



Department of Public Health and Human Services

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Good morning,

Montana's award of \$28,379,759.00 will provide relief and stability for childcare providers, while providing needed support to children and their families. Please see Montana's planned use of Child Care and Development Fund (CCDF) Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) Funds as described below.

Direct Child Care Services (Subsidies)

- Change Sliding Fee Scale from 150% to 185% FPL eligibility to increase access to childcare assistance for more Montana families. The change in eligibility is anticipated to expand subsidy support for a minimum of 1,100 additional families.
- Limit family copayment amounts to maximum amount of \$200 per month. For a family of 4, the copay amount can be as much as \$416 per month.

Implementation of Virus Mitigation Policies and Practices

- Support family childcare networks and shared services to provide greater stability to current providers and to increase the availability of providers in underserved communities. Provide financial assistance to the Child Care Resource and Referral Network to create a shared services model which may include substitute care pool, PPE, and other virus mitigation practices. Fund additional staffing at the R&Rs to help more families connect to child care in their community.

Grants or Assistance (Other than Subsidies) to Stabilize Child Care Providers

- Increase the provider reimbursement rate to the 75th percentile of the January 2021 Market Rate Survey. The increased reimbursement rate will provide an increase of between 6% to 52% to the provider. The percentage difference includes different program size as well as different age groups. Increased reimbursement rates encourage providers to provide service to low-income families and help families find affordable and quality care.

- Pay providers for family's full authorization, which is based on enrollment instead of attendance. Providers would receive stable funding and encourage greater participation in CCDF. This policy change will assist providers serving infants and toddlers since this age group has a higher rate of absence.

Assistance to Providers Not Participating in the Subsidy System Prior to the Pandemic

- Provide assistance to families for school age care. This funding will be dedicated to families who may not qualify for the subsidy program but have demonstrated a need for assistance. The support will be delivered in the form of stipends and will also help to pay for COVID-related costs, such as PPE and school supplies.
- If a provider offers care to school age children due to uncertainty in school schedules, we will increase the number of hours a school-aged child may be counted and reimbursed. The reimbursement rate will also be increased to match the rate of a preschool age child. These incentives will apply to all providers and all school age care.

Other

- Pay for 100% background checks for all providers. Based on the amplified turnover rate due to the pandemic, Montana has seen increased need for new hire requirements, including training/orientation, which is already free, and background checks. As the CCDF background waiver times out, all new hires will now pay for full FBI background checks. Waiving this cost may encourage increased child care workforce and support facilities to on board new staff.

Montana will be able to provide stability and support to families and children through the diverse plan of policy and financial support strategies described above. We believe that these plans will address emergency needs and create substantial and sustainable funding for the early care and education system in Montana.

Sincerely,

/s/

Patty Butler

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Montana CCDF State Administrator

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