

Alternative Payment Program

Children learning, parents earning, communities growing!

September 1, 2023

Fiscal Year 2023-24 **Program Update #2- AB 110 One-time Reimbursement Rate Supplements**

What is happening?

On May 15, 2023 Governor Newsom signed the California Assembly Bill (AB) 110 which authorized one-time reimbursement rate supplements to child care providers in the amount of \$440.00 per subsidized child who received reimbursement for the month of April 2022.

These reimbursement rate supplements are meant to help with hardships caused by the COVID-19 pandemic and are *being funded by unused federal relief funds* that have been reappropriated to support child care providers.

Are all providers eligible for the AB 110 reimbursement rate supplement?

All currently **open** child care providers who had subsidized children enrolled and received reimbursement for the **month of April 2022** are eligible for the one-time reimbursement rate supplement.

- Licensed child care providers **MUST** currently be open and in operation, however they do not have to currently serve subsidized children to receive the one-time reimbursement supplemental rate.
- Licensed-exempt Family, Friend, or Neighbor (FFN) child care providers must be **currently** serving at least one subsidized child to receive the one-time reimbursement supplemental rate.

Are there any other requirements to receive the reimbursement rate supplement?

Yes, providers must have completed a revised American Rescue Plan Act (ARPA) survey for **EACH** child care license they possess. License-exempt child care providers **MUST** have **completed** one survey.

CDA has already completed the verification process for all eligible child care providers and those that have completed an ARPA survey will receive a reimbursement rate supplement payment.

What if my child care program is permanently closed?

The ARPA stabilization funds are intended to stabilize the child care field. CDA is prohibited from distributing funds to providers who are closed and not in operation.

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My program already received the AB 179 stipend. Are we eligible to receive the AB 110 reimbursement rate supplement too?

Yes, the AB 110 reimbursement rate supplement is an **additional** payment. Funding for the reimbursement rate supplement comes from *unused federal relief funds* that were reallocated to support child care providers. If you meet the "eligible" criteria listed above, you are eligible for the AB 110 reimbursement rate supplement, as this is an additional payment.

How will child care providers receive the AB 110 reimbursement rate supplement?

CDA will issue a one-time lump-sum reimbursement rate supplement payment directly to eligible child care providers via direct deposit **or** by check if the provider has opted out of direct deposit.

This payment will not show on the Explanation of Payment (EOP) in CareConnect Provider. Each eligible child care provider will receive a confirmation letter from CDA for their records.

How much will each child care provider receive?

The one-time reimbursement rate supplement will be calculated based on **the number of children served and reimbursed in the month of April 2022 at a flat rate of \$440.00 per child**. For example, if you provided care for and received reimbursement for 5 children in April 2022, you would receive \$2,200.00.

When will child care providers receive the one-time reimbursement rate supplement?

CDA has received the funds from the California Department of Social Services (CDSS) and is in the process of preparing each provider's payment. CDA will issue payments no later than **September 22, 2023**.

CDA is pleased to be able to provide these additional funds to support you in the recovery from the COVID-19 pandemic. If you have any questions about your AB 110 One-time Reimbursement Rate Supplement or anything in this update, please contact CDA's ARPA Survey team at (619) 427-4411 ext. 9101 or ARPAsurveys@cdasd.org.

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