

Subject Developing a cost estimation model and wage scale for child care

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Overview

The bill, as amended by H.F. 4418A1, directs the Department of Human Services (DHS) to develop a cost estimation model for providing early care and learning programs and a child care provider wage scale. The bill also requires DHS to report to the legislature by January 30, 2024, on how the model and wage scale can be used in conjunction to set payment rates under the child care assistance program. The bill appropriates a total of \$374,000 to DHS to develop the model and the wage scale.

Summary

Section	Description
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1	Direction to commissioner of human services; cost estimation model for early care and learning programs.
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Paragraph (a) directs the Department of Human Services (DHS), in consultation with stakeholders, to develop a cost estimation model for providing early care and learning.

Paragraph (b) specifies requirements for the model.

Paragraph (c) directs DHS to report to the legislature by January 30, 2024, on: (1) how the model can be used in conjunction with a child care provider wage scale to set provider payment rates for child care assistance; and (2) the department's plan to seek federal approval to use the model for provider payment rates for child care assistance.

2	Direction to commissioner of human services; child care provider wage scale.
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Paragraph (a) directs DHS to develop, in consultation with stakeholders, a child care provider wage scale that: (1) provides for wages that are equivalent to elementary school educators with similar credentials and experience; (2) incentivizes child care

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providers and staff to increase child care-related qualifications; and (3) accounts for the business structures of different types of providers.

Paragraph (b) directs DHS to report to the legislature on the development of the wage scale and how it could be used to inform payment rates under the child care assistance program by January 30, 2024.

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| 3 | Appropriation; cost estimation model for early care and learning programs.
Appropriates \$187,000 in fiscal year 2023 to DHS to develop a cost estimation model for providing early care and learning. This is a onetime appropriation. |
| 4 | Appropriation; child care provider wage scale.
Appropriates \$187,000 in fiscal year 2023 to DHS to develop a wage scale for child care providers. This is a onetime appropriation. |



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