

2018 -- S 2122

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LC003772
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO HUMAN SERVICES - CHILD CARE - STATE SUBSIDIES

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

Date Introduced: January 23, 2018

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

19 Effective July 1, 2015, subject to the payment limitations in subsection (b), the maximum

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

8 Effective July 1, 2018, the departments of human services and children, youth and
9 families shall pay enhanced reimbursement rates for infants and toddlers enrolled in licensed
10 child care centers and family child care homes that have achieved a quality rating of two (2),
11 three (3), four (4) or five (5) stars in BrightStars, the state's quality rating and improvement
12 system. Enhanced rates for preschoolers shall be effective July 1, 2019 and enhanced rates for
13 school-age children shall be effective July 1, 2020 and shall use the same tiered rate
14 methodology. The rates shall be based on the 2015 weekly market rate survey at the following
15 levels and shall be updated when future market rate surveys are completed.

16	<u>Two (2) stars</u>	<u>55th percentile</u>
17	<u>Three (3) stars</u>	<u>65th percentile</u>
18	<u>Four (4) stars</u>	<u>75th percentile</u>
19	<u>Five (5) stars</u>	<u>80th percentile</u>

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

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

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

34 (d) In order to expand the accessibility and availability of quality child care, the

1 department of human services is authorized to establish by regulation alternative or incentive
2 rates of reimbursement for quality enhancements, innovative or specialized child care and
3 alternative methodologies of child care delivery, including non-traditional delivery systems and
4 collaborations.

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

8 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 two (2) to five (5) stars in BrightStars, the state's quality rating
5 system.

6 This act would take effect upon passage.

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