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TIERED REIMBURSEMENT

Maryland EXCELS Check Levels 3, 4 and 5

The Maryland Tiered Reimbursement program has been available from 2001–2013. The Tiered Reimbursement program paid differential payments to providers who met quality standards and who accepted Child Care Subsidy.

On July 1, 2013, Maryland EXCELS became the state’s *NEW* Tiered Quality Rating and Improvement System for Tiered Reimbursement. Tier payments range from 10 percent (10%) to 44 percent (44%), depending upon the age of the child, the type of care, and the check level rating of the program. To be eligible for tiered reimbursement payments, a program must have a published Maryland EXCELS rating at level 3, 4 or 5. The chart below shows the percentage of tier payments to programs.

Tier Payments	Maryland EXCELS Check Level		
	Level 3	Level 4	Level 5
FAMILY CHILD CARE			
Under 2 years of age	11%	22%	29%
2 years of age and over	10%	21%	28%
CHILD CARE CENTER			
Under 2 years of age	22%	37%	44%
2 years of age and over	10%	19%	26%

Purpose and Use of Tier Payment

The purpose of the Tier Payment is to provide recognition and incentive to the program for participating and achieving a Maryland EXCELS rating at the highest levels. Programs and providers have choices regarding the use of the tier payment. For example, tier payments may be utilized to:

1. Offset the cost of child care for families receiving Child Care Subsidy;
2. Provide salary and benefits enhancements for staff;
3. Make quality improvements to the program.

As part of the continuous quality improvement process, providers and programs are encouraged to reflect and assess the needs of their program with input from staff and families, when making decisions regarding the use of the tier payment.

Coming in 2014-2015: Additional State Family Payment to Check Levels 3, 4 and 5

The State will pay an additional amount to programs that have a published Maryland EXCELS rating at level 3, 4 or 5 and are accepting Child Care Subsidy. This payment is in addition to the tier payment described above. The purpose of the Additional State Family Payment is to benefit the family as a cost reduction if the program charges the difference between the amount of the voucher, the State-assigned co-pay and the program’s

typical market rate. Note that child care programs have the option to waive any additional charges for families receiving Child Care Subsidy, but are required to charge the family the State-assigned co-pay. The Additional Payment will be based upon a percentage of the Subsidy amount for the child and the check level rating of the program. The purpose of the additional family payment is to provide an incentive for families to choose high-quality child care for their children. More information will be provided on the Maryland EXCELS website and the Maryland State Department of Education website when it is available.

Questions regarding Tiered Reimbursement may be directed to the Program Coordinator assigned to the Maryland EXCELS participating program or to a Maryland EXCELS Quality Assurance Specialist or you may call the Division of Early Childhood Development Help Desk at 1-877-605-1539.

Visit the Maryland EXCELS website at www.marylandexcels.org/ or the Maryland EXCELS Branch page on the MSDE web site at www.marylandpublicschools.org/MSDE/divisions/child_care/mdexcels.htm for more information.