



## Alternative Payment Program

Children learning, parents earning, communities growing!

August 2, 2021

### Fiscal Year 2021-22 Program Update #2- Child Care Bill Signed into Law

***This notice is to inform Child Care Providers and Families of program changes as a result of the State Budget for Fiscal Year 2021-2022.***

Governor Newsom signed Assembly Bill 131 (AB 131) on July 23, 2021, as part of the state budget process. AB 131 is the child care trailer bill that funds the subsidized child care system and authorizes policies for fiscal year 2021-2022. AB 131 includes new investments that support child care providers and families as they continue to be impacted by the COVID-19 pandemic.

**This is a preliminary notice.** There may be additional requirements or limitations to the below policies once CDA receives formal direction from the California Department of Social Services (CDSS) on the implementation of AB 131. CDA will inform child care providers and families promptly if the CDSS guidance differs from what is outlined below.

#### PROGRAM POLICIES/CHANGES EFFECTIVE JULY 1, 2021

- **Provider Stipends – COVID-19 Economic Relief**

A third round of provider stipends have been approved in the amount of \$600.00 per each eligible subsidized child. Eligible children are those whose attendance records were submitted on time according to CDA's Reimbursement Schedule for the month of March 2021. Once funds are received from CDSS CDA will send the stipends to child care providers as quickly as possible.

- **Provider Rate Changes**

Providers are no longer limited to one rate change per fiscal year. Per current CDA policy, rate changes will be made effective as follows:

- Rate changes received in advance will be made effective the day of the change.
- All other rate changes will be made effective the first of the month in which they were received.

Although providers may change more than once per fiscal year, reimbursements will not exceed the allowable Regional Market Rate Ceiling (RMRC), to access click [here](#).

- **Family Fee Waivers**

Family fees are waived for **all** families from July 1, 2021 – June 30, 2022. (See AP Program Update #1).



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- **16 Paid Non-Operational Days Due to COVID-19**

All providers may be reimbursed for up to 16 non-operational (closure) days from July 1, 2021 – June 30, 2022, if the provider is closed due to COVID-19 related reasons. These COVID-19 related closure days are in addition to the 10 non-operational days allowed for providers who have contractual terms requiring non-subsidized families to pay for closures days.

To receive reimbursement for a COVID-19 related non-operational closure day providers **MUST**:

- Inform their Provider Specialist the dates they are closed due to COVID-19.
- Note on the attendance records the COVID-19 related closure days with “**Closed due to COVID-19.**”

- **Reimbursement Based on Maximum Authorized Hours Regardless of Attendance**

State law authorizes CDA to continue to reimburse providers based on each child’s certified need regardless of attendance as follows:

- For children certified with a variable schedule, reimbursement shall be based on the maximum authorized hours of care as reflected on the certificate. The actual reimbursement will be the provider’s invoiced amount or the RMRC, whichever is less.
- For children with a license-exempt provider, reimbursement shall be based on the maximum authorized hours of care as reflected on the certificate. The actual reimbursement will be the provider’s invoiced rate or the RMRC, whichever is less.
- For children certified with a set schedule, policies reimbursement shall be based on the maximum authorized hours of care as reflected on the certificate. The actual reimbursement will be the provider’s invoiced amount or the RMRC, whichever is less.

- **Reimbursement for School-Age children**

As schools resume in person instruction for the 2021-2022 school year, reimbursement will be based on each school-age child’s maximum authorized schedule as reflected on the certificate as follows:

- **School schedule** - when the child’s school calendar reflects the child is in school, the maximum authorized hours for school will be reimbursed regardless of attendance.
- **Vacation schedule** - when the child’s school calendar reflects the child is on vacation, the maximum authorized hours for vacation will be reimbursed regardless of attendance.

**Please note:** CDA is pending clarification from CDSS on reimbursement for school age children who may need to quarantine, have a hybrid schedule or may be attending virtual classes once schools re-open as previous guidance expired June 30, 2021.



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- **Attendance Records and Missing Parent Signatures**

In situations where a parent is unavailable or unable to sign the monthly attendance record **due to the COVID-19 pandemic**, providers may submit the original attendance record to CDA for reimbursement.

When a parent is unable to sign the attendance record due to COVID-19 providers **MUST**:

- Attempt to collect the parent's signature on the monthly attendance record and maintain records of their attempts. These records **must** be kept on file, by the provider, in the event a CDA or State representative requests to review the documentation.
- Write on the attendance record "**Parent unavailable to sign due to COVID-19.**"
- Attest and sign the attendance record that the provider has made attempts to contact the parent and that the parent was not available for signature due to COVID-19.

Parent signatures remain a requirement in all other situations. Warning letters will be issued if it is not noted the parent signature is missing due to COVID-19.

### **PROGRAM CHANGES EFFECTIVE JANUARY 1, 2022**

- **Updated Regional Market Rate Ceilings (RMRC)**

An updated RMRC will be released by CDSS and effective January 1, 2022. The RMRC determines the maximum amount CDA can reimburse for child care services. CDA will issue new certificates or other notification to parents and providers reflecting any increases in the allowable reimbursement amounts prior to reimbursements being made for January 2022 childcare.