



**153rd GENERAL ASSEMBLY
FISCAL NOTE
*REVISED***

BILL: HOUSE JOINT RESOLUTION NO. 10
SPONSOR: Representative Ross Levin
DESCRIPTION: PURCHASE OF CARE PROVIDER REIMBURSEMENT RATES.

Assumptions:

1. This Act becomes effective upon signature by the Governor.
2. This Act requires an increase in the reimbursement rates for Purchase of Care (POC) providers serving children aged 0-5 years by 10% for Fiscal Year 2027.
3. The Department of Health and Social Services (the Department), Division of Social Services, estimates approximately 8,561 children, ages 0-5 years, would be impacted by this legislation.
4. Recently updated federal guidance provides that POC providers will be paid based on a child's attendance versus enrollment. Further, recently proposed state policy guidance provides that the gross income eligibility threshold for POC will increase from 200% to 225% of the Federal Poverty Level (FPL). As a result, the Department's projection of a 10% rate increase for the 0-5 age group at 225% of the FPL equates to an estimated additional cost of \$14,100,000.
5. The proposed Fiscal Year 2027 Appropriations Act provides an additional \$26,400,000 to support POC policy changes to support both Delaware families and childcare providers. Therefore, while this Act will result in an additional cost to the State by increasing reimbursement rates, it is anticipated that the additional appropriations provided in the proposed Fiscal Year 2027 Appropriations Act can be used to support the additional costs in this fiscal projection.
6. While this Act is specific to Fiscal Year 2027, for purposes of this fiscal projection, it is assumed that the additional 10% reimbursement rate required by this Act will remain in effect in future fiscal years.

Cost:

Fiscal Year 2027: \$14,100,000
Fiscal Year 2028: \$14,100,000
Fiscal Year 2029: \$14,100,000

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