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DEPARTMENT OF HUMAN SERVICES DIVISION OF FAMILY DEVELOPMENT PO BOX 716 TRENTON, NJ 08625-0716 SARAH ADELMAN
Commissioner

NATASHA JOHNSON Assistant Commissioner



PROGRAM INSTRUCTION

SUBJECT: Rate Increases for Licensed Centers, Family Child Care Providers, and

Summer Youth Camps Effective March 1, 2025

ISSUE DATE: February 27, 2025 **DFDI No.:** 25-02-05

IMPACTED PROGRAMS: Child Care Assistance Program

HISTORY: Rescinds DFDI No.: 24-07-03

I. PURPOSE

The purpose of this Instruction is to implement an increase in the Child Care Assistance Program (CCAP) maximum child care payment rates for all licensed child care centers, Family Child Care providers (FCCs), and summer youth camps received through the Department of Human Services, Division of Family Development's Office of Child Care (DFD/OCC).

This DFDI rescinds and replaces DFDI No.: 24-07-03.

II. <u>AUTHORITY</u>

Child Care and Development Block Grant Act of 1990 (CCDBG), 42 <u>U.S.C.</u> §§ 9857 et seq.; 45 <u>C.F.R.</u> Part 98; <u>N.J.A.C.</u> 10:15-2.2(a)(4); and <u>N.J.A.C.</u> 10:15-10.1(c).

III. OVERVIEW

On March 1, 2025, DFD/OCC shall increase the CCAP payment rates for licensed child care centers and FCCs by 1% for infants, toddlers, and preschool-age children, and increase the CCAP payment rates by 0.5% for licensed child care centers, FCCs, and summer youth camps for school-age children. The new payment rates will be reflected beginning with the first direct deposit made after March 1, 2025.

IV. <u>DEFINITIONS</u>

N/A

V. POLICY

- **A.** Effective March 1, 2025, DFD/OCC shall pay child care providers in accordance with the attached CC-230: Maximum Child Care Payment Rates Charts (and CC-230s for the Spanish version). The CC-230/230s indicates the maximum child care payment rates chart for each corresponding provider type and shall reflect the March 1, 2025 increase to licensed care centers, FCCs and summer youth camps.
- **B.** The Child Care Resource & Referral Agencies (CCR&Rs) are responsible for sending the CC-231: March 2025 Payment Rate Update Notice (or the CC-231s for the Spanish version) to inform providers of the updated payment rates.

VI. PROCEDURES

- **A.** Effective immediately, the CCR&Rs shall publish the attached CC-230/CC-230s to their agency websites.
- **B.** Effective immediately, the CCR&Rs shall send the CC-231/CC-231s to all licensed child care centers, FCCs, and summer youth camps that receive CCAP payments through DFD/OCC.

VII. FISCAL

N/A

VIII. SYSTEMS

The CARES system will undergo an automated mass change to ensure that all new and existing agreements reflect the new payment rates. The rate increase will be displayed on impacted Parent/Applicant Provider Agreements (PAPAs) generated after the mass change. CCR&Rs do not have to reprint PAPAs that were generated before the mass change to display the new rate, but may do so upon request of a parent or provider.

IX. FORMS AND ATTACHMENTS

- Maximum Child Care Payment Rates Charts (CC-230) (English)
- Maximum Child Care Payment Rates Charts (CC-230s) (Spanish)
- March 2025 Payment Rate Update Notice (CC-231) (English)
- March 2025 Payment Rate Update Notice (CC-231s) (Spanish)

Please bring this information to the attention of appropriate staff at your agency. If you need additional guidance, please contact your Child Care Supervisor assigned to your county.

Sincerely,

Natasha Johnson
Natasha Johnson
Assistant Commissioner