

Lori A. Shibinette Commissioner

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### STATE OF NEW HAMPSHIRE

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

**DIVISION OF ECONOMIC & HOUSING STABILITY** 

BUREAU OF CHILD DEVELOPMENT & HEAD START COLLABORATION

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June 22, 2021

## IMPORTANT Information Regarding Changes for the DHHS NH Child Care Scholarship Program

### Dear Child Care Providers,

You are receiving this notice to inform you of two important changes regarding the NH Child Care Scholarship Program (CCSP): 1) Effective July 12, 2021, DHHS is increasing the NH CCSP rates. The new rates will benefit children, families and child care providers and apply to both Employment Related child care and Preventive and Protective child care; and 2) Effective July 1, 2021, the 2021 State Median Income (SMI) amounts will apply in determining CCSP eligibility. Income cannot exceed 85% of SMI for families to remain eligible for CCSP.

### HOW CCSP RATES ARE CALCULATED

CCSP rates are based on the most recent Market Rate Survey. Rates are calculated according to: 1) the child's age; 2) the child's level of service (full time, half time, part time; and 3) the type of care (licensed child care center, licensed family child care, license-exempt center, and license exempt family).

### CHANGE FOR CHILD CARE PROVIDERS AND FAMILIES

• Increase in NH Child Care Scholarship Program Rates <u>Previous:</u> Rates were based on the 2018 Market Rate Survey.

<u>Change:</u> Rates will increase based on the 2021 Market Rate Survey, as shown in Form 2533 (attached).

Increase in State Median Income (SMI): 2021
<u>Previous:</u> SMI for 2020 applied to CCSP income eligibility.

Change: SMI for 2021 applies to CCSP income eligibility, as shown in Form 2532 (attached).

If you have questions about this notice, please contact the following:

- Employment related child care providers: BCDHSC Provider Relations: <u>Sarah.Nelson@dhhs.nh.gov</u> or (603) 271-4242
- Preventive and Protective child care providers: Division for Children, Youth and Families Provider Relations <u>Paula.Burr@dhhs.nh.gov</u> or (603) 271-4954
- Families: Bureau of Family Services Customer Services: (603) 271-9700.

Warmest Regards,

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Debra Nelson, MS, Bureau Chief



**STATE OF NEW HAMPSHIRE** Department of Health and Human Services Division of Economic and Housing Stability Bureau of Child Development and Head Start Collaboration

Form 2533 July 2021

## CHILD CARE SCHOLARSHIP PROGRAM – EMPLOYMENT RELATED MAXIMUM WEEKLY STANDARD RATES

(Effective Date: July 12, 2021)

Licensed Child Care Center					
Level of Service	Child Age in Months	Weekly Rate			
Full Time	1-17	\$275.00			
Full Time	18 - 35	\$255.00			
Full Time	36 – 78	\$216.77			
Full Time	79 - 155	\$200.00			
Half Time	1-17	\$212.90			
Half Time	18 - 35	\$197.42			
Half Time	36 – 78	\$167.82			
Half Time	79 - 155	\$154.84			
Part Time	1-17	\$106.45			
Part Time	18-35	\$98.71			
Part Time	36 - 78	\$83.91			
Part Time	79 - 155	\$77.42			

License-Exempt Center					
Level of Service	Child Age in Months	Weekly Rate			
Full Time	72 – 78	\$100.00			
Full Time	79 - 155	\$100.00			
Half Time	72 – 78	\$77.42			
Half Time	79 - 155	\$77.42			
Part Time	72 – 78	\$38.71			
Part Time	79 - 155	\$38.71			

- Payments CANNOT be made to a License-Exempt Center for children under age 72 months.
- The Weekly Standard Rate is not the actual paid amount.
- When an eligible child turns 13 years of age during the 12-month eligibility period, the child remains eligible for Child Care Scholarship until the next redetermination, at which time the NH Child Care Scholarship eligibility ends for the child.

Licensed Family Home						
Level of Service	Child Age in Months	Weekly Rate				
Full Time	1-17	\$194.00				
Full Time	18 - 35	\$192.50				
Full Time	36 – 78	\$189.00				
Full Time	79 - 155	\$176.25				
Half Time	1-17	\$150.19				
Half Time	18 - 35	\$149.03				
Half Time	36 – 78	\$146.32				
Half Time	79 - 155	\$136.45				
Part Time	1-17	\$75.10				
Part Time	18 - 35	\$74.52				
Part Time	36 – 78	\$73.16				
Part Time	79 - 155	\$68.23				

License-Exempt Family Home							
Level of Service	Child Age in Months	Weekly Rate					
Full Time	1-17	\$135.80					
Full Time	18 - 35	\$134.75					
Full Time	36 – 78	\$132.30					
Full Time	79 - 155	\$123.38					
Half Time	1-17	\$105.14					
Half Time	18 - 35	\$104.32					
Half Time	36 – 78	\$102.43					
Half Time	79 - 155	\$95.52					
Part Time	1-17	\$52.57					
Part Time	18 - 35	\$52.16					
Part Time	36 – 78	\$51.21					
Part Time	79 - 155	\$47.76					

- Families are required to contribute to the cost of care by paying a cost share per child, per week.
- The reimbursement paid to providers is calculated by comparing the provider's rate to the NH Weekly Standard Rate and subtracting the child's cost share from the lesser of the two amounts. The Department of Health and Human Services (DHHS) pays this amount.
- If the provider charges more than the NH Weekly Standard Rate, it is up to the provider to collect the amount of money referred to as the co-payment per child.
- The family's authorized level of service is determined by the number of hours per week in which the parent is participating in an approved activity or considered in an approved activity by an employer or training/educational institution, which has been verified by DHHS.

LEVEL OF SERVICE				
Full Time Level of Service	31 or more hours per week			
Half Time Level of Service	Greater than 15 but less than or equal to 30 hours per week			
Part Time Level of Service	1 to 15 hours per week			

- Regardless of what the parent/guardian is authorized for, DHHS will only pay for the time that the child is in care and up to each child's monthly absentee allotment: 21 hours for full time, 13 hours for half time, and 0 hours for part time (as DHHS will pay the rate if a child attends 1 hour that week. (Examples: If the parent is authorized for a full time level of service but the child only attended 22 hours that week, DHHS will pay the full service level when 9 or more hours are still remaining in the child's monthly absentee allotment. If the child did not have sufficient monthly absentee hours at that time, DHHS will only reimburse the provider at the half time level of service level for that week and the parent will be responsible for the difference between the authorized service level and the actual service level for that week plus the co-payment, if the provider chooses to charge one.)
- School-age children will automatically change from half time to full time during school vacations.

CHILDREN WITH SIGNIFICANT SPECIAL NEEDS	
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Providers caring for children with significant special need(s) may be reimbursed an additional amount per week.

Full time = \$100.00 per week

Half time = \$75.00 per week

Part time = \$50.00 per week

\*Contact the local District Office to obtain the Form 2690 "Verification for a Child Experiencing Significant Special Needs"

#### How to determine the DHHS Child Care Scholarship Payment

The NH Child Care Scholarship provider reimbursement amount is the amount that the Department pays to the provider towards the cost of services for families receiving NH Child Care Scholarship. To calculate this rate for each child:

- 1. Using the NH Child Care Weekly Standard Rate (WSR) chart, determine the child's weekly rate based on the type of provider, the child's age, and the authorized level of service for the number of hours billed that week.
- 2. Compare the child's Weekly Standard Rate with the provider's weekly charge and identify the lesser amount.
- 3. Subtract the child's cost share (found on AE0024 letter) from this lesser amount.

Note: The Weekly Standard Rate (WSR) is NOT the amount that will be paid to the provider. Providers may bill parents/guardians the cost share amount. Providers may choose whether or not to charge the co-payment amount.

#### Example 1:

The WSR for a Licensed Center for a child 1-17 months, authorized for full-time: \$275.00 per week

This provider charges private pay families: \$300.00 per week

The child's cost share for Scholarship: \$20.00 per week

Compare the WSR (\$275.00) with the provider's charge (\$300.00) and identify \$275.00 as the lesser amount. Subtract the cost share of \$20.00 from the WSR of \$275.00 (\$275.00 - \$20.00 = \$255.00)

The Provider Reimbursement Amount from DHHS is \$255.00 per week. The provider may charge the parent the cost share amount of \$20.00

The provider may choose whether or not to charge the co-payment amount of \$25.00.

#### Example 2:

The WSR for a License-Exempt Center for a child over 79 months, authorized for half-time: \$77.42 per week

This provider charges private pay families: \$30.00 per week

The child's cost share for Scholarship: \$20.00 per week

Compare the WSR (\$77.42) with the provider's charge (\$30.00) and identify \$30.00 as the lesser amount

Subtract the cost share of \$20.00 from the provider's charge of \$30.00 (\$30.00 - \$20.00 = \$10.00)

The Provider Reimbursement Amount from DHHS is \$10.00 per week. The provider may charge the parent the cost share amount of \$20.00

The provider co-payment is \$0.00

#### Example 3:

The WSR for a License-Exempt family for a child age 42 months, authorized for half-time: \$102.43 per week

This provider charges private pay families: \$120.00 per week

The child's cost share for Scholarship: \$105.00 per week

Compare the WSR (\$102.43) with the provider's charge (\$120.00) and identify \$102.43 as the lesser amount

Subtract the cost share of \$105.00 from the WSR of \$102.43, which results in a negative amount. No DHHS payment will be made because the cost share is greater than the lesser amount.

The Provider Reimbursement Amount from DHHS is \$0.00 per week. The provider may charge the parent the cost share amount of \$105.00

The provider may choose whether or not to charge the co-payment amount of \$15.00



# CHILD CARE SCHOLARSHIP INCOME ELIGIBILITY LEVELS

(Effective July 1, 2021)

	TIER 1						TIER 2							
Family	Step 1		Step 1 Step 2 Ste		ep 3 Step 4		Step 5		Step 6		Step 7-GPO Redetermination Only			
Size	<u>&lt;</u> 100%	of FPG	≤ <b>120%</b>	of FPG	≤ <b>140</b> %	6 of FPG	≤ 160%	6 of FPG	≤ <b>190%</b>	of FPG	≤ <b>220</b> %	6 of FPG	≤ <b>250</b> %	% of FPG
	MONTHLY	YEARLY	MONTHLY	YEARLY	MONTHLY	YEARLY	MONTHLY	YEARLY	MONTHLY	YEARLY	MONTHLY	YEARLY	MONTHLY	YEARLY
1	\$1,074.00	\$12,880.00	\$1,288.00	\$15,456.00	\$1,503.00	\$18,032.00	\$1,718.00	\$20,608.00	\$2,040.00	\$24,472.00	\$2,362.00	\$28,336.00	\$2,684.00	\$32,200.00
2	\$1,452.00	\$17,420.00	\$1,742.00	\$20,904.00	\$2,033.00	\$24,388.00	\$2,323.00	\$27,872.00	\$2,759.00	\$33,098.00	\$3,194.00	\$38,324.00	\$3,630.00	\$43,550.00
3	\$1,830.00	\$21,960.00	\$2,196.00	\$26,352.00	\$2,562.00	\$30,744.00	\$2,928.00	\$35,136.00	\$3,477.00	\$41,724.00	\$4,026.00	\$48,312.00	\$4,575.00	\$54,900.00
4	\$2,209.00	\$26,500.00	\$2,650.00	\$31,800.00	\$3,092.00	\$37,100.00	\$3,534.00	\$42,400.00	\$4,196.00	\$50,350.00	\$4,859.00	\$58,300.00	\$5,521.00	\$66,250.00
5	\$2,587.00	\$31,040.00	\$3,104.00	\$37,248.00	\$3,622.00	\$43,456.00	\$4,139.00	\$49,664.00	\$4,915.00	\$58,976.00	\$5,691.00	\$68,288.00	\$6,467.00	\$77,600.00
6	\$2,965.00	\$35,580.00	\$3,558.00	\$42,696.00	\$4,151.00	\$49,812.00	\$4,744.00	\$56,928.00	\$5,634.00	\$67,602.00	\$6,523.00	\$78,276.00	\$7,413.00	\$88,950.00
7	\$3,344.00	\$40,120.00	\$4,012.00	\$48,144.00	\$4,681.00	\$56,168.00	\$5,350.00	\$64,192.00	\$6,353.00	\$76,228.00	\$7,356.00	\$88,264.00	\$8,359.00	\$100,300.00
8	\$3,722.00	\$44,660.00	\$4,466.00	\$53,592.00	\$5,211.00	\$62,524.00	\$5,955.00	\$71,456.00	\$7,072.00	\$84,854.00	\$8,188.00	\$98,252.00	\$9,305.00	\$111,650.00
Each additional person	\$378.00	\$4,540.00	\$454.00	\$5,448.00	\$530.00	\$6,356.00	\$605.00	\$7,264.00	\$719.00	\$8,626.00	\$832.00	\$9,988.00	\$946.00	\$11,350.00

Tier 1 (Steps 1-6) is used for initial eligibility determination only.

Tier 2 (Step 7) is Graduated Phase Out (GPO) and is used only at redetermination. Step 7 cannot be used at initial eligibility.

Key:

**FPG** = Federal Poverty Guidelines

Family Size = Total Number of Family Members in Household

**Income** = Gross Income Before Taxes and Expenses (all income is counted, child support etc.)

**Step** = Used to Calculate Cost Share

## FAMILY COST SHARE

- The cost share is the amount the Department has determined that families owe their child care provider as their contribution towards the cost of child care.
- The family's cost share is based on a percentage of the family's gross income, and the percentage used is based on the income Step level by which the family became eligible for NH Child Care Scholarship. This means the cost share will be different for each family.
- The Department will subtract the cost share from either the provider's rate to private pay families or the NH Weekly Standard Rate, whichever is less.
- The payment rate based on the cost share becomes effective the Monday following the change. The chart below lists the percentages by Step level used in the cost share determination process:

Family Eligibility and Cost Share						
	Tier 1					
Step	Eligibility Limits	Percent of Family Income Assigned to Cost Share				
1	<u>&lt;</u> 100% FPL	4.75 %				
2	>100% FPG ≤ 120% FPG	7.5 %				
3	>120% FPG ≤ 140% FPG	10.0 %				
4	>140% FPG ≤ 160% FPG	12.5 %				
5	>160% FPG ≤ 190% FPG	14.0 %				
6	>190% FPG ≤ 220% FPG	17.0 %				
Tier 2 Graduate Phase Out (GPO)						
7	>220% FPG ≤ 250% FPG	20.0 %				

State Median Income (SMI)					
Family Size	85% SMI MONTHLY	85% SMI YEARLY			
1	\$4,278	\$51,336			
2	\$5,594	\$67,131			
3	\$6,911	\$82,927			
4	\$8,227	\$98,722			
5	\$9,543	\$114,518			
6	\$10,859	\$130,314			
7	\$11,106	\$133,275			
8	8 \$11,353 \$136,237				
A family with income over 85% of the State Median Income (SMI) is not eligible for NH Child Care Scholarship.					

## COST SHARE AND CO-PAY

- Families with more than one child eligible for NH Child Care Scholarship will have the family cost share amount divided equally among all the eligible children linked to enrolled providers. This family cost share, once it is divided by the number of children in the family, is then referred to as the child's cost share.
- Co-pay is the difference between the provider's charge and the NH Weekly Standard Rate. It only occurs when the provider's charge is greater than the NH Weekly Standard Rate. The provider may choose whether to charge families for this difference. Families are responsible for paying this difference, if charged, to the provider in addition to their cost share.
- There is no co-pay when the provider's charge is less than the NH Weekly Standard Rate.