

Denver Human Services Colorado Child Care Assistance Program (CCCAP)

Human
Together

Safety, Housing, Education & Homelessness
Committee

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Today's Agenda

- CCAP overview
- New Federal Rules Discussion
- Budget
- State/County Responses

How DHS Functions

- Colorado is a **state-supervised, county-administered human services system** – we are one of nine states with this style of system. Counties provide services directly, while state departments supervise and set rules and guidance
- Our relationship with each state department that oversees our work – CO Dept of Human Services (CDHS), Health Care Policy & Financing (HCPF), Behavioral Health Administration (BHA), Department of Labor and Employment (DOLA) and CO Dept of Early Childhood (CDEC) – is incredibly important
- Most of the programs we administer are federal
- Federal and State laws and rules govern most of our work

Colorado Child Care Assistance Program (CCCAP) Overview

- CCCAP is Colorado's state-supervised, county-administered childcare subsidy program that annually serves an average of 28,730 children through 2,462 licensed providers and is administered by 500 county workers.
- Helps low-income families with financial assistance for childcare for children ages 0-13
- Eligible families are working, homeless, involved in TANF, involved in child welfare, searching for work, and/or attending secondary education
- Counties are required to enroll families who receive TANF and child welfare even when on a waitlist or freeze
- Families are eligible from 185%, 225% or 245% Federal Poverty Level (determined from HB18-1335) and become ineligible once they reach 85% state median income
- This program is not an entitlement; however, once a family is enrolled, they cannot be removed from the program until they are no longer eligible
- Denver serves 3,019 children as of 12/16/24 and has 666 active providers.

CCCAP Funding Concerns:

- There has always been insufficient funding for this program (estimates are that Colorado only serves 9-11% of eligible families)
- There has been a significant infusion of pandemic related one time funding from 2020-2024; these funds will be completely exhausted this year
- Significant program changes are being required per the Federal government that will increase costs with limited additional funding

Key Federal Changes

- Limit family parent fees to 7 % of family income, regardless of family size;
- Reimbursing child care providers prospectively based on child enrollment rather than attendance;
- Reimbursing child care providers for reasonable registration fees;
- Increased provider rates (\$20.4 million) (effective 10/1/24 with a phased 3 year rollout)

Implications of Program Changes

- **More robust program that aims to:**
 - lower families' child care costs,
 - improve child care provider payment rates and practices,
 - lead to higher wages for the early childhood workforce, and
 - simplify subsidy eligibility enrollment.
- **However, Colorado will be required to:**
 - spend more per child in the program,
 - serve fewer families overall, and
 - counties will be in a difficult financial position as the average time a child is on CCCAP is three years, so they have few levers to control their spending.

CCCAP Proposed Budget:

- The Governor's proposed budget includes a request for CCCAP for \$11,537,439
 - This increase is a refinancing of federal funding and increasing the county match requirements; no additional state funds requested; increased county share requested
- With the loss of pandemic related funding, there will be a net loss to the program (\$1.6M)

CCCAP Proposed Budget (continued):

Table 4. Total CCCAP Funds Requested with County Proportional Allocation

Fiscal Year	FY 2025-26	FY 2026-27	FY 2027-28 Ongoing
CCCAP Direct Services Required for Waiver	\$10,080,829	\$10,080,829	\$10,080,829
Infant/Toddler Payment Based on Enrollment	\$6,926,872	\$6,926,872	\$6,926,872
Parent Copays	\$3,153,957	\$3,153,957	\$3,153,957
<i>County Proportional Allocation (Cash Funds)</i>	<i>\$1,098,810</i>	<i>\$1,098,810</i>	<i>\$1,098,810</i>
<i>CDEC Share (Federal Funds)</i>	<i>\$8,982,019</i>	<i>\$8,982,019</i>	<i>\$8,982,019</i>
Additional CCCAP Request Items	\$1,456,610	\$1,456,610	\$2,763,220
Direct Services Increase	\$150,000	\$150,000	\$150,000
Base County Proportional Allocation Proposed Increase	\$1,306,610	\$1,306,610	\$2,613,220
Total CCCAP Request	\$11,537,439	\$11,537,439	\$12,844,049
<i>Total CDEC Share (Federal Funds)</i>	<i>\$9,132,019</i>	<i>\$9,132,019</i>	<i>\$9,132,019</i>
<i>Total County Proportional Allocation (Cash Funds)</i>	<i>\$2,405,420</i>	<i>\$2,405,420</i>	<i>\$3,712,030</i>

Colorado County current Waitlists and Freezes

COUNTIES ON A FREEZE

County	Effective Begin Date
Adams	10/1/2024
Alamosa	11/15/2024
Arapahoe	1/1/2025
Boulder	3/1/2024
Broomfield	11/15/2024
Denver	1/1/2025
Douglas	12/1/2024
El Paso	11/6/2024
Gunnison	12/16/2024
Huerfano	1/15/2025
Jefferson	1/1/2025
Larimer	2/1/2024
Mesa	1/1/2025
Pueblo	1/1/2025
Summit	1/17/2025

COUNTIES ON A WAITLIST

County	Effective Begin Date
Chaffee	1/1/2025
San Juan	12/1/2024

Provider outreach: waitlist vs. freeze

Questions?

