



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 #03-23

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

SUBJECT: Out of State Providers Payment Rate Change from One Star to Three Star

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

ISSUE DATE: September 8, 2023
EFFECTIVE DATE: August 1, 2023

1. General Information

Previous policy stated the Approved Subsidy Rate for Out of State Providers was the provider's private paying rate or the One Star Market Rate for the funding county, whichever is lower.

2. Policy

New policy states that the Approved Subsidy Rate for Out of State providers is the Three Star Market Rate.

3. Procedures

Child care providers will not need to take action in order to receive the Three Star Market Rate.

Approval Notices will be updated to reflect new approved subsidy rates. Approval Notices in the NC FAST Provider Portal will generate automatically, reflecting the new August 1, 2023 revised approved subsidy rates.

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.

Ariel Ford

AF/DL

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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER