



MAXIMUM REIMBURSEMENT RATES FOR THE CHILD CARE SUBSIDY PROGRAM

Virginia bases reimbursement rates for child care providers in the Child Care Subsidy Program (CCSP) on a federally-approved alternative methodology called a [cost estimation model](#). This approach allows the VDOE to estimate the “true cost” of operations based on different program factors—including program type, size, region of the state, and more—and to base payment rates on costs associated with meeting health, safety, and quality expectations.

Virginia’s model was developed in partnership with national experts and reflects feedback from Virginia child care centers, family day homes, and other key stakeholders. Additional details on Virginia’s cost estimation model are available in [this report](#).

Maximum Reimbursement Rates (MRR) for CCSP Child Care Providers

Current reimbursement rates are available at [Maximum Reimbursement Rates by Locality](#).

Key points for Center-Based Programs:

- Full-day MRR are set at 75% of estimated costs based on the Ready Region in which the center is located.
- Rates are the same for licensed and unlicensed centers.

Key points for Family Day Homes

- Rates are set at 100% of estimated costs based on the Ready Region in which the Family Day Home is located.
- Rates vary for licensed and unlicensed programs to account for differences in health and safety requirements.

Key points for all programs:

- VDOE used a “hold harmless” approach when revising payment rates. If the model generated a rate that was lower than the 2018 MRR, that rate was kept the same. Any remaining local variation in rates are a result of the hold harmless approach.
- Part-day rates are 60% of full-day rates for all program types and levels.

Providers are paid the MRR without regard to their private tuition rates. If a vendor prefers to receive a lower rate than the MRR, please complete this [\[form\]](#) and return to vendor.services@dss.virginia.gov. The Department will not pay more than the established MRR.