



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development and Early
Education

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
ARIEL FORD • Director

SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #04-23

TO: Directors of County Departments of Social Services
Directors of Other Local Purchasing Agencies

SUBJECT: Changes to the DCDEE Subsidized Child Care Market Rates

ATTENTION: Child Care Coordinators, Supervisors and Managers
Other DSS Personnel who work with the Subsidized Child Care Assistance Program

ISSUE DATE: September 27, 2023

Changes Effective October 01, 2023

During the recent legislative session, the General Assembly directed the Division to implement new market rates for all counties, all age groups, and children in three-, four-, and five-star-rated child care centers and homes participating in the NC Subsidized Child Care Assistance Program, effective October 1, 2023.

These market rate changes are based upon the data from the 2021 Child Care Market Rate Study as specified by the General Assembly in Session Law 2023-14, Senate Bill 20. A copy of the new market rate tables for each type of care and star level for each county is attached.

Market Rate Implementation

We would suggest that you review the new market rate tables provided by DCDEE to identify market rate changes by type of facility, star rated license level, and age group, within your county. Although the legislation applies to all, there are some rates that may remain the same even after this change. Rates highlighted in orange, on the market rate tables effective October 1, 2023, indicate where the market rate is NOT increasing. The increase during the Market Rate implementation process does not affect the limit of one rate increase per calendar year for facilities eligible for these market rate increases.

Approval Notices will be updated to reflect the revised market rates. Approval Notices in the NC FAST Provider Portal will generate automatically, reflecting the new October 1, 2023, market rates and revised approved subsidy rates. Providers will still be able to enter their own rate increases once per year, but this will not have any effect on the approved rate.

Providers will be informed by email about the new market rates and will not need to take any action to receive the new rates. However, including this news in any communication that you have with providers will be helpful. Please share this information with other child care and reimbursement staff in your agency. If you have questions regarding your county's market rates, please address those questions to DCDEE.Subsidy.Policy.Help@dhhs.nc.gov.

Sincerely,

Ariel Ford

AF/LD

Attachments

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

LOCATION: 333 East Six Forks Rd • Raleigh, NC 27609
MAILING ADDRESS: 2201 Mail Service Center, Raleigh, NC 27699-2200
www.ncdhhs.gov • TEL: 919-814-6300 • Fax: 919-715-1013

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