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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. **496**

01/28/2019 Authored by Hassan, Moran, Gomez, Cantrell, Sandstede and others
The bill was read for the first time and referred to the Committee on Ways and Means

- 1.1 A bill for an act
- 1.2 relating to human services; modifying child care assistance program maximum
- 1.3 reimbursement rates; appropriating money; amending Minnesota Statutes 2018,
- 1.4 section 119B.13, subdivision 1.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2018, section 119B.13, subdivision 1, is amended to read:
- 1.7 Subdivision 1. **Subsidy restrictions.** (a) ~~Beginning February 3, 2014,~~ The maximum
- 1.8 rate paid for child care assistance in any county or county price cluster under the child care
- 1.9 fund shall be the greater of the 25th percentile of the ~~2011~~ most recent biennial child care
- 1.10 provider rate survey under section 119B.02, subdivision 7, or the maximum rate effective
- 1.11 ~~November 28, 2011~~ the day before the effective date of the rate change. For a child care
- 1.12 provider located within the boundaries of a city located in two or more of the counties of
- 1.13 Benton, Sherburne, and Stearns, the maximum rate paid for child care assistance shall be
- 1.14 equal to the maximum rate paid in the county with the highest maximum reimbursement
- 1.15 rates or the provider's charge, whichever is less. The commissioner may: (1) assign a county
- 1.16 with no reported provider prices to a similar price cluster; and (2) consider county level
- 1.17 access when determining final price clusters.
- 1.18 (b) A rate which includes a special needs rate paid under subdivision 3 may be in excess
- 1.19 of the maximum rate allowed under this subdivision.
- 1.20 (c) The department shall monitor the effect of this paragraph on provider rates. The
- 1.21 county shall pay the provider's full charges for every child in care up to the maximum
- 1.22 established. The commissioner shall determine the maximum rate for each type of care on
- 1.23 an hourly, full-day, and weekly basis, including special needs and disability care.

(d) If a child uses one provider, the maximum payment for one day of care must not exceed the daily rate. The maximum payment for one week of care must not exceed the weekly rate.

(e) If a child uses two providers under section 119B.097, the maximum payment must not exceed:

(1) the daily rate for one day of care;

(2) the weekly rate for one week of care by the child's primary provider; and

(3) two daily rates during two weeks of care by a child's secondary provider.

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 2. **APPROPRIATION; BASIC SLIDING FEE CHILD CARE PROGRAM.**

\$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the general fund to the commissioner of human services for the purposes of the basic sliding fee child care program under Minnesota Statutes, section 119B.03.