

Overview of Proposed Child Care Subsidy Regulation Changes

Chapters	Topic	High Level Overview of Changes	Reason for changes
1	Purpose	Expanded “purpose” of the Child Care Subsidy (CCS) to be more reflective of services provided	Establish focus/purpose of CCS services provided, with the goal of better serving children, families, providers and/or better using programmatic funds.
2	Definitions	<p>Changed the name of Program from the Child Care Subsidy Program to the Child Care Scholarship Program.</p> <p>Expanded policy clarification based upon programmatic changes; limited the payment of voluntary closure days to 10 day per 12 months for child care providers.</p>	<p>Name change is more reflective of the importance of the benefit provided to children; reflects the importance of selecting the highest quality early care and educational settings possible – especially during ages 0-5; reduces the “stigma” associated with the word “subsidy.”</p> <p>Maryland already pays providers for the standard holidays observed by the State. Presently, there is not a policy in place that caps the number of voluntary closure days in which the State can pay providers for voluntary closure days – better use of funds.</p>
3	Eligibility	Included initial and continuing Income Eligibility Scale; changed income tables from dollar amount to percentage of the State Median Income based; expanded acceptable verification of income; changed non-cessation of activity, once child has met all eligibility authorization requirements, from 3 months to 12.	<p>CCDF Reauthorization</p> <p>CCDF Reauthorization encourages states to set authorization at 52 weeks and not to reduce services, if a parent loses their approved participation activity between determinations, because continuity impacts the socio-emotional development and wellbeing of children. Because Maryland does not have a way of monitoring when a parent loses authorization once determined eligible , the most consistent way to address providing continuity of care to all children is to leave children enrolled until the subsequent determination – at that time, the parent will have to be engaged in an approved activity.</p>

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4	Child Support	Expanded policy clarification on Child Support Eligibility requirements.	Better serve children, families, providers and/or better use of programmatic funds.
5	Application	Expanded policy clarification on CCS application processing.	Better serve children, families, providers and/or better use of programmatic funds.
6	Provider Requirements	Increased the percentage of tiered reimbursement for Maryland EXCELS Providers at levels 3,4, and 5; No longer paying for babysitting; defined degree of relations eligible for CCS services for informal relative care providers; defined non-relative monitoring requirements; expanded clarification on background requirements; and added Fair Labor Standard Act Statement for Relative Providers.	Increase/maintain high quality child care. CCDF Reauthorization requirements.
7	Child Care Scholarship	Reduced time frame for providers to return Child Care Scholarships from 60 days to 10 business days; expanded clarification on customers eligible for a 90 day voucher.	Returning vouchers timely, helps MSDE project programmatic expenditures; and providers cannot get paid until vouchers are returned and Invoice generated/returned. Issuance of 90 day voucher helps families in vulnerable situations place their children in stable environments while their families gather the required documentation necessary to establish eligibility.
8	Service Groups	Expanded clarification on Service Group Eligibility requirements.	Better serve children, families, providers and/or better use of programmatic funds.
9	Redetermination	Provided clarification for CCS Application processing timelines, once all documents are received.	Better serve children, families, providers and/or better use of programmatic funds.
10	Termination	Expanded clarification on causes for CCS termination and the notification process for terminating CCS services.	Better serve children, families, providers and/or better use of programmatic funds.

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11	Payment for CCS	Replaced reimbursement tables with percentile of reimbursement based upon the current MRS and approved legislation; increased percentage of payment for nontraditional hours; established a tiered reimbursement for Maryland EXCELS level 3,4, and 5 providers in Title 1 districts; established a tiered reimbursement for parents with children receiving SSI and the parent enrolls the child receiving SSI with a Maryland EXCELS Providers at level 3,4 or 5; added policy on chronic absenteeism; and expanded clarification on overpayment policy.	Increase equal access to high quality early care and education program in the most dense and highest poverty areas, as recommended by CCDF Reauthorization.
12	Co-payment	Changed how copay is applied. Based the assigned co-pay on the families' gross family income. Co-pay cap shall not exceed 7% of the gross family income (co-pay effective 10.1.2020, will be capped at 2% of SMI)	Based upon CCDF Reauthorization
13	Confidentiality	Expanded general operational policies	Better serve children, families, providers and/or better use of programmatic funds.
14	Intentional Program Violations	Basically no changes	Better serve children, families, providers and/or better use of programmatic funds.
15	Hearing and Appeals	Basically no changes	Better serve children, families, providers and/or better use of programmatic funds.
16	General	New Chapter. Expanded operational policies	Better serve children, families, providers and/or better use of programmatic funds.