



Commonwealth of Kentucky Cabinet for Health and Family Services

FOR IMMEDIATE RELEASE

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\$42 million in Child Care Block Grant Will Help Kentucky Families, Providers

Funding puts job training, education within better reach for working parents

Note: This corrects the effective year of one of the grant's changes listed below.

FRANKFORT, Ky. (Dec. 3, 2018) – Families with young children and child care providers will benefit from federal funding and new state regulations that became effective Dec. 1.

The Kentucky Cabinet for Health and Family Services Division of Child Care (DCC), part of the Department for Community Based Services (DCBS), recently received an additional \$42 million to a block grant and will use the funds to assist more families with young children and support children's healthy development.

DCBS Commissioner Eric Clark said the funding helps to meet the needs of the families his agency serves.

“DCBS is excited about the opportunities presented through these additional federal funds to support families and children throughout the Commonwealth,” he said. “The input and collaboration we received from our key stakeholders and partners were essential toward identifying, developing, and prioritizing a more robust and sustainable Child Care Assistance Program (CCAP), which ultimately improves outcomes for our families and children.”

The money is new discretionary funding through the Child Care Development Block Grant, managed by the U.S. Administration for Children and Families (ACF). The federal program was reauthorized in 2014, and this year Kentucky decided to make some changes in how to best spend these funds to meet the goals of the program.

DCC and its stakeholders, including the Early Childhood Advisory Council, the Child Care Advisory Council, agreed on key objectives and have made the following changes.

- Reimbursement rates for licensed and certified providers will be raised to better align with market rates. Full-time maximum payment rates will be set at the 40th percentile of the market rate identified by the [2017 Market Rate Study](#). This rate increase combined with quality incentives available to providers rated as high quality through Kentucky All STARS will allow providers to achieve upwards of the 60th percentile of the market rate in all areas of the state.
- The Federal Poverty Level (FPL) threshold for discontinuance of CCAP funding at redetermination will be raised to 200%. This will allow families to qualify for child care while building their earning potential, and will allow more families to stay in the workforce while qualifying for child care.
- DCBS will continue to cover the \$25 administrative portion of staff background checks. This reduces the financial burden on child care providers seeking to hire new employees.
- Child care expenses for foster care will shift from Division of Protection and Permanency (DPP) state funding sources to federal CCDF dollars. This aligns with federal recommendations that foster children be recognized as a priority group for CCDF funding, and will help relieve DPP funding shortfalls.
- Effective June 28, 2019, CCAP applicants enrolled full-time in an accredited college or university, a certified trade school, or participating in the Supplemental

Nutrition Assistance Program (SNAP) Employment and Training (E&T) program will qualify for CCAP in lieu of the work requirement. This will allow families to increase earning potential by qualifying for child care services while pursuing education, job, and skill training full-time.

DCC Director Sarah Vanover said the funding gives priority to both families and child care providers.

“This multi-pronged allocation plan will help to support the households of children as they work towards long-term financial stability while also supporting child care providers to pursue continuous quality improvement and employ more qualified educators,” Vanover said.

Get more information online at <https://chfs.ky.gov/agencies/dcbs/dcc>.

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The Cabinet for Health and Family Services is home to most of the state's human services and healthcare programs, including the Department for Medicaid Services, the Department for Community Based Services the Department for Public Health, the Department for Aging and Independent Living and the Department for Behavioral Health, Developmental and Intellectual Disabilities. CHFS is one of the largest agencies in state government, with nearly 8,000 full- and part-time employees located across the Commonwealth focused on improving the lives and health of Kentuckians.