

PROVIDER LETTER

Dear Provider:

This is to inform you that the Office of Child Development and Early Learning (OCDEL) updated the existing “tiered reimbursement” by adding an additional amount to the daily subsidized child care rate for Keystone STARS providers with a STARS rating of two and above. Tiered reimbursement amounts increase with the number of STARS awarded to a facility and rewards Keystone STARS providers for their participation and commitment to continuous quality improvement in early learning programs. By paying a tiered reimbursement for higher STARS levels, OCDEL will continue to support and encourage continuous quality improvement in early education.

Child care centers, group child care homes and family child care homes that have a Keystone STARS rating of two and above receive a daily add-on amount to their subsidized payment rate. The amount of the add-on has increased and is based on the provider’s STARS rating and unit of care (full-time or part-time). Providers must have a STARS rating of two or above to receive the add-on amount.

The new daily add-on amounts per child are as follows.

Daily Increase for:	STAR 2	STAR 3	STAR 4
Full-time	\$0.70	\$2.20	\$3.00
Part-time	\$0.30	\$0.95	\$1.30

The add-on amount indicated above includes all provider types and all care levels. The additional daily amount may in some circumstances, increase provider rates to an amount that exceeds the Maximum Child Care Allowance.

The increase in tiered reimbursement was made possible through Federal stimulus funds acquired through the American Recovery and Reinvestment Act. The increase will be retroactive to July 1, 2009. Providers with a STARS rating of two or above will see the increase in the add-on amount and the lump-sum amount retroactive to July 1, 2009 reflected in the November service month payment.

Please feel free to call us at _____ if you have questions.

Sincerely,

CCIS of _____