



## Child Care Assistance Program Update

Laurie Possin | Manager, Child Care Assistance Program

# Child Care Assistance Program - Overview

The Child Care Assistance Program (CCAP):

- Helps pay for child care while parents work or go to school
- Helps ensure children have more opportunities to thrive as learners.

22,000 children served throughout the state:

- 69 percent are children of color or American Indian children
- 63 percent are age 5 or younger



# Child Care Maximum Rates

- Increase maximum child care provider rates to the 75<sup>th</sup> Percentile of the most recent provider rate survey for all age groups.
- Rates increase with each new Market Rate Survey:
  - **Effective October 30, 2023** based on the 2021 Market Rate Survey
  - **Effective January 2025, and every three years after**, based on the most recent Market Rate Survey.

# Investments in Basic Sliding Fee child care

- **Effective July 1, 2023**, Basic Sliding Fee waitlist prioritizes families not receiving child care assistance before families receiving Transition year child care funds.
- **Effective Calendar Year 2024:** Increased the base funding available for Basic Sliding Fee child care by \$15 million each year



# Administrative Improvements for CCAP Providers

- Providers register, renew their registration, and make changes to their registration with the State of Minnesota rather than their local county or Tribal Nation agency.
- **Effective Date: April 28, 2025**



# Thank You!

**Laurie Possin**

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## Great Start Compensation Support Payment Program

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# Great Start Compensation Support Payment Program Overview

## The Great Start Compensation Support Payment Program:

- Began October 1, 2023 and builds on the state's Child Care Stabilization Grant Program, which ended June, 2023. Between the two, there were Transition grants.
- Total of \$316 million for FY's 2024-25 and \$129.9 million in each year for FY2026 and FY2027.





# Great Start Compensation Support Payment Program Overview

- The program provides monthly payments to eligible child care providers.

Licensed and certified child care centers must use funding to increase compensation and benefits.

Family child care providers have more flexibility in use of funding.

- Minnesota is one of 10 states currently, and one of the first, to provide direct funding to support the state's vital child care workforce.

# Compensation Support Payments

Type of Provider (Early Childhood Educator)	Cumulative Number of Payments Oct 2023 - Jan 2024	Cumulative Amount of Payments Oct 2023 - Jan 2024	Number of Early Childhood Educators Benefiting from the Payments
Licensed Family Child Care	16,683	\$10,735,471.30	6,207
Licensed Child Care Centers	5,693	\$31,524,790.80	28,681
Certified Child Care Centers	1,677	\$2,791,488.00	6,871
Total	24,053	\$45,051,750.10	41,759

# Child Care Provider Participation Rates

Licensed Family Child Care	Licensed Child Care Center	Certified Child Care Center	Total Average Participation Rate Oct 2023 - Jan 2024
70%	78%	76%	76%

- Participation rates have remained similar to those in the Child Care Stabilization Grant Program, with slight increases month over month.
- A total of 8,556 MN providers have been eligible; of these, 6,512 unique providers applied and received a payment.

- Minimum # of children served
- Reporting child enrollment and attendance information
- Payment funds must be spent within six months of receipt
- Required annual reporting by providers
- Additional steps such as random audits

- Program evaluation planning underway
- Continued engagement with child care providers
- Application transition to Provider Hub to streamline process and provider user experience.

# Thank You!

[Compensation Support Payments /  
Minnesota Department of Human Services \(mn.gov\)](#)

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