



April 22, 2020

Re: HF4374

To: Representative Pinto and Early Childhood Finance and Policy Division Members

Minnesota Child Care Provider Information Network, MCCPIN, is making the following comments and **support for HF4374**, Child Care Assistance Provider reimbursement rates modified.

The State of Minnesota must raise the CCAP rates asap for the following reasons.

- 1) **The state needs to be supporting families and provider by raising the CCAP rate. Providers should not be in the position of collect the difference between the CCAP rate and the providers rate. That difference is the state's responsibility.**

Families and providers hare in an on-going struggle to manage financial partnerships with CCAP. Current provider rates are significantly higher than what the CCAP rates is set at. Parents need care for their children to maintain jobs and education, providers need income to manage their businesses.

Providers have the legal right to charge the difference between their business rate and the CCAP rate, and to effectively manage a business many choose to do so. This however puts providers in the position of collecting the difference between the CCAP rate and the provider rate.

The provider then is in the position of collecting additional money from clients which already has a financial struggle. The relationships can be strained and if the family can not or will not pay the difference in the rate, they can often loose their child care. This interrupts the most significant aspect of a child's development: Continuity of Care.

Providers do not want to be, nor should be, in the position to collect additional money from families who are utilizing CCAP. Providers understand these families are already struggling or they would not be utilizing CCAP. CCAP is the states responsibility to assist families.

- 2) The state needs to raise the CCAP rate to meet Federal Guidelines. Without doing so Minnesota will be losing current and additional funding. The additional funding will greatly support any rate increase that the state implements.

Simply put, money from the Federal Government should not be 'left on the table' but should be optimized.

During a stable economy this raise in rates is a 'given' to resolve the two reasons stated.

During this pandemic, it is even more imperative that the State of Minnesota step forward and raise CCAP rates as set by the Federal Government.

Cyndi Cunningham

MCCPIN Public Policy Chairperson