## **Child Care Fee Reduction Initiative - Key Facts for Providers**

## February 2018

- → Through <u>Budget 2018</u>, government has committed to making child care more affordable for families
  - in all areas of the province. To help achieve this goal, in April 2018, licensed group or family infant/toddler and/or 3-5 years child care providers (including In-Home-Multi-Age Care providers) enrolled in the Child Care Operating Funding (CCOF) program will be invited to participate in the **Child Care Fee Reduction Initiative.**
- → Any licensed infant/toddler and/or 3-5 years child care provider who is eligible for CCOF is eligible to apply to participate.
- → At the time of application, providers will be asked to confirm their parent fees for each type of care (as of September 1, 2017, January 1, 2018 and April 1, 2018), and confirm any pre-planned parent fee increases for the duration of the contract term.
- → The Ministry will assess the provider's historical, current and future (planned) fees in order to ensure the intended benefit for parents is not diluted through fee increases. Providers must disclose and receive prior approval for any pre-planned, reasonable parent fee increases during the duration of the contract. Providers facing extraordinary circumstances beyond those stated in their 2018/19 fee schedule will be required to contact the Ministry and be assessed on a case by case basis.
- → Licensed providers who are approved to join this voluntary initiative will receive an increase of approximately 10% on their individual CCOF base rates for 2018/19 to support operational expenses.
- → Participating providers will also receive funding to reduce parent fees by a prescribed amount, depending on the type of care provided and the age of children, as follows:
  - \$350/month/space for group infant/toddler care;
  - \$200/month/space for family infant/toddler care;
  - \$100/month/space for group 3-5 year care; and
  - \$60/month/space for family 3-5 year care.
- → Licensed child care operators will be encouraged to apply to "opt in" to the initiative when they receive their 2018/19 CCOF contract in March 2018.
- → A list of participating providers will be posted online by the Ministry of Children and Family Development. Parents will be encouraged to check online in April 2018 to verify if their provider has chosen to participate, and what fee reductions they should expect to receive.
- → For more information on the increased CCOF rates and the Child Care Fee Reduction Initiative, please visit the <a href="CCOF">CCOF website</a> or call 1-888-338-6622 (select Option 2).

As of April 1, 2018, licensed providers may "opt-in" to receive an increase in their CCOF rate by agreeing to lower parent fees.