

I. CHAPTER OVERVIEW

This chapter explains the rates which may be paid to providers that have been approved for participation in the Subsidized Child Care (SCC) Program.

II. APPROVAL NOTICE

The Approval Notice is a form generated by DCDEE which identifies specific provider information such as age range, capacity and maximum payment rate information. Copies of the Approval Notice may be printed from the Subsidized Child Care (SCC) Reimbursement System. The LPA must keep a copy of each Approval Notice on file in the agency and may provide a copy of the Approval Notice to the provider. Refer to [Chapter 16: Approval and Enrollment Procedures for Licensed Facilities](#), for more information.

III. PAYMENT RATES FOR LICENSED FACILITIES

A. Payment Rates for Centers and Family Child Care Homes

The following providers are paid the rates charged to private paying parents **or** the current market rate associated with their star rated license, *whichever is lower*.

1. Licensed child care centers,
2. Licensed child care homes,
3. Licensed before and/or after-school programs.

Facilities without a star rated license will be paid their private-paying rate or the one star market rate. Those facilities include: religious-sponsored facilities choosing to operate under a Notice of Compliance (G.S. 110-106) and newly opened facilities with a temporary license.

Refer to [Appendix B](#) for a listing of the current market rates.

Additional fees charged by providers are not reimbursable. If the provider's charge is more than the rate to be paid by the local purchasing agency (LPA) and the arrangement is the parent's choice for the child, it is permissible for the parent to pay the difference between the provider's charge and the rate paid by the LPA. This is allowed only if the parent indicates a desire to do so. **The LPA cannot require the parent to pay the difference.** If the parent is unwilling or unable to pay the difference, the LPA must allow the parent to select another provider.