



To: All CCSA Scholarship Providers

From: CCSA Scholarship Program

Date: June 27, 2022

Re: Updated Rates and Payment Policy for CCSA Scholarship

Dear CCSA Scholarship Providers,

We are excited to announce an update to our scholarship reimbursement rates and payment policy for the CCSA Scholarship Program. Please read the information below carefully.

As of July 1, 2022, our scholarship reimbursement rates for children ages 0-3 years old will increase based on the modeled rates from the 2018 Market Rate Study that was completed for the NC Division of Child Development but never implemented. Our rates for 4-5 year olds and schoolage children will stay the same.

In addition to using the 2018 rates from the Market Rate Study, we will enhance our rates above these modeled rates for infants, one year olds, and two years olds for providers in Durham and Orange County in recognition of the enhanced cost of providing quality care for these young children.

Updated rates can be found on the attached rate chart. Rates in bold italics are enhanced above the modeled rates. <u>Please note that where CCSA offers enhanced rates above state reimbursement rates</u> (rates in bold italics on the rate chart) facilities are not allowed to charge any overage (except for families on UNC scholarships).

In addition to increasing our reimbursement rates, we are also updating our payment policy so that you will receive our reimbursement rate regardless of your own tuition rate. This means that even if your tuition is lower than our reimbursement rate, you will still receive our reimbursement rate for children served on CCSA Scholarship beginning in July 2022. Remember that your total reimbursement comes from the assigned parent fee (paid directly to you by the parent) plus CCSA's payment.

For example, if our reimbursement rate for a child is \$1,388 and the parent fee is \$188, you would receive \$188 from the parent and \$1,200 from CCSA for a total reimbursement of \$1,388, even if your tuition rate is less than \$1,388.

If your facility is located in a county not listed on the attached rate chart, you can check your modeled rates in Appendix H in the <u>2018 Market Rate Study</u>. If you would like to confirm what your new rates will be, please reply to this email, and I will be happy to send you your specific rates.

We know that rising costs are one of many factors that have made the past couple of years challenging for child care providers. We hope this rate increase for 0-3 year olds and payment policy change will help provide additional support for the high quality care you are providing. If you have any questions, please reply to this email or call us at 919-403-6950. Thank you for all you continue to do to support children and families.

Sincerely, The CCSA Scholarship Team

