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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 866

02/12/2015 Authored by Mullery

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to human services; modifying child care assistance program
1.3 reimbursement rates; amending Minnesota Statutes 2014, section 119B.13,
1.4 subdivisions 1, 3b.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 119B.13, subdivision 1, is amended to read:

1.7 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~February 3, 2014~~ July 1, 2015,
1.8 the maximum rate paid for child care assistance in any county or county price cluster
1.9 under the child care fund shall be the greater of the ~~25th~~ 75th percentile of the ~~2011~~ most
1.10 recent biennial child care provider rate survey under section 119B.02, subdivision 7, or the
1.11 maximum rate effective November 28, 2011. The commissioner may: (1) assign a county
1.12 with no reported provider prices to a similar price cluster; and (2) consider county level
1.13 access when determining final price clusters.

1.14 (b) A rate which includes a special needs rate paid under subdivision 3 may be in
1.15 excess of the maximum rate allowed under this subdivision.

1.16 (c) The department shall monitor the effect of this paragraph on provider rates. The
1.17 county shall pay the provider's full charges for every child in care up to the maximum
1.18 established. The commissioner shall determine the maximum rate for each type of care
1.19 on an hourly, full-day, and weekly basis, including special needs and disability care. The
1.20 maximum payment to a provider for one day of care must not exceed the daily rate. The
1.21 maximum payment to a provider for one week of care must not exceed the weekly rate.

1.22 (d) Child care providers receiving reimbursement under this chapter must not be
1.23 paid activity fees or an additional amount above the maximum rates for care provided
1.24 during nonstandard hours for families receiving assistance.

2.1 (e) When the provider charge is greater than the maximum provider rate allowed,
2.2 the parent is responsible for payment of the difference in the rates in addition to any
2.3 family co-payment fee.

2.4 (f) All maximum provider rates changes shall be implemented on the Monday
2.5 following the effective date of the maximum provider rate.

2.6 (g) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum
2.7 registration fees in effect on January 1, 2013, shall remain in effect.

2.8 Sec. 2. Minnesota Statutes 2014, section 119B.13, subdivision 3b, is amended to read:

2.9 Subd. 3b. **Provider rate differential for Parent Aware.** A family child care
2.10 provider or child care center shall be paid a ~~15~~ 20 percent differential if they hold a
2.11 three-star Parent Aware rating or a ~~20~~ 25 percent differential if they hold a four-star Parent
2.12 Aware rating. A ~~15~~ 20 percent or ~~20~~ 25 percent rate differential must be paid above the
2.13 maximum rate established in subdivision 1, up to the actual provider rate.