



Alternative Payment Program

Children learning, parents earning, communities growing!

October 18th, 2023

Fiscal Year 2023-24 Program Update #5- One-Time Transitional Provider Subsidy Payment

What is happening?

Senate Bill (SB)140, authorized a one-time Transitional Provider Subsidy Payment to child care providers.

This one-time Transitional Provider Subsidy Payment is part of an agreement between the State of California and the Child Care Providers United (CCPU) to supplement subsidized child care payments.

Are all providers eligible for the one-time Transitional Provider Subsidy Payment?

All child care providers who received reimbursement for child care services in the month of **April 2023** are eligible for the one-time Transitional Provider Subsidy Payment. The one-time Transitional Provider Subsidy Payment is a flat amount based on each provider's **licensing status**:

- License-exempt (FFN) child care providers will receive **\$500**
- Small family child care home providers will receive **\$2,500**
- Large family child care home providers will receive **\$3,000**
- Child care centers will receive **\$3,000**

Are there any other requirements to receive the one-time Transitional Provider Subsidy Payment?

No, there are no additional requirements to receive this payment. However, providers are only eligible for **ONE** Transitional Provider Subsidy Payment and providers who participate on more than one subsidy program may not receive their payment directly from CDA.

***Please note:** CDA is unable to research which Alternative Payment Program (APP) will distribute the funds to eligible providers. Each provider must reach out to the subsidy programs they received payment from in April 2023 for assistance. Please give agencies time to process these payments before inquiries are made.*

My program was eligible and received the recent AB 179 and AB 110 stipends. Will we receive the one-time Transitional Provider Subsidy payment too?

Funding for the one-time Transitional Provider Subsidy payment is **not** part of the ARPA relief funds. To be eligible, your program must have received a subsidy payment in April 2023. It is important to note that this payment is **based on payments made to child care providers in April 2023, not child care provided in April 2023**; which has been the criteria in previous stipends.



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How will child care providers receive the one-time Transitional Provider Subsidy payment?

CDA will issue a one-time Transitional Provider Subsidy 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 portal. Each eligible child care provider will receive a confirmation letter from CDA for their records.

When will child care providers receive the one-time Transitional Provider Subsidy payments?

CDA anticipates receiving the funds from the California Department of Social Services (CDSS) **for family child care home and licensed-exempt (FFN) providers within the next couple of weeks and CDA will issue payments no later than November 30, 2023.**

At this time CDA does not have information on when the funds will be released for the one-time Transitional Provider Subsidy payments for child care centers. Once CDA receives information on the one-time Transitional Provider Subsidy payments for centers, a program update will be issued.