February 8, 2017

RE: HF723

Madam Chair and Committee Members:

I am writing to support HF723 for an increase in rates and funding for CCAP.

These rates are currently below the vast majority of provider’s rates and therefore only partially assisting families. These families should have the opportunity to have a wider base of providers to choose from to provide care for their children.

When a provider enrolls a family utilizing CCAP and the rates are below their business rate, the provider has to do one of two options, each with negative consequences.

1. Req**uire the family to pay the balance of their rate above the CCAP payment and the families co-pay.** This puts the provider in a situation to be putting undue pressure on a family which already has needs or they would not be using the CCAP program. This can easily put a strain on the relationship as each week the family needs to pay this additional money that likely will put more stress on the family unit.
2. **The provider can ‘forgive’ the balance and loose the income**. Family Child Care providers are single ownership and we do not have another source of income to ‘make up’ this loss. We cannot charge our other families a higher rate to make up this rate as that would be undue expectation on those families.

**We are not social service agencies charged with supporting these families, we are business owners who already have been identified with a low profit margin**. We cannot afford to make even less.

The State of Minnesota needs to raise these rates and fully support this program for it to be effective in ensuring that families working and going to school have adequate care to be able to do so. Providers are not the State of Minnesota, it is not our responsibility to be the social service agency funding this program.

Thank you for your time, effort and consideration of my perspective on this topic.

Cyndi Cunningham

373 Idaho Ave W

St. Paul, MN 55117