



**Child Care and Development Block Grant
Final Rule Analysis/Changes for Iowa Policy and Practice
Department of Human Services
September 2017**

Child Care Assistance (CCA)

- 2-Tier eligibility: the Department implemented CCA Plus to continue serving families under 85% of the State Median Income (SMI) for 12 months.
 - Final rule removes the 12 month limit and indicates that States must continue to pay until their incomes exceeds a second tier of eligibility.
 - The Lead Agency is not required to have this tier set at 85% of the SMI. To continue our current tier and to remove the 12 month limitation, initial cost estimates indicates costs to Iowa in excess of 75 million dollars.
 - The Department intends to seek a waiver to implementation of the second tier and will maintain current policy
- If applicable, the Lead Agency must pay for reasonable, mandatory registration fees that the provider charges to private paying parents if the payment of these fees is a generally accepted payment practice. The Lead Agency will continue to evaluate how to do this and potential cost implications.

Regulatory

- The Lead Agency has the option to exempt relatives who are only caring for related children, as defined. The Department intends to exempt relatives who are non-registered child care providers with a CCA Provider Agreement from ongoing professional development requirements.
 - Includes grandparents, great grandparents, aunts/uncles, siblings to child receiving care
- Background checks must include State-level fingerprints, National Crime Information Center (NCIC) Sex Offender Registry, and cross-state checks where persons resided in the previous 5 years.
 - Iowa is part of the National Fingerprint File and therefore meet the requirement for State-level fingerprints. The Department continues to evaluate cross-State checks
 - NCIC Sex Offender Registry checks are currently on hold pending further guidance from the Federal Office of Child Care.
 - Final Rule requires that a fingerprint result must be obtained and evaluated, if appropriate, prior to allowing any employee to work. The Department continues to evaluate impact and is having continued conversations with federal partners.

- The Department is seeking to pre-file legislative changes to Iowa Code 237A in response to additional federally mandated prohibitions from employment as a child care provider

Market Rate Survey (MRS)

- The Lead Agency is required to consult with stakeholders prior to conducting the next MRS.
- Data regarding provider participation in the Child Care Assistance program and barriers to participation must be collected.
- A comprehensive report with the results of the MRS and related data must be made publically available within 30 days of completion of the report.
 - Results will be available in Summer 2018.
- After completion of the MRS, payment rates must be set in accordance with the most recent market rate survey, taking into account costs such as health, safety and professional development requirements for providers.
 - Budget impact will be assessed.