditional-hour care that exceeds the base rate by a certain percentage amount, with that amount ranging from 5 percent above the base rate in one state to 35 percent above the base rate in another state.
 - Three states (Kentucky, Washington, and West Virginia) pay a differential rate for nontraditional-hour care that exceeds the base rate by a certain dollar amount, with that amount ranging from \$1 per day above base rate in one state to \$4 per day above the base rate in another state.
 - Two states (Arkansas and District of Columbia) set rates for nontraditional-hour care that vary by the age of the child, the type of care, and other factors, and that are higher than the base rate for each category of care.
 - Texas allows localities to set their differential rates for nontraditional-hour care.
 - Six states pay differential rates for care for one or more other groups of vulnerable children.
 - Four states (California, Minnesota, South Carolina, and Vermont) pay differential rates for care for children who are at risk, in protective custody, and/or in foster care.
 - California pays differential rates for care for children with limited or no English proficiency.
 - New York pays differential rates for care for children who are homeless.
 - Missouri pays differential rates for providers serving a disproportionate share of children receiving child care assistance.

The reauthorization law's general language encouraging states to expand the supply of high-quality care that meets families' specialized needs has not yet spurred many additional states to adopt differential rates as a strategy for achieving this objective. Additional funding will be necessary to allow more states to offer differential rates and to ensure those rates are high enough to address the gaps in supply of high-quality child care for children with special needs, families with parents working nontraditional hours, and other vulnerable children and families.

Conclusion

States have taken notable steps forward in implementing the Child Care and Development Block Grant Act of 2014. Yet further progress is needed for states to not only implement the specific, individual requirements of the law but to also fulfill its overall goal of expanding families' access to stable, affordable, high-quality child care that meets their needs. Achieving this goal will require state and federal policymakers' commitment to improving child care assistance policies and practices and making the necessary investments in this essential support for families and children.

- 1 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971 (2014).
- 2 Christina Walker and Hannah Matthews, CCDBG Participation Drops to Historic Low (Center for Law and Social Policy, 2017), available at <http://www.clasp.org/resources-and-publications/publication-1/CCDBG-Participation-2015.pdf>.
- 3 National Women's Law Center, Child Care and Development Fund Plans FY 2016-2018: State Waivers and Corrective Actions (2016), available at <http://nwlc.org/resources/child-care-and-development-fund-plans-fy-2016-2018-state-waivers-and-corrective-actions>.
- 4 U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, Estimates of Child Care Eligibility and Receipt for Fiscal Year 2012 (Washington, DC: U.S. Department of Health and Human Services, 2015), available at <https://aspe.hhs.gov/sites/default/files/pdf/153591/ChildEligibility.pdf>.
- 5 Karen Schulman and Helen Blank, Red Light Green Light: State Child Care Assistance Policies 2016 (Washington, DC: National Women's Law Center, 2016), 7, available at <https://nwlc.org/wp-content/uploads/2016/10/NWLC-State-Child-Care-Assistance-Policies-2016-final.pdf>.
- 6 Red Light Green Light: State Child Care Assistance Policies 2016, 9.
- 7 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1977-8 (2014).
- 8 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1978 (2014).
- 9 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1978 (2014).
- 10 National Association for Regulatory Administration, The 50-State Child Care Licensing Study: 2011-2013 Edition (2013), available at <http://www.naralicensing.org/child-care-licensing-study>; U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, National Center on Child Care Quality, Trends in Child Care Center Licensing Regulations and Policies for 2011 (2013), available at http://www.grisnetwork.org/sites/all/files/resources/Debi%20Mathias/2012-12-01%2007:08/999_1208_Center_Licensing_Trends_Brief_FINAL.pdf.
- 11 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1978-9 (2014).
- 12 Child Care and Development Fund (CCDF) Program, 81 Fed. Reg. 190 (September 30, 2016), available at <https://www.federalregister.gov/documents/2016/09/30/2016-22986/child-care-and-development-fund-program>.
- 13 One of these states (Arkansas) allowed families to receive child care assistance for two years without recertifying their eligibility if their child was attending a child care program is at level three (the top level) of the state's quality rating and improvement system.
- 14 Florida redetermined the eligibility of TANF families every six months. Louisiana redetermined the eligibility of homeless families every six months. New Hampshire redetermined the eligibility of families who received another type of financial assistance besides child care assistance in accordance with the other assistance program, usually every six months. North Dakota redetermined the eligibility of homeless families every month.
- 15 Two of these states allowed longer eligibility periods for some families. Illinois allowed families with children participating in an approved Head Start or Pre-K Collaboration program to have an eligibility period of 12 months and allowed teen parents enrolled full time in elementary or high school or GED classes and using a licensed child care provider to remain eligible for assistance for full-time, full-year child care, including summers, up to and including a three-month period after graduation. Minnesota allowed parents who were under age 21, did not have a high school or general equivalency diploma, and were students in a school district or similar program that provided child care and other specific services to achieve high school graduation to have an eligibility period of up to 12 months.
- 16 Some of these states specified that the family had five business days (as opposed to calendar days) to report changes.
- 17 Some of these states specified that the family had 10 business days (as opposed to calendar days) to report changes.
- 18 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1980 (2014).
- 19 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1980 (2014).
- 20 The analysis in this section is generally based on the maximum number of absent days for which the state typically provides payment. In some states, providers are only eligible for payment for the maximum number of absent days if the provider is regulated, the child is enrolled full time, the family provides documentation of the reason for the absence, or if certain other conditions are met. In addition, some states pay for additional absent days beyond the standard limit in special circumstances. Also note that states that allow a certain amount of absences per year vary in how they define the year, with some using their state fiscal calendar, others using the calendar year, and others using the family's eligibility year. See table and table notes for details.
- 21 Under the new policy, Alaska plans to pay the part-time rate if a child attends at least one day, but less than six days, during the month.
- 22 The number of hours, days, or weeks equivalent to 15 percent of authorized time was calculated assuming the child was authorized for care 5 hours a day, 9 days a week, 4.33 weeks per month, 52 weeks per year. Therefore, a state's policy was considered to be in line with the options outlined in the regulations if it paid for up to 29 hours of absences per month, 19.5 absent days per six-month period, 39 absent days per year, 8 weeks of absences per year, or 351 hours of absences per year.
- 23 Florida pays for up to an additional seven absent days in extraordinary circumstances.
- 24 Minnesota allows providers to be paid for additional absent days beyond this limit if a child, the child's parent, or the child's sibling has a medical condition documented by a physician, physician's assistant, nurse practitioner, psychiatrist, chiropractor, public health nurse, school nurse, or the child's center director or lead teacher.
- 25 Colorado requires counties to pay for at least 10 absent days per year for providers at level two of the state's quality rating and improvement system and at least 15 absent days per year for providers at levels three and higher.

- 26 The regulations had not yet been finalized when states submitted their plans for FY 2016-2018.
- 27 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1978 (2014).
- 28 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1986-7 (2014).
- 29 For information on payment rates for infant care and tiered rates for higher-quality care, see Red Light Green Light: State Child Care Assistance Policies 2016, 9-11 and 38-45.
- 30 Ohio typically pays a rate for special needs care that is 5 percent higher than the base rate, but will pay 100 percent above the base rate for special needs care with additional documentation.

Table 1: New Child Care Licensing Staff

State	Did the state hire additional child care licensing staff to implement the CCDBG Act of 2014?	If yes, how many staff (FTEs) had been hired as of June 2017?	Date(s) of hire	Total number of staff with hires
Alabama	Yes	9	By December 2016	41
Alaska	No	N/A	N/A	N/A
Arizona	No	N/A	N/A	N/A
Arkansas	No	N/A	N/A	N/A
California*	Yes	21.5	2015-2017	239
Colorado	Yes	9	July 2016	69
Connecticut	Yes	15	March 2015	54
Delaware	Yes	1	June 2016	17
District of Columbia	No	N/A	N/A	N/A
Florida*	Yes	7	July 2016	136
Georgia	No	N/A	N/A	N/A
Hawaii*	Yes	9	July 2016	31
Idaho	No	N/A	N/A	N/A
Illinois*	No	N/A	N/A	N/A
Indiana	No	N/A	N/A	N/A
Iowa	No	N/A	N/A	N/A
Kansas	No	N/A	N/A	N/A
Kentucky*	Yes	9	July & November 2016, April 2017	50
Louisiana	Yes	9	April-August 2016	48
Maine	No	N/A	N/A	N/A
Maryland	No	N/A	N/A	N/A
Massachusetts	No	N/A	N/A	N/A
Michigan*	Yes	18	2016	96
Minnesota*	No	N/A	N/A	N/A
Mississippi	No	N/A	N/A	N/A
Missouri*	No	N/A	N/A	N/A
Montana	No	N/A	N/A	N/A
Nebraska	No	N/A	N/A	N/A
Nevada	Yes	1	October 2016	19
New Hampshire*	Yes	4	By May 2017	12
New Jersey	No	N/A	N/A	N/A
New Mexico	No	N/A	N/A	N/A
New York*	Yes	4	July 2016	278
North Carolina	No	N/A	N/A	N/A
North Dakota	No	N/A	N/A	N/A
Ohio*	Yes	20	April-June 2017	109
Oklahoma	No	N/A	N/A	N/A
Oregon	Yes	10	September 2016	55
Pennsylvania*	Yes	60	Ongoing as of April 2017	165
Rhode Island	Yes	2	August 2016	10
South Carolina	No	N/A	N/A	N/A
South Dakota	No	N/A	N/A	N/A
Tennessee	No	7.5	September 2015	410
Texas	Yes	2	August 2016	20
Utah	Yes	N/A	N/A	N/A
Vermont	No	N/A	N/A	N/A
Virginia	Yes	17	In process as of April 2017	151
Washington	Yes	7.5	By September 2016	123
West Virginia	No	N/A	N/A	N/A
Wisconsin	No	N/A	N/A	N/A
Wyoming	No	N/A	N/A	N/A

Notes for Table 1: New Child Care Licensing Staff

California: Over the two-year state fiscal period of 2015-17, the state hired 21.5 inspectors to increase the frequency of inspections for all child care facilities from once every five years to at least once every three years, beginning January 1, 2017. In addition, management and administrative staff were hired to support the work of increased inspections. These staff increases primarily resulted from an effort to restore historical inspection frequencies for all licensed care programs that had otherwise experienced declines in funding for inspections during previous years of economic downturn, rather than being directly tied to implementation of the CCDBG reauthorization law, but are counted here because they allow for increased inspections and move the state toward compliance with the law.

Florida: The state planned to hire an additional 19 licensing staff in July 2017 if the budget request was granted.

Hawaii: The state transferred 9 professional staff positions from the office administering the Temporary Assistance for Needy Families (TANF) Work Participation program, which had experienced a significant decrease in the caseload over the years, to the Child Care Licensing office; both offices are in the same division at the Department of Human Services. Also note that the total staff number reported represents the number of inspector positions.

Illinois: The state planned to hire licensing staff to fill 12 vacancies by July 2017, for a total of 142 licensing staff, but these hires are not directly related to implementation of the CCDBG Act of 2014.

Kentucky: The state planned to hire an additional 2 licensing staff later in 2017.

Michigan: New licensing staff included 18 new consultants, 1 full-time director, and 2 area managers (some of which were hired to replace staff that had retired, rather than new positions; only new positions are counted in the table).

Minnesota: In May 2017, the legislature approved funding to hire 40 additional licensing staff to implement the changes stemming from the CCDBG Act of 2014, but the state had not yet begun hiring new staff as of June 2017. The state currently has 124.5 licensing staff, including 108 county staff (who may be responsible for licensing other program types besides child care) and 16.5 state staff.

Missouri: The state plans to contract with entities to perform the monitoring requirements of the CCDBG Act of 2014, rather than directly hiring state agency staff. The state did not have information on the number of staff expected to be hired by the contractors.

New Hampshire: The state hired 2 staff to fill positions to monitor license-exempt providers, and allowed 2 positions that had been frozen to be filled to meet the requirements of the CCDBG Act of 2014. Also note that the staff total includes monitoring staff only; it does not include support staff that work in the Child Care Licensing Unit.

New York: The staff total of 278 includes 138 state licensing staff and approximately 140 contracted registrar staff (local district or child care resource and referral agency staff contracted to handle regulation of registered programs, which include family child care and school-age care programs, on the state's behalf).

Ohio: The 20 new licensing staff include 19 staff and 1 supervisor.

Pennsylvania: The 60 new staff include 40 licensing representatives (for a total of 111) and 20 support staff (clerical staff, supervisors, and a manager).

Table 2a: Eligibility Period for Child Care Assistance

State	Length of eligibility period (as of June 2017)	Revisions in length of eligibility period in 2015 or 2016	When were revisions implemented?	Revisions in length of eligibility period expected in 2017 or 2018	When will revisions be implemented (expected date)?
Alabama	12 months	Increased from 6 months	November 2016	None	N/A
Alaska*	6 months	None	N/A	Increase to 12 months	July 2017
Arizona	12 months	Increased from 6 months	September 2016	None	N/A
Arkansas*	1 or 2 years	Increased for families using higher-quality care	2016	None	N/A
California*	12 months	None	N/A	None	N/A
Colorado*	12 months	None	N/A	None	N/A
Connecticut	12 months	Increased from 8 months	April 2016	None	N/A
Delaware	12 months	None	N/A	None	N/A
District of Columbia	12 months	None	N/A	None	N/A
Florida*	12 months (except TANF)	Began applying 12-month eligibility to all families (except TANF families) statewide	July 2016	None	N/A
Georgia	52 weeks	None	N/A	None	N/A
Hawaii	6 months	None	N/A	Increase to 12 months (under consideration)	June 2018
Idaho	12 months	Increased from 6 months	October 2016	None	N/A
Illinois*	6 months	Increased for teen parents	November 2015	Increase to 12 months	September 2017
Indiana	53 weeks	Increased from 6 months	February 2016	None	N/A
Iowa	12 months	Increased from 6 months	July 2016	None	N/A
Kansas	12 months	None	N/A	None	N/A
Kentucky*	12 months	None	N/A	None	N/A
Louisiana*	12 months (except homeless)	Increased for families with a 3-year-old from 12 months to 24 months	February 2016	None	N/A
Maine	12 months	None	N/A	None	N/A
Maryland	12 months	None	N/A	None	N/A
Massachusetts	12 months	None	N/A	None	N/A
Michigan	12 months	None	N/A	None	N/A
Minnesota*	6 months	None	N/A	None	N/A
Mississippi*	12 months	Began applying 12-month eligibility to all families	October 2016	None	N/A
Missouri	12 months	None	N/A	None	N/A
Montana	12 months	Increased from 6 months	April 2016	None	N/A
Nebraska	12 months	None	N/A	None	N/A
Nevada*	365 days	None	N/A	None	N/A
New Hampshire*	6 or 12 months	None	N/A	Increase to 12 months for all families	July 2017
New Jersey	12 months	None	N/A	None	N/A
New Mexico	12 months	Increased from 6 months	October 2016	None	N/A
New York*	Locally determined	None	N/A	None	N/A
North Carolina	12 months	None	N/A	None	N/A
North Dakota*	12 months (except homeless)	Increased from 6 months (except for homeless families)	October 2016	None	N/A
Ohio	12 months	None	N/A	None	N/A
Oklahoma	12 months	Increased from 6 months	October 2016	None	N/A
Oregon*	12 months	Began applying 12-month eligibility to all families	October 2015	None	N/A
Pennsylvania	12 months	Increased from 6 months	December 2015	None	N/A
Rhode Island	12 months	None	N/A	None	N/A

Table 2a Continued: Eligibility Period for Child Care Assistance

State	Length of eligibility period (as of June 2017)	Revisions in length of eligibility period in 2015 or 2016	When were revisions implemented?	Revisions in length of eligibility period expected in 2017 or 2018	When will revisions be implemented (expected date)?
South Carolina	12 months	None	N/A	None	N/A
South Dakota	12 months	Increased from 6 months	September 2016	None	N/A
Tennessee	12 months	Increased from 6 months	September 2016	None	N/A
Texas*	12 months	Replaced locally determined with statewide eligibility period	October 2016	None	N/A
Utah	12 months	Increased from 6 months	October 2016	None	N/A
Vermont	12 months	None	N/A	None	N/A
Virginia	12 months	None	N/A	None	N/A
Washington	12 months	None	N/A	None	N/A
West Virginia	6 months	None	N/A	None	N/A
Wisconsin	12 months	None	N/A	None	N/A
Wyoming	12 months	Increased from 6 months	September 2016	None	N/A

Table 2b: Interim Reporting for Child Care Assistance

Under what circumstances is interim reporting required (as of June 2017)?

How often is interim reporting required (as of June 2017)?

State	How often is interim reporting required (as of June 2017)?	Under what circumstances is interim reporting required (as of June 2017)?
Alabama	Within 10 days of change affecting eligibility	Increase in income to above eligibility limit, change in activity, employment, household composition, address, hours of care, need for care, or provider
Alaska*	Within 10 days of change affecting eligibility	Change in income, activity, family composition, or need for care
Arizona*	Within 5 business days of change	Increase in income to above 85% of state median income (SMI), change in eligible activity, household composition, address, or provider
Arkansas	Not required	N/A
California*	Within 5 calendar days of change	Change in income, family size, or need for care
Colorado*	Required to report change	Increase in income to above 85% SMI, non-temporary change or end of eligible activity
Connecticut*	Within 10 days of change	Increase in income to above 85% SMI, cessation of approved activity, change in provider, child leaves household
Delaware	Required to report non-temporary change in need	No longer need care
District of Columbia	Required to report change	Change in income, work/training status, or residency
Florida	Within 10 calendar days of change, to local coalition	Increase in income to above 85% SMI, cessation of employment or education activity, change in family size or address
Georgia*	Required to report change	Change in income, activity, household composition, residence, or need for care
Hawaii*	Within 10 days of change	Increase in income to above 85% SMI, loss of activity, change in household composition, marital status, address, provider, or cost of care
Idaho	By 10th day of month following month of change	Change in income, activity hours, household composition, address, or provider
Illinois*	Required to report change	Change in income, employment, family size, or number of children in care
Indiana	Within 10 days of change	No longer need care, change in TANF status, household composition, address, or phone number
Iowa	Within 10 days of change	Change in income, household composition, or need for care
Kansas*	Required to report change	Change in parent's regular work and/or school schedule or child's school schedule
Kentucky*	Required to report change	Change that may affect eligibility, such as change in employment, work hours, or need for care
Louisiana	Required to report change in writing or on form	Change in monthly income, household composition, address, need for care, child care schedule (full- or part-time), or provider
Maine	Within 10 days of change	Change in income, family size, or other eligibility criteria
Maryland	Required to report change	Change in income, employment, family composition, marital status, address, or hours or days of care
Massachusetts	Within 14 calendar days of substantial change	Change in income by over 20%, family size, household composition, or need for care
Michigan	Within 10 days of change	Increase in income to above 85% SMI, change in address or provider, loss of state residency, incarceration, child leaves home, assets exceed \$1 million
Minnesota*	Within 10 days of change	Change in income, employment/education status or schedule, child's school schedule, family status or size, residence, or provider
Mississippi	Not required	N/A
Missouri*	Required to report certain changes	Increase in income to above 85% SMI
Montana	Required to report change	Change in income, employment, household composition, address, or provider
Nebraska*	Within 10 days of change	Change in income, family composition, address, child care schedule, or need for care
Nevada	Required to report change	Change in income, household composition, address, schedule, or provider
New Hampshire	Within 10 days of change	Any change, including change in income, employment, activity, household composition, family size, or provider
New Jersey	Within 10 working days of change	Any change to household, including change in income, employment, activity, family size, or provider
New Mexico	Within 5 business days of change	Any non-temporary change that affects need for care, such as job loss, end of school attendance, or household member moving in or out
New York	Required to report change immediately	Any change that affects eligibility or need for care, such as change in income, living arrangement, or work hours
North Carolina	Within 5 days of change	Any change that affects eligibility or contact information
North Dakota	Within 10 days of change	Increase in income above eligibility limit, change in activity, household size, state residency, child care hours, or provider
Ohio	Not required	N/A

Table 2b Continued: Interim Reporting for Child Care Assistance

State	How often is interim reporting required (as of June 2017)?	Under what circumstances is interim reporting required (as of June 2017)?
Oklahoma Oregon	Within 10 days of change Within 10 days of change	Change in income, household composition, address, need for care, or provider Increase in income to above exit eligibility limit, change in employment, household composition, address, or provider
Pennsylvania* Rhode Island South Carolina South Dakota	Required to report certain changes Not required Required to report certain changes Within 10 working days of change	Increase in income to above 85% SMI, permanent loss of employment N/A Change in income or family size Increase in income to above 85% SMI, permanent change in employment, no longer attending education/training, no longer participating in TANF
Tennessee Texas	Within 10 days of change Within 14 days of change	Any change that may affect eligibility Increase in income to above 85% SMI, non-temporary change in activity, change in family size or primary contact information
Utah	Within 10 days of change	Increase in income to above exit eligibility limit, no longer meeting work requirement, change in household composition or provider
Vermont* Virginia	Within 10 days of change Within 10 days of change	Change in income, household size, child care schedule, need for care, or provider Increase in income to above eligibility limit, change in employment, activity, household members, address, hours of care, or provider, child reaches age 13
Washington	Within 5 days of provider change, 10 days of other change	Increase in income to above eligibility limit, change in provider
West Virginia Wisconsin* Wyoming	Within 5 days of change Within 10 days of change Required to report change	Any change to household, including change in activity, household composition, address, or schedule Any change that may affect eligibility or amount of care needed Change in income or activity

Table 2c: Revisions to Interim Reporting Requirements for Child Care Assistance

State	Revisions in interim reporting requirements in 2015 or 2016	When were revisions implemented?	Revisions in interim reporting requirements expected in 2017 or 2018	When will revisions be implemented (expected date)?
Alabama	None	N/A	None	N/A
Alaska*	None	N/A	Limit reporting requirements	July 2017
Arizona*	Limited reporting requirements	September 2016	None	N/A
Arkansas	None	N/A	None	N/A
California*	None	N/A	Limit reporting requirements	By October 2017
Colorado*	Limited reporting requirements	September 2016	None	N/A
Connecticut	Revised reporting requirements	April 2016	None	N/A
Delaware	None	N/A	None	N/A
District of Columbia	None	N/A	None	N/A
Florida	Limited reporting requirements	December 2016	None	N/A
Georgia*	Reported changes no longer result in adverse action prior to redetermination	September 2016	None	N/A
Hawaii	None	N/A	None	N/A
Idaho	None	N/A	None	N/A
Illinois	None	N/A	None	N/A
Indiana	None	N/A	None	N/A
Iowa	None	N/A	None	N/A
Kansas*	None	N/A	Revise reporting requirements (under consideration)	N/A
Kentucky*	Reported changes no longer affect eligibility unless family's income exceeds 85% SMI	September 2016	None	N/A
Louisiana	None	N/A	None	N/A
Maine	None	N/A	None	N/A
Maryland	None	N/A	None	N/A
Massachusetts	None	N/A	Limit reporting requirements	September 2017
Michigan	None	N/A	None	N/A
Minnesota*	Limited when income changes must be reported	August 2016	None	N/A
Mississippi	None	N/A	None	N/A
Missouri*	Limited reporting requirements	October 2016	None	N/A
Montana	None	N/A	None	N/A
Nebraska	None	N/A	None	N/A
Nevada	None	N/A	None	N/A
New Hampshire	None	N/A	Eliminate reporting requirements	July 2017
New Jersey	None	N/A	None	N/A
New Mexico	None	N/A	None	N/A
New York	None	N/A	None	N/A
North Carolina	None	N/A	None	N/A
North Dakota	None	N/A	None	N/A
Ohio	None	N/A	None	N/A
Oklahoma	None	N/A	None	N/A
Oregon	None	N/A	None	N/A
Pennsylvania*	None	N/A	Limit reporting requirements (proposed)	2018
Rhode Island	Revised policies to ensure uninterrupted 12-month eligibility period	September 2016	None	N/A
South Carolina	None	N/A	None	N/A

Table 2c Continued: Revisions to Interim Reporting Requirements for Child Care Assistance

State	Revisions in interim reporting requirements in 2015 or 2016	When were revisions implemented?	Revisions in interim reporting requirements expected in 2017 or 2018	When will revisions be implemented (expected date)?
South Dakota	None	N/A	None	N/A
Tennessee	None	N/A	None	N/A
Texas	Limited reporting requirements	October 2016	None	N/A
Utah	None	N/A	None	N/A
Vermont*	Reported changes no longer result in adverse action prior to redetermination, limited reporting requirements for parents in education/training	September 2016	None	N/A
Virginia	None	N/A	None	N/A
Washington	None	N/A	None	N/A
West Virginia	None	N/A	None	N/A
Wisconsin	No longer requires 6-month review of family's eligibility	August 2016	None	N/A
Wyoming	None	N/A	None	N/A

Notes for Tables 2a, 2b, and 2c: Eligibility Period and Interim Reporting for Child Care Assistance

Alaska: The state expected to implement regulatory revisions to change the eligibility period from 6 months to 12 months and reduce the reporting requirements for eligible families. Under the new interim reporting requirements, parents will have to report within 10 business days only if their income increases to above 85 percent of state median income, if they have a non-temporary loss of eligible activity, or if there is a change in contact information, care need, or provider. The state expected to implement these changes as of July 1, 2017, with a possible delay of one or two months.

Arizona: Prior to September 2016, families had to report any changes in income; now, the family only has to report income changes if their income exceeds 85 percent of state median income.

Arkansas: The length of a family's eligibility period is based on the quality rating of the child care they use, with families receiving a one-year authorization if their child is attending a child care program at level one or two of the state's quality rating and improvement system, and a two-year authorization if their child is attending a child care program at level three (the top level) of the quality rating and improvement system. (All providers serving families receiving child care assistance must be at quality level one or higher.)

California: A family receiving child care on the basis of a child at risk of abuse, neglect, or exploitation has an eligibility period of up to 3 months unless it is certified by a county child welfare agency that child care services continue to be necessary or the child is receiving child protective services at the time, and the family has a need and is otherwise eligible, in which case the family can remain eligible for up to 12 months. Also note, under the policy in effect in June 2017, when a family receiving child care assistance had a change in income, family size, or need for care, the family had to notify the contractor within 5 calendar days, and then the contractor had to update the application within 30 days of the change. The state enacted legislation at the end of June 2017 to ensure eligible families are able to receive child care assistance for a full 12 months without having to report changes or having their eligibility affected by those changes, except in limited circumstances; the legislation requires the Department of Education to implement this provision through management bulletins or similar letters of instruction on or before October 1, 2017, until regulations are filed.

Colorado: Families that have children who are dually enrolled in the child care assistance program and a Head Start or Early Head Start program must have their redetermination period for child care assistance aligned with the Head Start/Early Head Start program year for the first redetermination period that they are dually enrolled. Also note that as of September 30, 2016, families are not required to report a temporary break in their activity.

Connecticut: In addition to the changes listed in the table, families must also report a change in household size if it results in family income exceeding 85 percent of state median income for that new household size.

Florida: Prior to July 2016, the eligibility period varied by priority group and by local early learning coalition. For at-risk families, the recertification period ranged from 60 days to 6 months. For families receiving TANF, the recertification period was 6 months. For economically disadvantaged and temporary child care families, the recertification period

was as long as 12 months for some early learning coalitions. Under the current policy, all families in the state have a 12-month eligibility period, except for TANF families, who still have a 6-month eligibility period.

Georgia: Changes in household composition that must be reported include marriage, birth, adoption, divorce, or separation. Previously, all changes were effective within 12 days of reporting. Under the current policy, any adverse actions on reported changes that could negatively affect a family's eligibility are not carried out until annual redetermination, unless the family's income exceeds 85 percent of state median income.

Hawaii: In addition to the changes listed in the table, families must also report a closure of their child protective services case.

Illinois: Parents who are enrolled in an education or training program that lasts less than 6 months are approved by a Responsibility and Service Plan that indicates the activity lasts less than 6 months. Families with children participating in an approved Head Start or Pre-K Collaboration program have an eligibility period of 12 months. Families are responsible for reporting to the Department of Human Services or its agents all changes that would affect eligibility for child care assistance; the Department or its agents may schedule a redetermination at any time upon receiving information about changes. Also note that as of November 2015, teen parents enrolled full time in elementary or high school or GED classes are eligible for assistance for full-time, full-year child care, including summers, when using a licensed child care provider, up to and including a 3-month period after graduation, in order to secure employment or to prepare for higher education; previously, teen parents receiving child care assistance while they attended school to obtain a high school degree or its equivalent could be approved only for the length of the program or grading period.

Kansas: The state was considering revising its interim reporting requirements to align with CCDBG regulations, but the revisions had not yet been finalized as of May 2017.

Kentucky: As of September 2016, families receiving child care assistance are now ensured eligibility for 12 months without interruption, unless the family is receiving income-eligible child care assistance and their income exceeds 85 percent of state median income. Families are required to report any changes that may affect eligibility, including a change in employment status, employer, work hours, rate of pay, employment or educational activities, hours of care needed, child care provider, mailing address or residence, marital status, or receipt of unearned income. However, unless income exceeds 85 percent of state median income, these changes will not affect eligibility during the initial 12-month eligibility period.

Louisiana: The eligibility period is 12 months for most families, but homeless families have an eligibility period of 6 months and families with a three-year-old have an eligibility period of 24 months.

Minnesota: If a parent is under age 21, does not have a high school or general equivalency diploma, and is a student in a school district or similar program that provides child care and other specific services to achieve high school graduation, the family could have an eligibility period of up to 12 months. Also note that effective August 2016, families must

North Dakota: The state changed the eligibility period to 12 months in October 2016 for most families, but homeless families have an eligibility period of 1 month.

Oregon: The state implemented a 12-month eligibility period for all families as of October 2015; previously, a family's eligibility period for child care assistance may have been less than 12 months if necessary to align with their eligibility period for Supplemental Nutrition Assistance Program (SNAP) benefits.

Pennsylvania: Proposed regulations recommend limiting interim reporting to when the family's annual income increases to above 85 percent of state median income.

Texas: Previously, each local workforce development board determined the length of its eligibility period; eligibility periods established by local boards ranged from 6 to 12 months. As of October 2016, local boards no longer determine the eligibility period.

Vermont: Under current policy, any adverse actions on reported changes that negatively affect a family's eligibility are not carried out until the annual redetermination, unless the family's income exceeds 85 percent of state median income. In addition, under current policy, parents participating in education or training are eligible for child care assistance for 12 months and are no longer required to submit additional paperwork during their eligibility period; previously, parents participating in education or training were required to provide proof of continuing enrollment and prior semester grades if a semester break occurred during their 12-month eligibility period.

Wisconsin: Changes that must be reported include changes in monthly income, employment or approved activity status, work schedule, school schedule, residence, mailing address, household composition, relationship with a child in the household, marital status, need for child care or shared placement schedule of a child, or provider, or an increase in child support payments greater than \$1,250.

report changes in income only if the change in earned income is \$100 per month or greater, the change in unearned income is \$50 per month or greater, or if any lump-sum income is received.

Mississippi: Prior to October 2016, some of the families referred for child care assistance from other programs or agencies only received child care assistance for the duration of their referral, which could have been less than or greater than 12 months. Under the current policy, all referred families are guaranteed an eligibility period of at least 12 months.

Missouri: Prior to October 2016, the state required interim reporting for any change in a family's circumstances.

Nebraska: In addition to being required to report the changes listed in the table, a family must contact its caseworker within 10 days if the family is dissatisfied or experiencing problems with the service delivery plan or if instructed to do so by the caseworker.

Nevada: The eligibility period for most families is 365 days, but families receiving wrap-around services (services provided before and after Head Start programs) have an eligibility period of 3 years.

New Hampshire: Families who only receive child care assistance have a 12-month eligibility period. As of June 2017, families who received child care assistance and another type of financial assistance had to redetermine their eligibility in accordance with the other program, usually every 6 months; the state planned to extend the eligibility period for these families to 12 months in July 2017.

New York: Local districts determine the length of the eligibility period. Eligibility must be redetermined at least once every 12 months. Districts have the option to select a 6-month or 12-month eligibility period.

Table 3: Payment for Days When Children Receiving Child Care Assistance Are Absent from Care

State	Maximum number of days provider can be paid when child is absent (as of June 2017)	Any changes in absent day policy implemented in 2015 or 2016 or expected in 2017 or 2018?	Effective date of new policy
Alabama*	5 days per month, and 10 days per month with documentation	No	N/A
Alaska*	Payment for full month if child attends at least 1 day of the month	Planned to require child to attend at least 6 days of the month for provider to receive full-time rate	July 2017
Arizona	2 days per month	No	N/A
Arkansas*	12 days July-October, 16 days November-February, 12 days March-June	Planned to change from trimester to annual limit on absent days	Not reported
California	Payment on enrollment basis	No	N/A
Colorado*	Counties must pay for at least 6 days per 12 months	No	N/A
Connecticut*	Payment based on provider's attendance policy for private-paying families	No	N/A
Delaware*	5 days per month	No	N/A
District of Columbia	5 unexcused absences per month, 15 excused absences per month, 10 vacation days per year	No	N/A
Florida*	3 days per month (up to 7 additional days in extraordinary circumstances)	No	N/A
Georgia	Payment for full week if child attends 1 day of the week	No	N/A
Hawaii*	Payment on enrollment basis	No	N/A
Idaho*	Payment based on provider's attendance policy for private-paying families	No	N/A
Illinois*	20% of eligible days	No	N/A
Indiana*	20 days per enrollment year	No	N/A
Iowa	4 days per month	No	N/A
Kansas*	Payment on enrollment (prospective) basis	No	N/A
Kentucky*	5 days per month (additional days allowed in extraordinary circumstances)	No	N/A
Louisiana	5 days per month (if child enrolled full time), or 23% of authorized days per month	Increased absences paid from 2 days per month, or 10% of authorized days	August 2015
Maine*	200 hours of excused absences per year (if child enrolled full time)	No	N/A
Maryland	60 days per year (additional days allowed in case of documented illness or injury)	No	N/A
Massachusetts	30 days per 6-month period or up to 3 consecutive unexplained days	No	N/A
Michigan*	208 hours per fiscal year	No	N/A
Minnesota*	10 consecutive days, up to 25 days total per calendar year (additional days allowed for medical condition)	No	N/A
Mississippi	15 days plus 11 holidays per federal fiscal year	No	N/A
Missouri*	5 days per month	No	N/A
Montana	24 days per state fiscal year (if child enrolled full time)	Increased absences paid from 10 consecutive days and 150 hours in a state fiscal year (if child enrolled full time)	September 2016
Nebraska*	Payment on enrollment basis	No	N/A
Nevada*	Payment on enrollment basis (if child has set schedule for care)	Implemented enrollment-based payment; previously, limited absences paid to 21 days per year	March 2016
New Hampshire	No absent days paid	No	N/A
New Jersey*	20% of scheduled time in a 2-week period	No	N/A
New Mexico*	Payment on enrollment basis	Updated language in policy to comply with new federal guidelines	October 2016
New York*	Local districts have option to pay for up to 40 days per 6-month period	No	N/A

Table 3 Continued: Payment for Days When Children Receiving Child Care Assistance Are Absent from Care

State	Maximum number of days provider can be paid when child is absent (as of June 2017)	Any changes in absent day policy implemented in 2015 or 2016 or expected in 2017 or 2018?	Effective date of new policy
North Carolina	10 days per month	No	N/A
North Dakota*	16 hours per month	Previously, only paid for absences for illness or medical appointment; now pays for absences regardless of reason	April 2016
Ohio	10 days per 6-month period (January–June and July–December)	No	N/A
Oklahoma	7 days per month (if child in full-time care at least 15 days per month)	No	N/A
Oregon	5 days per month (if child attends at least 1 day during the month)	No	N/A
Pennsylvania	25 days per fiscal year	Proposed regulations recommend paying for up to 40 absent days per fiscal year	2018 (expected)
Rhode Island	2 weeks per calendar year (if licensed provider)	No	N/A
South Carolina*	32 absences during 52-week eligibility period	No	N/A
South Dakota	36 hours per month	No	N/A
Tennessee	5 days per month	Reduced number of absences paid from 10 days per month	July 2015
Texas*	Payment on enrollment basis	Changed from locally determined to statewide policy	October 2016
Utah*	Payment on prospective basis	Simplified policy	April 2016
Vermont*	Unlimited sick days, 15 provider closed days, and 10 parent vacation days per fiscal year	No	N/A
Virginia*	24 days per fiscal year (if licensed or regulated provider)	No	N/A
Washington	Payment for full month if child attends at least 1 day of the month	No	N/A
West Virginia	Payment for full month if child attends at least 13 days per month	No	N/A
Wisconsin*	6 weeks for illness, 2 weeks per year for family vacation, 1 week if absent without discussion	No	N/A
Wyoming	1 day per month	Previously, no absent days paid	September 2016

Notes for Table 3: Payment for Days When Children Receiving Child Care Assistance Are Absent from Care

- Alabama:** Providers are paid for up to 5 absent days per month for a child, whether or not the absent days are consecutive. Payment is allowed for up to 10 absent days per month if a child has documentation from a licensed physician, psychologist, or psychiatrist.
- Alaska:** In June 2017, providers were paid for all absent days, as long as the child attended at least one day during the month and the child was authorized on an enrollment basis. If the child was authorized on an attendance basis, then providers did not receive payment for any absent days. Under the new policy that was expected to go into effect as of July 2017, the full-time rate will be paid if the child attends at least 6 days during the month, and the part-time rate will be paid if the child attends at least 1 day, but less than 6 days, during the month.
- Arkansas:** Providers are paid for up to 12 absent days for a child from July through October, not to exceed 6 absent days in a given month; up to 16 absent days from November through February, not to exceed 8 absent days in a given month; and up to 12 absent days from March through June, not to exceed 6 absent days in a given month. The state planned to change from setting limits on absent days by trimester to setting an annual limit on absent days.
- Colorado:** Counties must pay for at least 6 absent days for a child per 12 months for providers at level one of the county's quality rating system, at least 10 absent days per 12 months for providers at level two, and at least 15 absent days per 12 months for providers at levels three and higher.
- Connecticut:** Providers are paid for a child's absent days if they charge private-paying parents for absent days. Providers must report the number of days the child attends care. Parents may be required to document the reason the child did not attend care if the child is frequently absent for 25 percent or more of his or her scheduled days. If absences equal or exceed 25 percent of scheduled days for two or more months, it may cause the approved hours of care to be recalculated based on the child's utilization pattern.
- Delaware:** The number of absent days per month for which a provider can be paid is equal to the number of days per week the child is authorized for care, up to a maximum of 5 days per month.
- Florida:** In extraordinary circumstances, a local coalition may approve payment for 7 additional absent days for a child (beyond the usual limit of 3 absences) if the parent provides written documentation justifying the absence; vacation and recreation time are not considered extraordinary circumstances.
- Hawaii:** The state determines a child's need for care from the previous month, and the provider is paid for the full month at the start of the month, regardless of a child's absences, as long as the child remains enrolled with the provider.
- Idaho:** If it is the provider's usual and customary practice to bill for a child's absences, the provider is paid for temporary breaks in attendance of one month or less.
- Illinois:** Child care centers receive full payment if the total number of attendance days for all children that are receiving child care assistance and enrolled at the center equals at least 80 percent their total eligible days. Family child care providers receive full payment if the total number of attendance days for children from a family receiving child care assistance equals at least 80 percent of the family's total eligible days.
- Indiana:** Providers are paid for up to 20 personal days per year for a child who is enrolled on a full-time weekly basis. These personal days may be used when the provider is open for business, and the child is scheduled to attend, but does not attend any part of the day.
- Kansas:** The state issues child care payments on a prospective basis, on the first of the month. Payments are calculated based on the regular work and/or school schedule of the parent and school schedule of the child (if applicable). Parents are required to report a change in their need for child care, but payments are not changed as a result of absent days.
- Kentucky:** Certified family child care providers can receive payment for no more than 5 excused absences per month for a child. Licensed providers may receive payment for more than 5 excused absences per month in extraordinary circumstances, including a death in the family, illness of the child or applicant, or a disaster verified by a utility provider or the local, state, or federal government. Registered providers do not receive payment for any absences.
- Maine:** Providers are paid for up to 200 hours of excused absences per year for a child enrolled full time, 150 hours of excused absences per year for a child enrolled part time, 100 hours of excused absences per year for a child enrolled half time, and 50 hours of excused absences per year for a child enrolled quarter time.
- Michigan:** Providers can be paid for time when a child is normally in care but is absent as well as time when a child is normally in care but the child care program is closed.
- Minnesota:** Providers can be paid for up to 10 consecutive absent days for a child, and up to a total of 25 absent days in a calendar year for a child, excluding holidays. Providers can be paid for additional absent days beyond these limits if a child, the child's parent, or the child's sibling has a medical condition documented by a physician, physician's assistant, nurse practitioner, psychiatrist, chiropractor, public health nurse, school nurse, or the child's center director or lead teacher. Children may be exempt from absent day limits if at least one parent is under age 21, does not have a high school or general equivalency diploma, and is a student in a school district or similar program that provides child care and other specific services to support high school graduation.
- Missouri:** Providers can be paid for up to 5 absence and/or holiday units per month for a child authorized to attend 20 or more units per month, and up to 3 absence and/or holiday units per month for a child authorized to attend 2 to 19 units per month, as long as the child attends at least one unit in the month. (A unit is 5 to 12 hours of care.)
- Nebraska:** Providers can be paid when a child is absent if the provider is licensed; the provider has written policies specifying that private-pay families are charged by enrollment; and the child typically attends the child care facility for at least 30 hours per week.
- Nevada:** Under the current policy, which went into effect as of March 2016, child care payments are made based on the parent's approved schedule for licensed and license-exempt child care when the parent uses only one provider or uses multiple providers with set schedules. Child care payments are made based on actual attendance when the child attends a before- and after-school or wrap-around care provider, or when the parent uses multiple providers with varying schedules. When payment is based on actual attendance,

the provider can be paid for up to 21 days per calendar year when a child is absent for any reason, if the provider obtains written authorization from the parent or caretaker prior to the payment request.

New Jersey: Providers receive full payment when a child attends for at least 80 percent of his or her scheduled time in a two-week period (for example, if the child attends for 8 of 10 days). In addition, providers are paid for up to 5 sick days in a two-week period, as well as up to 22 closure days per federal fiscal year for which providers are automatically paid based on established business rules.

New Mexico: Payment is based on the child's enrollment with the provider as reflected in the child care placement agreement, rather than daily attendance. However, if authorized child care has not been used for 5 consecutive scheduled days without a reason such as illness, sudden death, or family medical emergency, payment to the provider may discontinue, although the family will remain eligible for the remainder of its eligibility period.

New York: Districts have the option to pay for up to 40 days of absences in a 6-month period; 52 out of the state's 58 districts currently opt to pay for absences.

North Dakota: As of April 2016, providers can be paid for up to 16 hours per calendar month when a child is absent for any reason, if the provider charges private-paying parents to maintain a slot when a child is absent in those circumstances. Under the previous policy, providers could receive payment for up to 16 hours per calendar month when a child was absent only if the absence was due to illness or a medical appointment.

South Carolina: Providers are paid for up to 32 absences for a child authorized for 52 weeks of services. The number of paid absences is prorated for children authorized for less than 52 weeks of services.

Texas: Prior to October 2016, each of the state's 28 local workforce development boards established policies on payment for absences and paid providers up to a certain number of absent days in a 12-month period; the maximum number of absent days for which local boards provided payment ranged from 30 to 45 days per year. Local workforce development boards no longer determine their own policies on payment for absent days. Absences are still tracked for administrative purposes.

Utah: Providers receive full payment as long as the child was in care for at least 8 hours by the 15th of the month. The state simplified the policy as of April 2016; previously the child had to be in care for at least 8 hours in the first week of the month or had to attend in the second week as regularly scheduled for the provider to receive full payment.

Vermont: Registered and licensed child care providers caring for children receiving child care assistance are paid a fixed part-time or full-time weekly rate, with allowances for absences. License-exempt providers are paid a daily rate based on attendance.

Virginia: The fiscal year is from June 1 to May 31. The total number of allowable absent days is prorated, at 2 days per month, based on the beginning month of services for the child. Payment for absent days may also be made for up to one month during a break in employment or training if child care arrangements would otherwise be lost.

Wisconsin: Providers are paid for up to 6 weeks if the child is absent due to an illness that is documented by a physician and the child will be returning to the same child care program. Providers are paid for up to 2 weeks, once per calendar year, if the child is absent for a family vacation and will be returning to the same child care program. Providers are paid for the first week if a child is absent without discussion with the provider; the provider no longer receives payment if the child does not return to the program in the second week.

Table 4: Differential Payment Rates for Special Needs Care, Nontraditional-Hour Care, and Other Specialized Types of Care

State	Does the state have differential rates for special needs care?	Structure of special needs care rates	Does the state have differential rates for non-traditional-hour care?	Structure of non-traditional-hour care rates	Does the state have other types of differential rates for special populations?	Structure of other differential rates	New differential rates or changes to existing differential rates 2015-2017?
Alabama	No	N/A	No	N/A	No	N/A	No
Alaska	No	N/A	No	N/A	No	N/A	No
Arizona*	Yes	Higher rate set by state	No	N/A	No	N/A	No
Arkansas	Yes	50% above base rate	Yes	Higher rates set by state	Limited English proficiency or at risk	10% above base rate	No
California*	Yes	20% above base rate (50% for severe needs)	Yes	12.5% or 25% above base rate			No
Colorado	No	N/A	No	N/A	No	N/A	No
Connecticut*	Yes	25% above base rate	No	N/A	No	N/A	Special needs rate increased
Delaware	Yes	10% above base rate	No	N/A	No	N/A	No
District of Columbia*	Yes	Determined on case-by-case basis	Yes	Higher rates set by city	No	N/A	No
Florida*	Yes	Up to 20% above infant rate	No	N/A	No	N/A	No
Georgia*	Yes	Provider's private-pay rate	No	N/A	No	N/A	New special needs care rate policy
Hawaii	No	N/A	No	N/A	No	N/A	No
Idaho	No	N/A	No	N/A	No	N/A	No
Illinois	Yes	20% above base rate	No	N/A	No	N/A	No
Indiana*	Yes	10% above base rate	No	N/A	No	N/A	No
Iowa	Yes	Higher rates set by state	No	N/A	No	N/A	No
Kansas*	Yes	Higher rate set by state	No	N/A	No	N/A	No
Kentucky*	Yes	\$1 per day above base rate	Yes	\$1 per day above base rate	No	N/A	No
Louisiana	Yes	Higher rates set by state	No	N/A	No	N/A	Special needs rates increased
Maine*	No	N/A	Yes	35% above base rate	No	N/A	No
Maryland*	No	N/A	Yes	5%-15% above base rate	No	N/A	No
Massachusetts	No	N/A	No	N/A	No	N/A	No
Michigan	No	N/A	No	N/A	No	N/A	No
Minnesota*	Yes	Up to triple the base rate	No	N/A	At risk	Counties set rates	No
Mississippi*	Yes	Higher rates set by state	No	N/A	No	N/A	No
Missouri*	Yes	25% above base rate	Yes	15% above base rate	Disproportionate share	30% above base rate	Disproportionate share available to new providers
Montana	Yes	10% or 15% above base rate	No	N/A	No	N/A	No
Nebraska	Yes	Determined on case-by-case basis	No	N/A	No	N/A	No
Nevada	No	N/A	No	N/A	No	N/A	No
New Hampshire*	Yes	\$50 per week (full-time) above base rate	No	N/A	No	N/A	No
New Jersey*	Yes	Higher rates set by state	No	N/A	No	N/A	No
New Mexico*	No	N/A	Yes	5%-15% above base rate	No	N/A	No
New York*	Local option	Paid at highest rate available in state	Yes	5%-15% above base rate	Homeless children	5%-15% above base rate	Local districts required to offer certain differential rates
North Carolina	No	N/A	No	N/A	No	N/A	No

Table 4 Continued: Differential Payment Rates for Special Needs Care, Nontraditional-Hour Care, and Other Specialized Types of Care

State	Does the state have differential rates for special needs care?	Structure of special needs care rates	Does the state have differential rates for non-traditional-hour care?	Structure of non-traditional-hour care rates	Does the state have other types of differential rates for special populations?	Structure of other differential rates	New differential rates or changes to existing differential rates 2015-2017?
North Dakota	No	N/A	No	N/A	No	N/A	No
Ohio*	Yes	5% above base rate	Yes	5% above base rate	No	N/A	No
Oklahoma*	Yes	\$8 or \$14 per day (full-time) above base rate	No	N/A	No	N/A	No
Oregon	Yes	Paid at infant rate	No	N/A	No	N/A	No
Pennsylvania	No	N/A	No	N/A	No	N/A	No
Rhode Island	No	N/A	No	N/A	No	N/A	No
South Carolina*	Yes	Up to \$20 per week above base rate	No	N/A	Children in foster care	\$30 per week above base rate	No
South Dakota*	Yes	Higher rate set by state	No	N/A	No	N/A	No
Tennessee	No	N/A	No	N/A	No	N/A	No
Texas*	Yes	Up to 90% above base rate	Yes	Varies by locality	No	N/A	N
Utah*	Yes	Determined on case-by-case basis	No	N/A	No	N/A	No
Vermont	Yes	7% above base rate	No	N/A	Children in protective custody	7% above base rate	No
Virginia	Yes	Up to twice the base rate	No	N/A	No	N/A	No
Washington*	Yes	Determined on case-by-case basis	Yes	\$75 per month above base rate	No	N/A	No
West Virginia	Yes	\$2 per day above base rate	Yes	\$4 per day above base rate	No	N/A	No
Wisconsin*	Yes	Determined on case-by-case basis	No	N/A	No	N/A	No
Wyoming*	Yes	\$250 per month above base rate	No	N/A	No	N/A	No

Notes for Table 4: Differential Rates for Special Needs Care, Nontraditional-Hour Care, and Other Specialized Types of Care

This table does not include differential rates for higher-quality care or care for infants; those rates are addressed in a separate National Women's Law Center report.

Arizona: The state has a special needs rate of \$47 for full-day care and \$34 for part-day care (which is above the highest rate for standard care). Providers must be nationally accredited or have a three-, four-, or five-star rating in the state's quality rating and improvement system to qualify for the special needs rate.

California: A provider can receive a rate that is 25 percent higher than the base rate when 50 percent or more of the certified need for child care occurs between 6 pm and 6 am on any day of the week or from 6 am Saturday to 6 am Monday, and can receive a rate that is 12.5 percent higher than the base rate when 10 to 50 percent of the certified need for child care occurs during these time periods. A provider caring for a child who has limited or no English proficiency or is at risk of abuse or neglect can receive a rate that is 10 percent higher than the base rate.

Connecticut: The state increased its special needs rate from 15 percent to 25 percent above the base rate as of July 2016.

District of Columbia: The city has rates for extended-hour care and rates for nontraditional-hour care, and these rates vary by the age of the child, type of care, and quality level of care.

Florida: To receive a special needs rate, a child care provider must submit a list of the special needs services it is providing for each child with special needs, in addition to the routine school readiness services. The special needs rate is negotiated and may be up to 20 percent above the maximum infant care rate established by the local school readiness coalition, but may not exceed the provider's private-pay fee for infant care.

Georgia: As of October 2016, the state began allowing providers to receive a rate for special needs care that is equal to the published rate the provider charges private-paying parents, even if that rate is higher than the state's base rate.

Indiana: The payment rate may exceed the base rate by 10 percent if a child has a documented special need, but may not exceed the provider's private-pay fee.

Kansas: The state offers a differential rate for children with a physical, emotional, or mental disability if the child requires accommodations and the provider is qualified to provide the special care needed. The special needs rate is \$6.00 per hour for all children and settings (which is above the highest rate for standard child care—\$5.06 per hour for center care for an infant in Kansas City).

Kentucky: An additional \$1 per day above the base rate can be paid for care that is provided between the hours of 7 pm and 5 am on weekdays or from 7 pm Friday through 5 am Monday based on the parent's schedule; care that is provided for a child with special needs under the age of 13; or care that is provided for a child age 13 through 18 who is physically or mentally incapable of self-care or under court supervision.

Louisiana: The state increased its special needs rates as of February 2017.

Maine: Providers receive differential rates for care provided during nontraditional hours (referred to by the state as "off-hours"), which includes care provided between 6 pm and 6 am on weekdays and during all weekend hours.

Maryland: Providers receive differential rates for care provided during nontraditional hours, which includes care provided for one hour or more between 7 pm and 6 am on Monday through Friday, and any period of one hour or more on Saturday or Sunday. Providers offering care during nontraditional hours receive an additional 5 percent above the base rate for one unit of care, 10 percent for two units of care, or 15 percent for three units of care (which is equivalent to a full day of care).

Minnesota: Providers caring for children with special needs may receive up to triple the base rate, depending on the child's level of need and the provider's accommodations. Parents, providers, and counties may submit a request for the state's Department of Human Services to evaluate and approve the higher rate. Providers caring for children at risk (children with environmental, familial, or other factors that create barriers to their optimal achievement) may also receive higher rates, but only if the county has approval from the Department of Human Services.

Mississippi: The special needs rate varies by type of care, but does not vary by the age of the child; the special needs rate can apply to children through 18 years of age.

Missouri: Providers receive differential rates for care provided during evening or weekend hours, including care provided between 7:01 pm and 5:59 am or between 6 am Saturday and 7 pm Sunday. The disproportionate share differential applies to providers that have at least 50 percent of the children enrolled in their program receiving child care assistance. Until September 2016, only providers that were receiving the differential as of 2003 were allowed to receive it; and additional providers could not qualify for this differential; as of September 2016, the state began allowing additional providers to qualify for the differential.

New Hampshire: For protective and preventive child care, the state does not have a differential rate, but does cover the parent copayment and the difference between the state's payment rate and the provider's private-pay fee on a case-by-case basis.

New Jersey: Only family child care homes (registered, accredited, or license-exempt approved) are eligible for special needs rates, not child care centers. The rates are set by the state and vary by the type of family child care home and the age of the child. These special needs rates are 21 percent to 28 percent higher than the base rate, depending on the type of care and age of the child.

New Mexico: Providers receive a differential rate that is 5 percent above the base rate if care is provided after hours or during weekend hours for 1 to 10 hours per week, 10 percent above the base rate if care is provided after hours or during weekend hours for 11 to 20 hours per week, and 15 percent above the base rate if care is provided after hours or during weekend hours for 21 or more hours per week.

- New York:** The special needs rate is set at the level of the highest weekly, daily, part-day, or hourly rate for child care in the state, regardless of the type of care, county cluster, or age of the child. Also note that as of March 2017, local districts must pay a differential rate that is 5 percent to 15 percent above the base rate for all providers caring for children during nontraditional hours and for regulated providers caring for children experiencing homelessness, and local districts may pay a differential rate that is up to 15 percent above the base rate for license-exempt providers caring for children experiencing homelessness; previously, differential rates for nontraditional-hour care, up to 15 percent above the base rate, were optional for local districts and the state did not have a policy on differential rates for care for children experiencing homelessness.
- Ohio:** Providers caring for children with special needs can receive a differential rate that is 100 percent above the base rate with additional documentation.
- Oklahoma:** Providers receive an additional \$8 per full-time day for care for a child with moderate special needs and \$14 per full-time day for care for a child with severe special needs.
- South Carolina:** The rate for special needs care is negotiated based on need.
- South Dakota:** The rate for special needs care is \$4.75 per hour for children of all ages and in all counties; this amount is greater than the highest rate for all other types of care (\$3.95 per hour for center-based care for an infant in Minnehaha County). In addition, in some instances, a higher rate for special needs care can be negotiated.
- Texas:** Providers are reimbursed for additional staff or equipment if needed to assist in the care of a child with disabilities.
- Utah:** Verification is required to establish a child with special needs requires an increase in the amount of supervision or specialized care. For special needs care for an infant, the state will pay up to the infant rate for the type of care at the next higher rate level (for example, family child care would be paid at the rate for center care). For special needs care for children of all other ages, the state will pay up to the infant rate for the type of care being used.
- Washington:** Additional payments for care for children with special needs and nontraditional-hour care, beyond the base payment, are made separately and not incorporated into the payment rate. The additional payment for special needs care varies based on the level of care required for the individual child and the type of provider. Providers that are licensed or certified receive an additional \$75 dollars per child per month for providing at least 40 hours per month of care during nontraditional hours.
- Wisconsin:** Local agency workers consider differential rates for providers caring for children with special needs only on a case-by-case basis.
- Wyoming:** Providers receive an additional payment amount if a child is shown to have special needs with the support of a physician's statement.



NATIONAL
WOMEN'S
LAW CENTER

EXPANDING THE POSSIBILITIES

11 Dupont Circle, Suite 800
Washington, DC 20036
202.588.5180 | fax 202.588.5185
www.nwlc.org