



## **Alternative Payment Program**

*Children learning, parents earning, communities growing!*

July 12, 2023

### **Fiscal Year 2023-24 Program Update #1- Reimbursement Based on Maximum Certified Need Regardless of Attendance Extended through September 30, 2023**

On July 10<sup>th</sup>, 2023 Governor Gavin Newsom signed Assembly Bill (AB) 116 which extends the policy of reimbursing child care providers based on certified need regardless of attendance through **September 30, 2023**.

This means the notice CDA previously issued stating the policy would expire June 30, 2023 will not take affect and CDA will be able to continue paying child care providers for children with variable and set schedules based on the child's maximum certified need regardless of attendance through September 30, 2023.

Further, on June 30, 2023, the State reached a tentative agreement with the Child Care Providers United (CCPU) union to extend these policies for the duration of the successor memorandum of understanding (MOU) between the State and CCPU, which is pending ratification. Upon full ratification, the hold harmless with respect to reimbursement policy would be extended through June 30, 2025.

The budget act contains other policy changes that support families and child care providers. Once CDA has more information how these will be implemented and impact child care providers and families additional Program Updates will be issued.