



Board of Early Education and Care Motion 2021-03

Approval of Fiscal Year 2021 Reimbursement Rate Increase and Increase in the Daily Add-on Rate for Center-Based Programs and Family Child Care Systems Providing Subsidized Early Education and Care Services

Pursuant to M.G.L. c. 15D, § 3, the Board of Early Education and Care (Board) is charged with, among other things, consolidating and coordinating resources and public funding streams for early education and care in order to assure the sound and coordinated development of all early education and care programs and services to children. Additionally, the Board shall oversee the implementation of a workforce development system supporting the education, training and compensation of the early education and care workforce, and shall consider the public and private resources that are available. See M.G.L. c. 15D, §§3(a) and 5.

The Department of Early Education and Care (Department) shall establish and revise a rate structure for compensating subsidized child care providers. See M.G.L. c. 15D, §2(e). To that end, the Department received \$20 million in additional funding from the rate reserve allocated within the budget for fiscal year 2021 to implement rate increases for the purpose of increasing reimbursement rates for center-based programs, including Family Child Care System Administrative Rates, for salaries, benefits, and stipends for professional development of early childhood educators and to increase the daily add-on rate for support services. After completing a review, the Department is utilizing these additional funding for the following:

1. 2% across the board rate increase to all Center Based Rates and the FCC System Administration Rate.
2. \$0.96 increase to the daily add-on rate, bringing the rate from \$19.04 to \$20.
3. Doubling of the transportation reimbursement rates to \$12 for one-way and \$18 for two-way transportation.
4. Increasing the rates for care that occurs by a Relative in the Relative's home from \$12 to \$12.10 for part time and \$20 to \$20.15 for full time.

The implementation date for these rate increases will be announced after receiving approval of the rate increase by the EEC Board. Once implemented, all rate increases will be retroactive to July 1, 2020.

MOVED: that the Board of Early Education and Care hereby approves the Department's recommended 2% across the board rate increase to all Center Based Rates and the FCC System Administration Rate; \$0.96 increase to the daily add-on rate, bringing the rate from \$19.04 to \$20; doubling of the transportation reimbursement rates to \$12 for one-way and \$18 for two-way transportation; and increasing the rates for care that occurs by a Relative in the Relative's home from \$12 to \$12.10 for part time and \$20 to \$20.15 for full time.