



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR COMMUNITY BASED SERVICES**

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## **Child Care and Development Fund (CCDF) Funding Increase**

Kentucky was awarded an additional 42 million dollars of discretionary funds through the Child Care Development Block Grant. The Administration for Children and Families (ACF) requires that funds be obligated by September 30, 2019 and liquidated by September 30, 2020.

The Division of Child Care (DCC) has conducted a fiscal analysis on the following proposals:

- Raising reimbursement rates for licensed and certified providers to better align with market rates as determined by the 2017 Market Rate Study. Rates increases were examined at the 35<sup>th</sup>, 40<sup>th</sup>, 45<sup>th</sup>, and 50<sup>th</sup> percentiles of the market rate.
- Increasing percent Federal Poverty Level (FPL) for discontinuance at redetermination. Analysis was conducted on discontinuance at 185 and 200 percent FPL.
- Covering the \$25 administrative portion of background checks. The remaining cost of \$37 will be charged to the provider. This was implemented effective November 1, 2018.
- Waiving the work requirement for students enrolled in full-time post-secondary education, technical skill training, or participating in the Supplemental Nutrition Assistance Program Employment and Training program (SNAP E&T).
- Shifting child care expenses for foster care to CCDF funding source to better align with federal guidance and to help alleviate the burden on foster care funding.

DCC has shared the findings with Cabinet leadership and is awaiting approval for implementation. The division is working hard to put the reimbursement rate increase, percent FPL at discontinuance increase, and child care for foster children funding into effect through an emergency regulation by December 1, 2018. The student work waiver has a targeted rollout for summer of 2019. Updates will be shared through the DCC listserv as they are available. If you would like to be added to the listserv, you may send a request to [DCClistserv@ky.gov](mailto:DCClistserv@ky.gov).

For more information on the 2017 Market Rate Study visit <https://www.kentuckypartnership.org/products/mrs>.

Questions regarding the CCDF funding increase may be directed to Melissa Banks, Interim Assistant Director for the Division of Child Care (502)564-2524 x3752 or [melissa.banks@ky.gov](mailto:melissa.banks@ky.gov).