## CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

## **EXECUTIVE SUMMARY**

# CHILD CARE BULLETIN (CCB) NO. 25-26

The purpose of this CCB is to provide guidance to counties and child care and development contractors regarding the distribution of cost of care plus rate payments to child care centers pursuant to Senate Bill (SB) 120 (Chapter 13, Statutes of 2025).



# CALIFORNIA HEALTH & HUMAN SERVICES AGENCY **DEPARTMENT OF SOCIAL SERVICES**

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



October 22, 2025

CHILD CARE BULLETIN (CCB) NO. 25-26

**GUIDANCE TYPE: DIRECTIVE** 

TO: ALL COUNTY WELFARE DIRECTORS

ALL COUNTY CHILD CARE COORDINATORS

ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: COST OF CARE PLUS RATE PAYMENTS TO CHILD CARE

CENTERS PURSUANT TO SENATE BILL (SB) 120 (CHAPTER

13, STATUTES OF 2025)

APPLICABLE

PROGRAMS: CALIFORNIA ALTERNATIVE PAYMENT PROGRAMS (CAPP),

MIGRANT ALTERNATIVE PAYMENT PROGRAMS (CMAP),

CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS), STAGES ONE, TWO (C2AP), AND THREE (C3AP), THE EMERGENCY CHILD CARE BRIDGE PROGRAM FOR FOSTER CHILDREN (BRIDGE PROGRAM), GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS (CCTR), FAMILY CHILD CARE HOME EDUCATION NETWORKS (CFCC), MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS (CMIG), CHILD CARE AND DEVELOPMENT PROGRAMS FOR CHILDREN WITH SEVERE DISABILITIES

(CHAN)

REFERENCE: SB 120 (CHAPTER 13, STATUTES OF 2025); SB 151

(CHAPTER 108, STATUTES OF 2025); TITLE 5 OF THE

CALIFORNIA CODE OF REGULATIONS 18065:

WELFARE AND INSTITUTIONS CODE (WIC) SECTION 10421(b);

WIC SECTION 10277.1; WIC SECTION 10227.5; WIC SECTION 10424.5; WIC SECTION 10277.2; CHILD CARE BULLETIN (CCB) NO. 23-01;

## CCB NO. 23-37; CCB NO. 24-01

# **Purpose**

The purpose of this Child Care Bulletin (CCB) is to notify counties and child care and development contractors of the continuation of the per-child, monthly cost of care plus payments issued to child care centers pursuant to <a href="Senate Bill (SB) 120">Senate Bill (SB) 120</a> (Early Childhood Education and Child Care, Chapter 13; Statutes of 2025) and <a href="SB 151">SB 151</a> (Early Childhood Education and Child Care, Chapter 108, Statutes of 2025).

## **Background**

Effective July 1, 2025, <u>SB 120</u> authorized the continuation of cost of care plus rate payments to child care centers, to June 30, 2026, and provides for an increase to the cost of care plus rate amount. Effective September 17, 2025, SB 151 authorized the cost of care plus rate payments to child care centers at the increased amount to continue, commencing July 1, 2026.

#### Guidance

Pursuant to Welfare and Institutions Code (WIC) section 10277.2, as amended by SB 120 and SB 151, centers shall receive the increased cost of care plus payment commencing July 1, 2025. Timely payment provisions under WIC section 10277 remain in effect.

Centers should be reimbursed at this new rate for June 2025 enrollments, following submission of June documentation in July. This is consistent with past practices. If payment was made using a rate that differs from the rate listed below, agencies must issue a supplemental payment.

Pursuant to <u>SB 120</u>, <u>SB 151</u>, <u>WIC sections 10277.1</u> and <u>10277.2</u>, and <u>CCB No. 23-37</u>, all types of child care providers will continue to receive a monthly, per-child payment intended to supplement subsidized child care reimbursement. Payments to child care providers shall continue in July 2025, with the payment based on the service month June 2025. Center-based providers shall receive payments at the increased amount for any timesheets covering service months beginning June 2025, so long as they are submitted in any month beginning June 2025. The amount per child varies based on the county where the center is located and the assigned "region," defined as:

<u>Central</u>: Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey Sacramento, San Benito, San Joaquin, San Luis Obispo, Stanislaus, Tulare

Northern: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, Yolo, Yuba

<u>Southern</u>: Imperial, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, Ventura

Los Angeles: Los Angeles

<u>Bay Area</u>: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma

Per-child plus rate amounts shall be as follows:

Region	Centers
Central	\$ 152
Northern	\$ 154
Southern	\$ 174
Los Angeles	\$ 186
Bay Area	\$ 230

These payments shall be payable to centers serving children enrolled in the following child care and development programs:

- California Alternative Payment Programs (CAPP)
- Migrant Alternative Payment Programs (CMAP)
- California Work Opportunity and Responsibility to Kids (CalWORKs)
   Stages One, Two (C2AP), and Three (C3AP)
- The Emergency Child Care Bridge Program for Foster Children (Bridge Program)
- General Child Care and Development Programs (CCTR)
- Migrant Child Care and Development Programs (CMIG)
- Child Care and Development Programs for Children with Severe Disabilities (CHAN)

The California Department of Social Services (CDSS) will distribute funding for these payments to the child care and development contractors via the State Controller's Office outside of their regular contracts. Funding will be issued to contractors quarterly and reconciled thereafter.

Alternative Payment Programs (APPs) administering the Bridge Program, CalWORKs Stage One, C2AP, C3AP, CAPP, CFCC, or CMAP shall continue to provide the extended per-child payments directly to center-based providers, starting with the June 2025 service month that is processed in July 2025 and concluding with the May 2026 service month that is processed in June 2026.

## **Instructions for Contractors**

Contractors are encouraged to make these monthly payments with their regular subsidy payments to center-based providers and to clearly label the Cost of Care Plus Rate payments. Contractors are required to make the payments within 21 calendar days of the submission of a complete monthly attendance record or invoice, as specified in <u>WIC section 10227.5</u>.

If a child receives care from more than one center-based provider during the month, each provider shall receive the full per-child payment. Contractors are instructed not to pro-rate the Cost of Care Plus Rate payments due to care beginning or ending midmonth.

Contractors shall provide the payment directly to eligible child care centers and will not be subject to the regular reporting requirements associated with their child development contracts.

# Administrative Allocation

Contractors who are required to distribute monthly Cost Care Plus Rate payments to centers will receive an administrative amount for each payment that they make. Contractors will therefore receive an additional allocation of the administrative amount, based on the schedule below for per-enrollment payment administrative costs. The contractor must not reduce the monthly per-child payment amount that the contractor issues to a center:

Region	Eligible Centers Admin.
Central	\$14.00
Northern	\$14.10
Southern	\$16.00
Los Angeles	\$17.10
Bay Area	\$21.10

# Instructions For Counties in Which CalWORKs Stage One and Bridge Programs Are Administered Directly by the County

In counties where the CalWORKs Stage One and/or Bridge Programs are administered in-house by the county and where no business relationship exists between the CalWORKs Stage One/Bridge Program child care provider and an APP, <a href="Child">Child</a> <a href="Development Associates">Development Associates</a> (CDA) in San Diego County will issue payments to those providers directly.

The requirement to make payments within 21 calendar days of the submission of a complete monthly attendance record or invoice does not apply to payments issued by CDA.

Counties are required to submit a copy of the mRec or aRec Reconciliation Report that is regularly submitted to Child Care Providers United by the 5th business day of each month to CDA via secure file transfer protocol (instructions to follow). The first submission will be due on the 5th business day of July 2025. The reconciliation reports will include the following data fields:

- LocalMemberID
- VendorNumber
- VendorLocalID
- FirstName
- LastName
- Street
- City
- State
- Zip Code
- Phone Number
- Gross Reimbursements (all payments)
- Dues Deduction Rate
- Dues Deduction (Gross Reimbursement x Dues Deduction Rate)
- Dues Max \$ (Cap per month)
- COPE PEOPLE
- COPE PEOPLE Collected
- Notes
- Check 1 Date
- Check 1 Number
- Check 2 Date
- Check 2 Number

The CDSS will retrieve monthly provider data payment and child count data via the California Statewide Automated Welfare System, also known as CalSAWS, and CDSS' SharePoint site for counties and provide that data directly to CDA on a monthly basis. The payment and child count data will include the following data fields:

- County Vendor ID
- The Local Provider Identification number (VendorLocalID)
- Provider last name, first name
- Unique identifier (SSN or EIN)
- Facility Address: Street field, city field, zip code field
- Mailing Address: Street field, city field, zip code field
- Phone number
- Email address
- License number and capacity

- Provider type (license, center, FCC, or FFN)
- Child count (number of attendance records paid in the payment month per provider)
- Month of County/Stage 1 Bridge Payment
- Copy of provider W9 forms, if available
- Language
- County Contact person
- County-Region

## **Reporting Requirements**

Contractors must maintain records of payments issued to individual child care providers, as well as the dates the payments are distributed, and must be able to submit them to CDSS upon request. When directly requested, reports should be delivered by the requested timeline to prevent delays in Cost of Care payments to providers. The increased administrative allowance available for these payments is intended, in part, to help support contractors in fulfilling these data requirements.

For questions regarding the information in this letter, contact the Child Care and Policy Development Bureau at (916) 657-2144 or at <a href="https://creativecommons.org/levelopment-bureau">CCPB@dss.ca.gov</a>.

Sincerely,

# Original Document Signed By

LUPE JAIME-MILEHAM, EdD
Deputy Director
Child Care and Development Division