



Board Action Item

Early Learning Coalition of Southwest Florida, Inc. May 24, 2006

Subject: Approval of 2006-2007 Provider Reimbursement Rate

Proposed Recommendation: Recommendation for approval of the ELC-SWF 2006-2007 Provider Reimbursement Rates which provides minimum payment rates for School Readiness child care providers, including the Gold Seal Rate for accredited programs, serving children, in Lee, Collier, Hendry and Glades counties. This rate reflects the most recent (May 1, 2005) Market Rate Survey.

Background Information:

AWI expects each Coalition to establish procedures to ensure prospective SR providers are reimbursed at a rate no higher than the published Market Rate Survey. The most recent survey was issued May 1, 2005. Our payment rates currently are below the Market Rate. The last time the Coalition increased their rates was January 1, 2005.

Action Taken: Debbie Johnson, Fiscal Director of CCSWFL, was asked to give the Coalition a fiscal impact statement to reflect the minimum number of children to be served with the rate increase effective July 1, 2006. Please note, in the formula used, the direct services expenditure is the actual amount that was used through the end of the last fiscal year.

Debbie did a comparison of the current rates and the new rates. A percentage was developed to determine the percentage increase and this amount was added to the constant of \$3,000 that has been used in prior years.

This rate increase will lower the impact on families because many providers charge rates that are above the maximum amounts that we pay and this additional amount is charged to the families. The rate increase will lower the minimum numbers served but will make a higher proportion of income available to low income families.

Coalition Meeting: May 24, 2006

Submitted By: Barbara Saunders, Executive Director
ELC Executive Board

Approved
Date:

Motion:
Second: