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PROGRAM:	Child Care Services	KEYWORD:	Maximum Child Care Provider Reimbursement Rates

HEART OF TEXAS WORKFORCE DEVELOPMENT BOARD POLICY

SUBJECT: Increase Child Care Provider Maximum Reimbursement Rates

PURPOSE: To increase reimbursement rates for child care providers

REFERENCE: WD Letter 32-08 **Fiscal Year 2009 Continued Funding for Reimbursement Rate Increases Approved in Fiscal Year 2008**
WD Letter 47-07 Increasing Reimbursement Rates for Texas Rising Star Providers and Child Care Providers Participating in Texas Early Education Model School Readiness Projects

BACKGROUND:

TWC decreased the child care performance target for Heart of Texas for FY' 2008-2009 from 1,888 average number of children served per day down to 1,793. The decision to decrease the number of children served statewide gives boards the opportunity to increase provider rates.

During the 80th Texas Legislature, a rider to Article IX of the General Appropriations Act was passed appropriating \$9 million in Child Care and Development Fund (CCDF) funds to the Texas Workforce Commission for FY' 08 and \$9 million in CCDF funds for FY'09. The allocation to Heart of Texas Workforce Development Board is \$128,470. The funds may be used to provide increases to all providers, but must be used to increase reimbursement rates to child care providers serving children under the age of six, that:

- participate in a Texas Early Education Model TEEM school readiness integration project; or
- have a Texas School Ready! Certification (TSRCS), or
- are Texas rising Star (TRS) Providers.

and

- requires that providers receive information about certification under TSRCS.

POLICY: Increase the basic reimbursement rate by 10% for infant care and by 5% for toddler, preschool, and school-aged children for all licensed and registered providers. Enhanced reimbursement rates for Texas Rising Star Providers and providers participating

in the Texas Early Education Model and Texas School Ready Certification System will increase by \$1.00 per day over the basic rates for TIER TWO providers and \$2.00 per day for TIER THREE providers.

PROCEDURES: Child Care Services staff must revise financial agreements with providers and update provider rates in the CCSD application in order to implement the new reimbursement rates.

EFFECTIVE DATE: This policy is effective immediately after review and approval of revised contractor procedures by the Executive Director of the HOT Workforce Board. New rates go into effect February 1, 2009.