



## **Child Care and Development Fund (CCDF) Plans for FY 2006-2007: Subsidy Reimbursement Rates for Providers Serving Children with Special Needs**

The National Child Care Information Center (NCCIC) analysis of the CCDF Plans for FY 2006-2007 reveals that 24 States (CO, DE, FL, IA, KS, KY, LA, MN, MO, MS, MT, NC, NJ, NY, OK, OR, SC, SD, UT, VA, WA, WI, WV, WY) and two Territories (AS and GU) reported that the CCDF Lead Agency pays a higher reimbursement rate for children with special needs. The following are direct excerpts from a sample of CCDF Plans from States that have established rates policies for providers serving children with special needs. (Note: Minor revisions were incorporated to enhance readability.)

### **COLORADO**

In **Colorado**, the special needs rate can be up to double the daily rate for all types of care, based on an individualized care plan.

### **DELAWARE**

In **Delaware**, the reimbursement rate table for New Castle County is provided to illustrate Delaware's rate structure and includes the rates for providers caring for children with special needs.

FFY 2006 CHILD CARE PROVIDER RATES (Effective 10/1/2005)		
<i>Centers</i>		
<b>Age Group</b>	<b>Base Rate</b>	<b>Special Needs Differential Rate</b>
Infant	\$145.00/week	\$152.25/week
Toddler	\$122.00/week	\$128.10/week
Preschool	\$104.60/week	\$109.85/ week
School-Age	\$104.60/week	\$109.85/week
<i>Licensed Homes</i>		
Infant	\$110.00/week	\$115.50/week
Toddler	\$105.00/week	\$110.25/week
Preschool	\$82.35/week	\$86.45/ week
School-Age	\$84.30/week	\$88.50/ week
<i>In-Home/Relatives</i>		
Infant	\$105.00/week	\$110.25/week
Toddler	\$100.00/week	\$105.00/week
Preschool	\$58.00/week	\$60.90/ week
School-Age	\$58.00/week	\$60.90/ week

## FLORIDA

Florida's payment structure also includes a "special needs" negotiated rate for children with disabilities and special health needs. Rates are based on the care needs of the child and the availability of providers.

## GUAM

In **Guam**, special rates charged for children with special needs were set at 100th percentile of market rate because of a few respondents from licensed facilities and license-exempt, in-home care.

## IOWA

In **Iowa**, rates for providing care to children with special needs have been excluded from the past two Market Rate Surveys. In past surveys, gathering data on this particular population has proven very challenging due to the limited number of providers who indicated they charge a different rate. Thus, there were limited results from which to extract a 75th percentile. Rates from the 1998 survey continue to be used. Given the legislative direction to increase rates, the Lead Agency is exploring more appropriate methods of reimbursing providers (i.e., a percent increase greater than the basic rate, rates based on the actual needs of a particular child, etc.)

The following table provides the current rates, which are due to be increased September 1, 2005.

Half-Day Rate Maximum Rates for Special Needs Care				
Age Group	Child Care Center	Registered Group Home	Registered Family Home	Nonregistered Family Home
Infant and Toddler	\$48.00	\$12.38	\$15.75	\$10.24
Preschool	\$28.13	\$12.38	\$14.63	\$ 8.99
School-Age	\$28.04	\$11.25	\$13.50	\$ 9.20

## KANSAS

In **Kansas**, child care facilities designated as providing special needs care for children who do not require Special Purpose Care may receive an additional 15 cents per hour for each child if the following requirements are met:

1. The provider selected by the parent indicates a desire to be a Special Needs Provider for the child.
2. An ES-1627a Request For Special Purpose/Special Needs Provider Child Care has been approved, documenting the child's special needs and authorizing the enhanced payment rate.

Special Purpose Child Care Centers/Units serving children who have been evaluated professionally as having a special need severe enough to require additional staff or specialized support services not routinely available are eligible for reimbursement up to, but not exceeding, the following Special Purpose rates for a maximum of four hours per day when the following requirements are met:

1. The center has a Kansas Department of Health and Environment designation of Special Purpose Center or integrated unit or the center has special approval from Social Rehabilitation Services Central Office Child Care staff for a specific child.
2. An ES-1627a Request for Special Purpose/Special Needs Provider Child Care form is completed, authorizing the enhanced payment rate for a child.

## **KENTUCKY**

In **Kentucky**, an additional \$1 greater than the maximum subsidized payment rate will continue to be given to licensed center-based, group home, certified family child care, or unregulated registered providers who serve children with special needs.

## **LOUISIANA**

Higher special needs rates in **Louisiana** may be paid for children up to age 18 if a physician or licensed psychologist verifies that special care is required and verification is obtained that the provider is providing that special care. This special needs care includes, but is not limited to, specialized facilities/equipment, lower staff ratio, and/or specially training staff.

## **MINNESOTA**

In **Minnesota**, rates are established county by county as necessary to secure appropriate care for the individual needs of children. When four or more providers offer the same type of care for the same specific special need population, the 75th percentile is calculated in the geographic area. Counties identify the special needs rates that are paid in their biennial CCDF Plan. Rates are established on an as needed basis and are subject to State approval.

## **MISSISSIPPI**

In **Mississippi**, a three-tiered child care reimbursement system has been established that directly ties the quality of care provided to a payment rate established by the Office for Children and Youth. The tier rates differ based on the category of care, the age range of the child, and the additional costs of providing care for children with special needs.

## **MISSOURI**

The special needs rate in **Missouri** is 25 percent greater than the provider's lowest base rate or State maximum rate.

## **MONTANA**

**Montana** has established a rate system to serve children with special needs based on the actual cost to care for the child. Once a child has been identified as having a special need, an eligibility worker contacts the early childhood specialist who completes a special needs rating scale with the parent. This scale has seven sections that focus on care requirements and needed

accommodations for the child. This scale is used to determine whether the cost of care for the child with special needs warrants an increase rate greater than the normal district rate. These costs must be associated with accommodations that, in the absence of financial support, would place an undue burden on the provider.

Once the special needs rating scale is completed, the scale is sent to the Montana Inclusion Specialist located at Child Care Plus+, the Center for Inclusion in Early Childhood at the University of Montana-Missoula, for approval. The Montana inclusion specialist has 10 days to either approve or deny the rate requested on the scale. Once the rate is approved, the early childhood specialist has 60 days to complete an individual child care plan with the parent and possibly other pertinent individuals (e.g., a Part C family support specialist, therapists, etc).

### **NEW JERSEY**

In **New Jersey**, a higher rate is available for providers serving children with special needs in certain types of care settings.

### **NEW YORK**

In **New York**, the rate of payment for child care services provided to a child determined to have special needs is the actual cost of care up to the statewide limit of the highest weekly, daily, part-day, or hourly market rate for child care services in the State, as applicable, based on the amount of time the child care services are provided per week regardless of the type of child care provider used or the age of the child. The highest full time market rates in the State are the following:

Weekly	\$300
Daily	\$75
Part-Day	\$50
Hourly	\$17

### **NORTH CAROLINA**

In **North Carolina**, certified developmental day centers are facilities certified by the Division of Mental Health/Developmental Disabilities/Substance Abuse Services to provide services to children with special needs and may also serve normal developing children. There are 57 certified developmental day centers operating in North Carolina. The payment rate for certified developmental day centers is the net cost of care based on a cost study, which takes into consideration all revenues available to each center. The cost study is conducted by the Office of the Controller, which provides rates based on collected data. The payment rates are approved and established by the Department's Rate Setting Review Board. The rate for typically developing children who receive care in these centers is based on this cost study, which excludes the costs associated exclusively with serving children with special needs.

In other child care arrangements where children with special needs are placed into mainstream settings serving primarily non-handicapped children, the provider may receive a supplemental payment. This payment is based on actual documented costs incurred by the provider in serving

the child with special needs. These policies offer incentives for providers caring for subsidized children with special needs, which helps families gain improved access to these programs.

## **OKLAHOMA**

In **Oklahoma**, the special need authorization allows an amount to be paid in addition to the rate a child care provider receives for a typical child of the same age. There are two special needs authorizations, moderate and severe:

- Moderate special needs: child care providers receive an additional \$8 for a full-time day and an additional \$6 for a part-time day per child.
- Severe special needs: child care providers receive an additional \$14 for a full-time day and an additional \$10 for a part-time day per child.

## **OREGON**

Subsidy program enhancements in **Oregon** have increased family access to some types of care that are generally difficult to find. For children with an especially high number of needs, payment up to approximately 300 percent of the maximum rate can be authorized based on an individual assessment of the additional care children require in child care settings.

## **SOUTH CAROLINA**

The Lead Agency in **South Carolina** provides financial incentives for child care providers serving children with special needs.

## **SOUTH DAKOTA**

In **South Dakota**, child care services offers a higher rate of reimbursement for children with documented special needs in order to help off-set additional costs child care providers may incur as a result of providing care for these children, which can help increase family accessibility. Such costs may include paying for specialized training or equipment, making modifications to the facility, hiring additional staff, or reducing the staff-child ratios.

## **Texas**

TWC rules require Boards to reimburse providers that serve a child with disabilities up to 190 percent of the provider's established reimbursement rate for a child of the same age, in order to compensate the provider for the extra staff and equipment necessary to care for a child with one or more disabilities.

## **UTAH**

In **Utah**, families with children who have disabilities and/or special child care needs may qualify for a higher subsidy on a case-by-case basis.

## **VIRGINIA**

For children with special needs in **Virginia**, payments may be equal to the actual cost of care even if this exceeds the Maximum Reimbursable Rates (MRR). The rate paid is a negotiation between parent, provider, professional, and the local department of social services. The Director of the Division of Child and Development has final approval authority for rates greater than the MRR.

## **WASHINGTON**

The Lead Agency pays a higher reimbursement rate for children with special needs to licensed or certified child care centers. The rate can be based on providers' documented additional costs associated with the care of those children or a special rate identified in the rate structure, whichever is greater.

## **WEST VIRGINIA**

The Lead Agency offers an enhanced rate for providers serving special needs children and children receiving services based on a child protective services safety or treatment plan.

## **WISCONSIN**

Counties/Tribes may establish rates greater than the maximum reimbursement rates for providers who serve special needs or sick children on a case-by-case basis. The special needs rates are used when services to these children result in increased costs to the providers. Local agencies negotiate with providers an appropriate beginning reimbursement rate, which reflects a higher cost of care needed for the care arrangement due to providing extra services. The provider must document the reason for the higher price of care and what extra services are required.

## **WYOMING**

The Lead Agency offers an enhanced rate for providers serving children with special needs on a case-by-case basis.

The National Child Care Information Center, a service of the Child Care Bureau, does not endorse any organization, publication, or resource. For more information, please contact NCCIC: 10530 Rosehaven Street, Suite 400, Fairfax, Virginia 22030; Ph: 800-616-2242; Fax: 800-716-2242; TTY: 800-516-2242; Email: [info@nccic.org](mailto:info@nccic.org); Web site: <http://nccic.acf.hhs.gov>.

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