

November 15, 2023

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN (CCB) NO. 23-37

The purpose of this CCB is to provide guidance to counties and child care and development contractors regarding the distribution of cost of care plus rate payments to child care providers pursuant to SB 140 (Chapter 193, Statutes of 2023).



KIM JOHNSON
DIRECTOR

CALIFORNIA HEALTH & HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

November 15, 2023

CHILD CARE BULLETIN (CCB) NO. 23-37

GUIDANCE TYPE: **DIRECTIVE**

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS
ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: COST OF CARE PLUS RATE PAYMENTS TO CHILD CARE PROVIDERS PURSUANT TO SB 140 (CHAPTER 193, STATUTES OF 2023)

APPLICABLE PROGRAMS: CALIFORNIA ALTERNATIVE PAYMENT PROGRAMS (CAPP)
MIGRANT ALTERNATIVE PAYMENT PROGRAMS (CMAP)
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) STAGES ONE, TWO (C2AP), AND THREE (C3AP)
THE EMERGENCY CHILD CARE BRIDGE PROGRAM FOR FOSTER CHILDREN (BRIDGE PROGRAM)
GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS (CCTR)
FAMILY CHILD CARE HOME EDUCATION NETWORKS (CFCC)
MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS (CMIG)
CHILD CARE AND DEVELOPMENT PROGRAMS FOR CHILDREN WITH SEVERE DISABILITIES (CHAN)

REFERENCE: [SENATE BILL \(SB\) 140 \(CHAPTER 193, STATUTES OF 2023\)](#);
[ASSEMBLY BILL \(AB\) 378 \(CHAPTER 385, STATUTES OF 2019\)](#);
[TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS \(5 CCR\) SECTION 18065](#);
[WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 10421\(b\)](#);
[WIC SECTION 10277.1](#);
[WIC SECTION 10227.5](#); [WIC SECTION 10424.5](#);

WIC SECTION 10277.2;
CHILD CARE BULLETIN (CCB) NO. 23-01;
THE AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND
THE CHILD CARE PROVIDERS UNITED UNION

Purpose

The purpose of this CCB is to notify counties and child care and development contractors of the distribution of per-child, monthly payments to family child care providers and centers, pursuant to the Agreement between the State of California and the Child Care Providers United (CCPU) union, ratified by CCPU members on July 31, 2023, and to [SB 140 \(Chapter 193, Statutes of 2023\)](#), signed by the Governor on September 13, 2023, which fully ratified the Agreement, and extended payments under it to centers, which are not represented by CCPU.

Background

Effective January 1, 2020, [Assembly Bill \(AB\) 378 \(Chapter 385, Statutes of 2019\)](#) authorized family child care providers, defined in [Welfare and Institutions Code \(WIC\) Section 10421\(b\)](#) as licensed family child care home operators or license-exempt providers who participate in a state-funded early care and education program, to meet and confer with the state regarding matters within the scope of representation as established in [WIC Section 10424.5](#). Family child care providers chose CCPU to act as their union representative, and CCPU was subsequently certified by the Public Employment Relations Board.

On June 30, 2023, the State and CCPU reached a tentative agreement, which would become effective upon the date of ratification and through June 30, 2025. CCPU members ratified the tentative agreement on July 31, 2023, and codified in [WIC Section 10277.1](#) via SB 140 which includes the provision of monthly, per-child payments to child care providers as specified below, when Governor Newsom signed the legislation on September 13, 2023. SB 140 added [WIC Section 10277.2](#) to include child care centers, which are not represented by CCPU, in the monthly, per-child payments.

Guidance

Pursuant to SB 140 and WIC Sections 10277.1 and 10277.2, all types of child care providers will receive a monthly, per-child payment intended to supplement subsidized child care reimbursement. Payments to child care providers shall begin on January 1, 2024, beginning with service month December 2023. Payments will continue through service month May 2025 with final payments made in June 2025. Providers shall receive payments for any timesheets covering service months December 2023 through May 2025 if they are submitted in any month beginning January 2024 and ending June 2025. The amount per child varies based on the county where the family child care provider is located and the assigned “region”, defined as:

Central: Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey, Sacramento, San Benito, San Joaquin, San Luis Obispo, Stanislaus, Tulare

Northern: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, Yolo, Yuba

Southern: Imperial, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, Ventura

Los Angeles

Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma

Per-child plus rate amounts shall be as follows:

Region	Licensed Family Child Care Providers	License-Exempt Providers	Centers
Central	\$140	\$98	\$140
Northern	\$141	\$99	\$141
Southern	\$160	\$112	\$160
Los Angeles	\$171	\$119	\$171
Bay Area	\$211	\$148	\$211

These payments shall be payable to child care providers and centers serving children enrolled in the following child care and development programs:

- California Alternative Payment Programs (CAPP)
- Migrant Alternative Payment Programs (CMAP)
- Family Child Care Home Education Networks (CFCC)
- California Work Opportunity and Responsibility to Kids (CalWORKs) Stages One, Two (C2AP) and Three (C3AP)
- The Emergency Child Care Bridge Program for Foster Children (Bridge Program)
- General Child Care and Development Programs (CCTR)
- Migrant Child Care and Development Programs (CMIG)
- Child Care and Development Programs for Children with Severe Disabilities (CHAN)

The California Department of Social Services (CDSS) will distribute funding for these payments to the child care and development contractors via the State Controller's Office

outside of their regular contracts. Funding will be issued to contractors quarterly and reconciled thereafter.

Alternative Payment Programs (APPs) administering the Bridge Program, CalWORKs Stage One, C2AP, C3AP, CAPP, CFCC, or CMAP shall provide the per-child payments directly to child care providers starting with the December 2023 service month that is processed in January 2024 and conclude with the May 2025 service month that is processed in June 2025. CCTR and CMIG contractors that enroll children cared for in a Family Child Care Home Education Network (FCCHEN) setting shall provide the per-child payments directly to child care providers starting with the December 2023 service month that is processed in January 2024 and conclude with the May 2025 service month that is processed in June 2025. Otherwise, CCTR, CMIG and CHAN contractors will retain the monthly stipends as a supplement to their contract.

Contractors who are required to distribute these monthly payments to child care providers will receive an additional allocation equal to ten (10) percent of the allocation for administrative costs. The monthly, per-child payment amount that is issued from a contractor to a provider must not be reduced.

Contractors are encouraged to make these monthly payments with their regular subsidy payments to providers and to clearly label the Cost of Care Plus Rate payments.

Contractors are required to make the payments within 21 calendar days of the submission of a complete monthly attendance record or invoice, as specified in [WIC section 10227.5](#). For providers participating in a family child care home education network, reimbursement shall be made within 21 calendar days of the submission of a daily sign-in and sign-out sheet, as specific in [5 CCR section 18065](#).

At any time during the period the monthly payments are made in which a provider becomes licensed or changes licensed capacity during the month, contractors should apply the higher rate to the payment for that month. If a child receives care from more than one provider during the month, each provider shall receive the full per-child payment. Contractors are instructed not to pro-rate the Cost of Care Plus Rate payments due to care beginning or ending mid-month.

Union dues are required to be deducted in accordance with instructions issued by CalHR, pursuant to [CCB 23-01](#).

These payments are being funded by State General Fund and therefore there is no associated American Rescue Plan Act Survey requirement. Contractors shall provide the payment directly to eligible child care providers and will not be subject to the regular reporting requirements associated with their child development contracts.

Instructions For Counties in Which Stage One and Bridge Programs Are Administered Directly by the County

In counties where the Stage One and or Bridge Programs are administered in house by the county and where no business relationship exists between the Stage One/Bridge Program child care provider and an APP, [Child Development Associates](#) (CDA) in San Diego County will issue payments to those providers directly.

The requirement to make payments within 21 calendar days of the submission of a complete monthly attendance record or invoice does not apply to payments issued by CDA.

Counties are required to submit a copy of the mRec or aRec Reconciliation Report that is regularly submitted to CCPU, by the 5th business day of each month to CDA via secure file transfer protocol (instructions to follow). The first submission will be due on the 5th business day of February 2024. The reconciliation reports will include the following data fields:

- LocalMemberID
- VendorNumber
- VendorLocalID
- FirstName
- LastName
- Street
- City
- State
- Zip Code
- Phone Number
- Gross Reimbursements (all payments)
- Dues Deduction Rate
- Dues Deduction (Gross Reimbursement x Dues Deduction Rate)
- Dues Max \$ (Cap per month)
- COPE PEOPLE
- COPE PEOPLE Collected
- Notes
- Check 1 Date
- Check 1 Number
- Check 2 Date
- Check 2 Number

CDSS will retrieve monthly provider data payment and child count data via CalSAWS and will provide those data directly to CDA on a monthly basis. The payment and child count data will include the following data fields:

- County Vendor ID
- The Local Provider Identification number (VendorLocalID)
- Provider last name, first name

- Unique identifier (SSN or EIN)
- Facility Address: Street field, city field, zip code field
- Mailing Address: Street field, city field, zip code field
- Phone number
- Email address
- License number and capacity
- Provider type (license center FCC or FFN)
- Child count (number of attendance records paid in the payment month per provider)
- Month of County/Stage 1 Bridge Payment
- Copy of provider W9 forms, if available
- Language
- County Contact person
- County-Region

Reporting Requirements

Contractors must maintain records of payments issued to individual child care providers, as well as the dates the payments are distributed, and must be able to submit it to CDSS upon request. The increased administrative allowance available for these payments is intended, in part, to help support contractors in fulfilling these data requirements.

For questions regarding the information in this letter, contact the Child Care and Policy Development Bureau at (916) 657-2144, or at CCPB@dss.ca.gov.

Sincerely,

Original Document Signed By

LUPE JAIME-MILEHAM, EdD
Deputy Director
Child Care and Development Division