

Senate File 2104 - Introduced

SENATE FILE 2104

BY WEINER

A BILL FOR

1 An Act relating to payments to child care providers
2 participating in the state child care assistance program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 237A.13, subsection 4, Code 2024, is
2 amended to read as follows:

3 4. ~~a.~~ The department shall set reimbursement rates as
4 authorized by appropriations enacted for payment of the
5 reimbursements. The department shall conduct a statewide
6 reimbursement rate survey to compile information on each
7 county and the survey shall be conducted at least every two
8 years. The department shall set reimbursement rates at the
9 eighty-fifth percentile as based on the most recent market
10 rate survey and in a manner so as to provide incentives for an
11 unregistered provider to become registered.

12 ~~b.~~ ~~The department shall not modify reimbursement rates~~
13 ~~to the state child care assistance program or financial~~
14 ~~eligibility requirements for a family participating in the~~
15 ~~state child care assistance program without prior enabling~~
16 ~~legislation in this state passed on or after January 1, 2023.~~

17 Sec. 2. Section 237A.13, subsection 6, Code 2024, is amended
18 by striking the subsection.

19 EXPLANATION

20 The inclusion of this explanation does not constitute agreement with
21 the explanation's substance by the members of the general assembly.

22 This bill relates to payments to child care providers
23 participating in the state child care assistance (CCA) program.

24 At least once every two years, the department of health
25 and human services (HHS) conducts a statewide reimbursement
26 rate survey to evaluate the market rate of child care services
27 offered throughout the state and adjust the reimbursement
28 rates paid to child care providers through the CCA program
29 accordingly.

30 The bill requires HHS to reimburse each provider providing
31 child care services to a child participating in the CCA program
32 at a rate equal to the 85th percentile of the most recent
33 market rate survey. Under current law, HHS must set rates
34 between the 65th and 80th percentile of the 2020 market rate
35 survey.

S.F. 2104

1 The bill removes child care providers' ability to collect
2 from a family participating in the CCA program the difference
3 between the CCA reimbursement rate and the rate the provider
4 would typically charge a private-pay family for child care.