



## Alternative Payment Program

*Children learning, parents earning, communities growing!*

April 19, 2024

### Fiscal Year 2023-24 Program Update #8- Transitional Provider Subsidy Payment Child Care Centers

#### 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 Provider Union (CCPU) to supplement subsidized child care payments.

On October 18, 2023 CDA notified all providers of the one-time Transitional Provider Subsidy Payments, however only Family Child Care Providers and license exempt Family, Friend, and Neighbor (FFN) providers had been approved for payment from the California Department of Social Services (CDSS) at that time.

**CDA has now been notified by CDSS, funding for the one-time Transitional Provider Subsidy payments for child care centers will be released soon.**

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

All child care centers who received reimbursement for child care **services provided for 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 of **\$3,000.00 for a child care center**.

#### 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, child care centers are only eligible for **ONE** Transitional Provider Subsidy Payment regardless of the number of subsidy programs they may work with.

It is possible child care centers that participate in more than one subsidy program may not receive their payment directly from CDA, but from the other subsidy program.



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**My program was eligible and received the recent AB 179 and AB110 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 child care center must have received a subsidy payment for **child care services provided in April 2023**.

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

CDA will issue the one-time Transitional Provider Subsidy payment directly to those child care centers CDSS has instructed CDA to pay 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 center 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 **child care centers** within the next couple of weeks and will issue payments no later than **June 30, 2024**.