

**2021 -- S 0378 SUBSTITUTE A**

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LC001976/SUB A/2  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2021**

**A N A C T**

**RELATING TO HUMAN SERVICES**

Introduced By: Senators Cano, DiMario, Valverde, Mack, McCaffrey, Coyne, Goodwin,  
Sosnowski, Quezada, and Murray

Date Introduced: February 25, 2021

Referred To: Senate Health & Human Services

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 subsection (c), the  
5 maximum reimbursement rates to be paid by the departments of human services and children, youth  
6 and families for licensed childcare centers and licensed family childcare providers shall be based  
7 on the following schedule of the 75th percentile of the 2002 weekly market rates adjusted for the  
8 average of the 75th percentile of the 2002 and the 2004 weekly market rates:

9	LICENSED CHILDCARE CENTERS	75th PERCENTILE OF WEEKLY
10		MARKET RATE
11	INFANT	\$182.00
12	PRESCHOOL	\$150.00
13	SCHOOL-AGE	\$135.00
14	LICENSED FAMILY CHILDCARE	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 (c), the maximum

1 reimbursement rates to be paid by the departments of human services and children, youth and  
2 families for licensed childcare centers and licensed family childcare providers shall be based on the  
3 above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the average of  
4 the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be increased by  
5 ten dollars (\$10.00) per week for infant/toddler care provided by licensed family childcare  
6 providers and license-exempt providers and then the rates for all providers for all age groups shall  
7 be increased by three percent (3%). For the fiscal year ending June 30, 2018, licensed childcare  
8 centers shall be reimbursed a maximum weekly rate of one hundred ninety-three dollars and sixty-  
9 four cents (\$193.64) for infant/toddler care and one hundred sixty-one dollars and seventy-one  
10 cents (\$161.71) for preschool-age children.

11 (b) Effective July 1, 2018, subject to the payment limitations in subsection (c), the  
12 maximum infant/toddler and preschool-age reimbursement rates to be paid by the departments of  
13 human services and children, youth and families for licensed childcare centers shall be  
14 implemented in a tiered manner, reflective of the quality rating the provider has achieved within  
15 the state's quality rating system outlined in § 42-12-23.1.

16 (1) For infant/toddler child care, tier one shall be reimbursed two and one-half percent  
17 (2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above  
18 the FY 2018 weekly amount, tier three shall be reimbursed thirteen percent (13%) above the FY  
19 2018 weekly amount, tier four shall be reimbursed twenty percent (20%) above the FY 2018 weekly  
20 amount, and tier five shall be reimbursed thirty-three percent (33%) above the FY 2018 weekly  
21 amount.

22 (2) For preschool reimbursement rates, tier one shall be reimbursed two and one-half  
23 (2.5%) percent above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%)  
24 above the FY 2018 weekly amount, tier three shall be reimbursed ten percent (10%) above the FY  
25 2018 weekly amount, tier four shall be reimbursed thirteen percent (13%) above the FY 2018  
26 weekly amount, and tier five shall be reimbursed twenty-one percent (21%) above the FY 2018  
27 weekly amount.

28 (c) [Deleted by P.L. 2019, ch. 88, art. 13, § 4.]

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

1 (e) In order to expand the accessibility and availability of quality child care, the department  
2 of human services is authorized to establish, by regulation, alternative or incentive rates of  
3 reimbursement for quality enhancements, innovative or specialized child care, and alternative  
4 methodologies of childcare delivery, including nontraditional delivery systems and collaborations.

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

8 (g) Effective July 1, 2019, the maximum infant/toddler reimbursement rates to be paid by  
9 the departments of human services and children, youth and families for licensed family childcare  
10 providers shall be implemented in a tiered manner, reflective of the quality rating the provider has  
11 achieved within the state's quality rating system outlined in § 42-12-23.1. Tier one shall be  
12 reimbursed two percent (2%) above the prevailing base rate for step 1 and step 2 providers, three  
13 percent (3%) above prevailing base rate for step 3 providers, and four percent (4%) above the  
14 prevailing base rate for step 4 providers; tier two shall be reimbursed five percent (5%) above the  
15 prevailing base rate; tier three shall be reimbursed eleven percent (11%) above the prevailing base  
16 rate; tier four shall be reimbursed fourteen percent (14%) above the prevailing base rate; and tier  
17 five shall be reimbursed twenty-three percent (23%) above the prevailing base rate.

18 (h) Through December 31, 2021, the maximum reimbursement rates paid by the  
19 departments of human services, and children, youth and families to licensed childcare centers shall  
20 be consistent with the enhanced emergency rates provided as of June 1, 2021 as follows:

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>
<u>Infant/Toddler</u>	<u>\$257.54</u>	<u>\$257.54</u>	<u>\$257.54</u>	<u>\$257.54</u>	<u>\$273.00</u>
<u>Pre-school Age</u>	<u>\$195.67</u>	<u>\$195.67</u>	<u>\$195.67</u>	<u>\$195.67</u>	<u>\$260.00</u>
<u>School Age</u>	<u>\$200.00</u>	<u>\$200.00</u>	<u>\$200.00</u>	<u>\$200.00</u>	<u>\$245.00</u>

25 The maximum reimbursement rates paid by the departments of human services, and  
26 children, youth and families to licensed family childcare providers shall be consistent with the  
27 enhanced emergency rates provided as of June 1, 2021 as follows:

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>
<u>Infant/Toddler</u>	<u>\$224.43</u>	<u>\$224.43</u>	<u>\$224.43</u>	<u>\$224.43</u>	<u>\$224.43</u>
<u>Pre-school Age</u>	<u>\$171.45</u>	<u>\$171.45</u>	<u>\$171.45</u>	<u>\$171.45</u>	<u>\$171.45</u>
<u>School Age</u>	<u>\$162.30</u>	<u>\$162.30</u>	<u>\$162.30</u>	<u>\$162.30</u>	<u>\$162.30</u>

32 (i) Effective July 1, 2022, the maximum reimbursement rates to be paid by the departments  
33 of human services and children, youth and families for licensed childcare centers shall be  
34 implemented in a tiered manner, reflective of the quality rating the provider has achieved within

1 [the state's quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be](#)  
2 [reimbursed as follows:](#)

3 [LICENSED CHILDCARE](#)

4 <a href="#"><u>CENTERS</u></a>	<a href="#"><u>Tier One</u></a>	<a href="#"><u>Tier Two</u></a>	<a href="#"><u>Tier Three</u></a>	<a href="#"><u>Tier Four</u></a>	<a href="#"><u>Tier Five</u></a>
5 <a href="#"><u>Infant/Toddler</u></a>	<a href="#"><u>\$236.36</u></a>	<a href="#"><u>\$244.88</u></a>	<a href="#"><u>\$257.15</u></a>	<a href="#"><u>\$268.74</u></a>	<a href="#"><u>\$284.39</u></a>
6 <a href="#"><u>Preschool</u></a>	<a href="#"><u>\$207.51</u></a>	<a href="#"><u>\$212.27</u></a>	<a href="#"><u>\$218.45</u></a>	<a href="#"><u>\$223.50</u></a>	<a href="#"><u>\$231.39</u></a>
7 <a href="#"><u>School-Age</u></a>	<a href="#"><u>\$180.38</u></a>	<a href="#"><u>\$182.77</u></a>	<a href="#"><u>\$185.17</u></a>	<a href="#"><u>\$187.57</u></a>	<a href="#"><u>\$189.97</u></a>

8 [The maximum reimbursement rates for licensed family childcare providers paid by the](#)  
9 [departments of human services, and children, youth and families is determined through collective](#)  
10 [bargaining. The maximum reimbursement rates for infant/toddler and preschool age children paid](#)  
11 [to licensed family childcare providers by both departments is implemented in a tiered manner that](#)  
12 [reflects the quality rating the provider has achieved in accordance with § 42-12-23.1.](#)

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO HUMAN SERVICES

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1           This act would increase the rates paid to childcare providers by the departments of human  
2 services and children, youth and families based on a tiered system to be consistent with the  
3 enhanced emergency rates provided as of June 1, 2021. This act would also set the maximum  
4 reimbursement rates for licensed family childcare providers paid by the departments as  
5 implemented in a tiered manner that reflects the quality rating the provider has achieved, effective  
6 July 1, 2022.

7           This act would take effect upon passage.

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