



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
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Header banner with logo and text: DIVISION OF FAMILY DEVELOPMENT
PROGRAM INSTRUCTION
SUBJECT: Rate Increase for Child Care Centers and Copayment Waiver for Parents
ISSUE DATE: October 28, 2021 | DFDI No.: 21-10-01
IMPACTED PROGRAMS: Child Care Assistance Program
HISTORY:

I. PURPOSE

This Instruction serves the following purposes: (1) to establish increased maximum child care reimbursement rates for licensed child care centers participating in the Child Care Assistance Program (Assistance Program); (2) to establish a waiver of all copayments made by parents participating in the Assistance Program; (3) and to inform the Child Care Resource & Referral Agencies (CCR&Rs), providers, and parents of the increased rates and copayment waivers.

II. AUTHORITY

The "Child Care and Development Block Grant Act of 1990" (CCDBG Act), 42 U.S.C. §§ 9857 et seq.; Public Law 113-186; 45 C.F.R. Part 98; American Rescue Plan Act of 2021, Public Law 117-2; N.J.A.C. 10:15-2.2(a)(4) and N.J.A.C. 10:15-10.1(c).

III. OVERVIEW

The CCDBG Act authorizes the Child Care and Development Fund (CCDF) program, which, along with Section 418 of the Social Security Act, provides the primary funding for the Assistance Program. In 2014, Congress reauthorized the CCDBG Act, establishing new requirements to increase the health, safety, and quality of CCDF-funded child care.

Effective November 1, 2021, to support the requirements of federal law, and in recognition of the increasing minimum wage in New Jersey, the Division of Family Development (DFD) will be implementing an across-the-board increase to the reimbursement base rates for licensed child care centers, as well as the Grow NJ Kids tiered rates for center-based providers.

The rate increase will be reflected during the November pay periods. Providers will see the new rate increases in the November 23, 2021 direct deposit.

Additionally, the American Rescue Plan of 2021 has made available funding to provide relief for child care providers and to provide support for families that need help affording child care. To help make child care more affordable for families, DFD will use a portion of these funds to fully cover all copayments on behalf of all families participating in the Assistance Program from November 1, 2021 through October 31, 2023.

IV. POLICY

A. Effective November 1, 2021, DFD shall pay providers reimbursement rates in accordance with the attached November 2021 Maximum Child Care Payment Rates.

- **Note: The rates, including the increased rates for licensed child care centers, do not include the differential payments that are currently in effect. Differential payments are in effect through December 2021.**

B. From November 1, 2021 through October 31, 2023, DFD shall pay the total reimbursement rate to providers, including the families' copayment portion.

C. For this two-year period, providers shall not collect copayments from families. However, families who select child care providers that charge more than the maximum reimbursement rate shall still be responsible for paying that difference.

V. PROCEDURES

Effective immediately, CCR&Rs shall publish the attached November 2021 Reimbursement and Copayment Changes Provider and Parent Letters to their agency websites, and distribute these letters to providers and parents.

VI. SYSTEMS

Beginning December 2021, the CARES system will undergo an automated mass change to ensure that new and existing agreements reflect the new reimbursement rates. The rate increase will be displayed on affected Parent/Applicant Provider Agreements (PAPAs) after the mass change. However, providers will see the new rates displayed in the payment portal beginning November 15, 2021 and the payment changes will be effective for November 2021. Only upon request by an assistance recipient or provider, may CCR&Rs re-print PAPAs that were generated before the mass change (that display the new rate).

VII. FORMS AND ATTACHMENTS

- November 2021 Reimbursement and Copayment Changes Provider Letter
- November 2021 Reimbursement and Copayment Changes Parent Letter
- Maximum Child Care Payment Rates Charts (Effective November 1, 2021)

If you need additional guidance, please contact your Child Care Supervisor assigned to your county.

Sincerely,

Natasha Johnson

Natasha Johnson
Assistant Commissioner



**STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
MAXIMUM CHILD CARE PAYMENT RATES
CHILD CARE**

Effective: November 1, 2021	LICENSED CHILD CARE CENTERS			ACCREDITED CHILD CARE CENTERS			REGISTERED FAMILY CHILD CARE HOMES			ACCREDITED FAMILY CHILD CARE HOMES			APPROVED HOMES FFN & IN-HOME PROVIDERS		
	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY
INFANTS															
<i>Birth to 17 Months</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
INFANTS															
<i>Birth to 17 Months w/Special Needs</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
TODDLERS															
<i>18 to 29 Months</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
TODDLERS															
<i>18 to 29 Months w/Special Needs</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
PRESCHOOL															
<i>30 Months to 5 Years</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
PRESCHOOL															
<i>30 Months to 5 Years w/Special Needs</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
SCHOOL-AGE															
<i>5 to 13 Years</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															
SCHOOL-AGE															
<i>5 to 19 Years w/Special Needs</i>															
<i>Full Time Care (6 hrs or more)</i>															
<i>Part Time Care (less than 6 hrs)</i>															

The amounts listed above represent the maximum authorized rates for child care. The parent/applicant may select a provider with a cost higher than these maximum rates; however, in such instances, the parent/applicant is totally responsible for all expenses in excess of these maximum rates, as well as for the required co-payment.

Provider/caregivers eligible for accredited rates include:

- > Licensed child care centers accredited by the National Association for the Education of Young Children - National Academy of Early Childhood Programs, Council on Accreditation (COA) of Services for Families and Children, and National Early Childhood Professional Accreditation (NECPA);
- > Registered family child care providers accredited by the National Association for Family Child Care;
- > School age child care programs accredited by the National School Age Child Care Alliance; and
- > Summer camps accredited by the American Camping Association.



STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
MAXIMUM CHILD CARE PAYMENT RATES
CHILD CARE

Effective: November 1, 2021

	GROW NJ KIDS 3-STAR RATED PROVIDERS			GROW NJ KIDS 4-STAR RATED PROVIDERS			GROW NJ KIDS 5-STAR RATED PROVIDERS		
	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY	MONTHLY	WEEKLY	DAILY
INFANTS <i>Birth to 17 Months</i>									
<i>Full Time Care (6 hrs or more)</i>	1,326.31	306.31	61.26	1,371.68	316.79	63.36	1,430.25	330.31	66.06
<i>Part Time Care (less than 6 hrs)</i>	663.16	153.15	30.63	685.84	158.39	31.68	715.13	165.16	33.03
INFANTS <i>Birth to 17 Months w/Special Needs</i>									
<i>Full Time Care (6 hrs or more)</i>	1,591.57	367.57	73.51	1,646.01	380.14	76.03	1,716.30	396.37	79.27
<i>Part Time Care (less than 6 hrs)</i>	795.79	183.78	36.76	823.01	190.07	38.01	858.15	198.19	39.64
TODDLERS <i>18 to 29 Months</i>									
<i>Full Time Care (6 hrs or more)</i>	1,093.60	252.56	50.51	1,129.50	260.85	52.17	1,175.98	271.59	54.32
<i>Part Time Care (less than 6 hrs)</i>	546.80	126.28	25.26	564.75	130.43	26.09	587.99	135.79	27.16
TODDLERS <i>18 to 29 Months w/Special Needs</i>									
<i>Full Time Care (6 hrs or more)</i>	1,312.31	303.07	60.61	1,355.40	313.03	62.61	1,411.18	325.91	65.18
<i>Part Time Care (less than 6 hrs)</i>	656.16	151.54	30.31	677.70	156.51	31.30	705.59	162.95	32.59
PRESCHOOL <i>30 Months to 5 Years</i>									
<i>Full Time Care (6 hrs or more)</i>	963.82	222.59	44.52	994.45	229.67	45.93	1,034.17	238.84	47.77
<i>Part Time Care (less than 6 hrs)</i>	481.91	111.30	22.26	497.23	114.83	22.97	517.09	119.42	23.88
PRESCHOOL <i>30 Months to 5 Years w/Special Needs</i>									
<i>Full Time Care (6 hrs or more)</i>	1,224.05	282.69	56.54	1,262.95	291.67	58.33	1,313.39	303.32	60.66
<i>Part Time Care (less than 6 hrs)</i>	612.03	141.35	28.27	631.48	145.84	29.17	656.70	151.66	30.33

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- > School age child care programs accredited by the National School Age Child Care Alliance; and
- > Summer camps accredited by the American Camping Association.