

**State/Territory Plan
2022 - 2024**

4.3 Establish Adequate Payment Rates

4.3.3 Lead Agencies can choose to establish tiered rates, differential rates, or add-ons on top of their base rates as a way to increase payment rates for targeted needs (i.e., a higher rate for special needs children as both an incentive for providers to serve children with special needs and as a way to cover the higher costs to the provider to provide care for special needs children). Lead Agencies may pay providers more than their private pay rates as an incentive or to cover costs for higher quality care (81 FR, p. 67514).

State/Territory	4.3.3 Yes - g: Other differential rates or tiered rates. Describe:
Alabama	Care exceeding 50 hours or more per week is paid at 125% of the base rate.
Alaska	
American Samoa	
Arizona	N/A
Arkansas	NA
California	
Colorado	<p>Using funds received through the CRRSA Act, the Department will temporarily implement tiered increases that are estimated to cover approximately 20% of the disparity between the current reimbursement rate and the estimated cost of quality care for each rate type and county grouping type, based on the results of the narrow cost analysis “Analysis of Child Care Costs and Subsidy Rates in Colorado in 2020” by Andrew Brodsky, PhD, completed in December 2020. Because this disparity between the rate and cost of quality care is greatest for infant and toddler care and in rural areas, the tiered structure will increase those rates at a higher proportion.</p> <p>The rate increase temporarily raises the existing reimbursement rates by 20% of the amount that the reimbursement rate would need to increase to fully cover the cost of care. These rates will be effective from 9/1/2021 until 6/20/2022, when the rates based on the new market rate survey will be implemented.</p>

Connecticut	
Delaware	The Lead Agency allows providers who qualify to become POC Plus providers. These providers can charge parents, who choose this type of slot, the difference between the state reimbursement rate and the providers' private rate.
District of Columbia	Child development facilities that participate in the Quality Improvement Network (QIN) receive an enhanced reimbursement rate reflecting QIN participation.
Florida	
Georgia	For children in foster care, the Lead Agency will pay a child care provider's full published rate for care provided.
Guam	
Hawaii	The Department provides a higher rate for center-based care providers accredited by the National Association for the Education of Young Children (NAEYC), the National Early Childhood Program Accreditation (NECPA) or the National Association for Family Child Care Accreditation (NAFCC).
Idaho	
Illinois	
Indiana	Reimbursement rate for child care providers participating in On My Way Pre-K are 10% above the CCDF rate of the same provider type.
Iowa	
Kansas	
Kentucky	Licensed or certified providers who are accredited by a national organization will receive an additional two (2) dollars per day above the maximum rate of pay
Louisiana	Rates are differentiated based on settings as well. For example, rates vary for Type III Early Learning Centers, School Child Care Centers, Family Child Care Providers, In-Home Providers, and Military Child Care Centers. See BESE Bulletin 139 Section 515 for rates.
Maine	<u>Maine provides a percentage increase in payments on behalf of families utilizing the Child Care Subsidy Program for providers who are at various steps on the Quality Rating and Improvement System. The higher quality the program is, the more incentive or quality bump funds they receive. Providers at a step 2 receive 3% quality bump in payment. Providers at a step 3 receive a 10% quality bump and providers at the highest level, 4, receive 15% quality bump. This incentivizes programs to move up the QRIS and provides increased funding to allow the program to sustain their high-quality program.</u>

Maryland	Maryland pays a Tiered Reimbursement above the base scholarship rate for higher quality of child care (1) Eligibility for tiered reimbursement payments is limited to a child care center or a family child care home that has a published Maryland EXCELS quality rating level of 3, 4, or 5. (2) An informal child care provider is not eligible for tiered reimbursement payments. (3) An eligible provider shall be paid a tiered reimbursement amount for each CCS Program child in care that is: (a) In addition to the child's scholarship payment; and (b) Reflective of the applicable percentage specified at §C(4) of this regulation.
Massachusetts	Through its Priority Populations contracts, programs awarded contracts to serve children in protective services, children of teen parents, and homeless children receive an additional \$20 per day.
Michigan	
Minnesota	
Mississippi	
Missouri	The Lead Agency has a 30% rate differential for programs providing care to 50% or more subsidy eligible children in the total enrollment. This rate differential has not been offered to new programs after 2003. Any providers that originally received the 30% rate differential were grandfathered in and several programs still receive it. In 2016, a new 30% rate differential was introduced for programs providing care to 50% or more subsidy eligible children in the total enrollment and were accredited or working towards accreditation with a state recognized accrediting body. The rate differential is based on the MRS and subject to appropriation.
Montana	
Nebraska	License-exempt in-home child care providers are paid minimum wage, which is currently \$9.00 per hour, plus time and a half when care is provided over 40 hours per week.
Nevada	
New Hampshire	
New Jersey	
New Mexico	N/A
New York	<ul style="list-style-type: none"> • LDSSs must pay 5 percent (and can pay up to 10 percent) above the market rate to enrolled legally-exempt in-home and legally-exempt family child care providers that have taken 10 or more hours of approved training annually. • LDSSs must pay eligible licensed and registered child care providers a differential payment rate of at least 5 percent above the actual cost of care or the applicable market rate for care of children in families experiencing homelessness. LDSSs may choose to set a differential payment greater than 5 percent above the actual cost of care or the applicable market rate provided the rate does not exceed 15 percent.

North Carolina	Through the use of state funds, Smart Start Partnerships often provide a wide variety of rate enhancements based on needs of the community or as a means to assist families in accessing high quality care and to support providers in meeting higher standards.
North Dakota	
Northern Mariana Islands	Tiered rates are included as part of the Reach Higher, CNMI (QRIS). Tiered rates begin at Star 2 level and it increases at each higher star level.
Ohio	Accredited programs get a 10% enhancement to the base rate.
Oklahoma	
Oregon	N/A
Pennsylvania	
Puerto Rico	N/A
Rhode Island	
South Carolina	The LA uses a payment rate add on for children in foster care that is \$30 more than rates for other children in a specific type of care.
South Dakota	NA
Tennessee	15% bonus rates for child care deserts and distressed counties.
Texas	
Utah	
Vermont	N/A
Virgin Islands	N/A
Virginia	Licensed and licensed-equivalent providers are paid a higher maximum reimbursable rate than unlicensed providers.
Washington	CCSP pays registration fees for all licensed providers of up to \$50 per child per calendar year and field trip fees to licensed family home and Family, Friend, and Neighbor providers of up to \$30 per child per month as agreed upon in the collective bargaining agreement.
West Virginia	Providers caring for children whose need for care is “child protective services” receive an additional \$2 per child/day.

Wisconsin	The Lead Agency is providing an increase in Wisconsin Child Care Shares payments to children and families residing in the 53206-zip code which is located in the City of Milwaukee. This pilot project is focused on supporting very low-income families in acquiring high-quality child care for their children.
Wyoming	