

2017 -- S 0316

LC001434

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO HUMAN SERVICES - CHILD CARE - STATE SUBSIDIES

Introduced By: Senators Crowley, Goldin, Miller, Metts, and Quezada

Date Introduced: February 16, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 40-6.2-1.1 of the General Laws in Chapter 40-6.2 entitled "Child
2 Care-State Subsidies" is hereby amended to read as follows:

3 **40-6.2-1.1. Rates established.**

4 (a) Through June 30, 2015, subject to the payment limitations in section (b), the
5 maximum reimbursement rates to be paid by the departments of human services and children,
6 youth and families for licensed child care centers and certified family-child care providers shall
7 be based on the following schedule of the 75th percentile of the 2002 weekly market rates
8 adjusted for the average of the 75th percentile of the 2002 and the 2004 weekly market rates:

9	LICENSED CHILD CARE CENTERS 75 TH PERCENTILE OF WEEKLY MARKET RATE	
10	INFANT	\$182.00
11	PRESCHOOL	\$150.00
12	SCHOOL-AGE	\$135.00
13	CERTIFIED FAMILY CHILD CARE 75 TH PERCENTILE OF WEEKLY PROVIDERS	
14	MARKET RATE	
15	INFANT	\$150.00
16	PRESCHOOL	\$150.00
17	SCHOOL-AGE	\$135.00

18 Effective July 1, 2015, subject to the payment limitations in subsection (b), the maximum
19 reimbursement rates to be paid by the departments of human services and children, youth and

1 families for licensed child care centers and certified family-child care providers shall be based on
2 the above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the
3 average of the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be
4 increased by ten dollars (\$10.00) per week for infant/toddler care provided by certified family-
5 child care providers and license-exempt providers and then the rates for all providers for all age
6 groups shall be increased by three percent (3%).

7 Effective July 1, 2017, the departments of human services and children, youth and
8 families shall pay enhanced reimbursement rates for infants and toddlers enrolled in licensed
9 child care centers and family child care homes that have achieved a quality rating of two (2),
10 three (3), four (4) or five (5) stars in Bright Stars, the state's quality rating and improvement
11 system. Enhanced rates for preschoolers shall be effective July 1, 2018 and enhanced rates for
12 school-age children shall be effective July 1, 2019 and shall use the same tiered rate
13 methodology. The rates shall be based on the 2015 weekly market rate survey at the following
14 levels and shall be updated when future market rate surveys are completed.

15	<u>Two stars</u>	<u>55th percentile</u>
16	<u>Three stars</u>	<u>65th percentile</u>
17	<u>Four stars</u>	<u>75th percentile</u>
18	<u>Five stars</u>	<u>80th percentile</u>

19 The departments shall pay these enhanced quality reimbursement rates without
20 consideration to subsection (b) of this section which would require providers to increase their
21 rates for other customers in order to capture the enhanced state rate.

22 (b) The department shall pay child care providers based on the lesser of the applicable
23 rate specified in subsection (a), or the lowest rate actually charged by the provider to any of its
24 public or private child care customers with respect to each of the rate categories, infant, preschool
25 and school-age.

26 (c) By June 30, 2004 and biennially through June 30, 2014, the department of labor and
27 training shall conduct an independent survey or certify an independent survey of the then current
28 weekly market rates for child care in Rhode Island and shall forward such weekly market rate
29 survey to the department of human services. The next survey shall be conducted by June 30,
30 2016, and triennially thereafter. The departments of human services and labor and training will
31 jointly determine the survey criteria including, but not limited to, rate categories and sub-
32 categories.

33 (d) In order to expand the accessibility and availability of quality child care, the
34 department of human services is authorized to establish by regulation alternative or incentive

1 rates of reimbursement for quality enhancements, innovative or specialized child care and
2 alternative methodologies of child care delivery, including non-traditional delivery systems and
3 collaborations.

4 (e) On or before January 1, 2007, all child care providers have the option to be paid every
5 two (2) weeks and have the option of automatic direct deposit and/or electronic funds transfer of
6 reimbursement payments.

7 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would phase in enhanced reimbursement rates paid by the departments of human
2 services and children, youth and families for children in the child care assistance program,
3 starting with infants and toddlers in licensed child care centers and family child care homes that
4 have achieved a quality rating of 2 to 5 stars in Bright Stars, the state's quality rating system.

5 This act would take effect upon passage.

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