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Tennessee Takes Action to Make Child Care More Affordable When Families Need It Most Additional Investments to Support Working Parents Who Depend on Quality Child Care

NASHVILLE – The Tennessee Department of Human Services (TDHS) is announcing new actions to support child care providers and parents. On July 1, 2022, TDHS increased child care payment assistance reimbursement rates by 20% across all categories of care in the <u>Child Care Certificate Program</u>. Beginning August 1, 2022, through December 31, 2022, TDHS also will waive co-pay costs for families currently participating in the State's <u>child care payment assistance programs</u>. The Department initiated these changes in direct response to rising costs faced by families and child care providers.

"Our Child Care Services team works hard to maintain an understanding of the needs of child care providers and families, and recognized parents and providers feel the impact of the current economy," said Clarence H. Carter, TDHS Commissioner. "It is important that we do our part to help ensure Tennessee families have sustainable access to affordable care for their children so they can work and pursue education. It's equally important that providers have the resources they need to provide safe, quality care."

Under the Child Care Certificate program, the state pays a <u>reimbursement rate</u> directly to child care providers on behalf of families who are enrolled and meet the income and work or education requirements of the program. This increase to the reimbursement rate will save participating families money by reducing the portion they have to pay to cover tuition expenses.

In addition to the increased reimbursement rate, from August 1 – December 31, 2022 the state will waive the co-pay fees paid by parents participating in the Child Care Certificate Program. This means providers will be paid at the full established State Reimbursement Rate. Parents are encouraged to reach out to their child care provider to understand how these changes impact them, as well as any potential cost difference payment responsibility.

These investments are the latest in a series of moves to support and expand access to child care in Tennessee that is safe, healthy, and educationally rich. In recent years TDHS has offered Enhancement and Stabilization grants, established a WAGE\$ program to raise salaries, and is taking action to modernize child care licensing.

Learn more about the Tennessee Department of Human Services at www.tn.gov/humanservices.

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