Child Care & Development Block Grant in Louisiana

The Child Care & Development Block Grant (CCDBG) is the primary federal grant program that allows states to provide child care assistance to low-income working families with children under age 13. The majority of these funds serve children 6 years or younger, with the remainder supporting care for older children during out-of-school time.

Subsidies help remove barriers to affordable, high-quality child care, whether in center- or home-based settings. They give working parents the ability to access quality care and choose the type of care that works best for them. The majority of funds go directly to providing early learning experiences, but states can also use the funding to:

- Recruit and retain a well-qualified, fairly compensated, and effective workforce
- Support continuous quality improvement
- Meet the child care needs of families working nontraditional hours

How CCDBG Funds Flow

Using an established federal formula, states, territories, and tribal entities receive grant awards from the Department of Health and Human Services, Administration for Children and Families (ACF).

Parents

- Families can use vouchers to help cover the cost of care if a provider/program agrees to accept them.

Providers

- Grants and contracts represent agreements between the subsidy program and child care providers to designate slots for subsidy-eligible children.

In Louisiana, 36% of children ages 0-6 are eligible for a CCDBG subsidy under federal rules on average each month. However, of these children 90% are not served due to insufficient federal funding.

Income Eligibility

Given CCDBG is a federal block grant, state Lead Agencies have the flexibility to design their own subsidy programs in compliance with established eligibility and quality requirements and may choose to set their own additional requirements.

The Lead Agency in Louisiana is the Louisiana Department of Education.

Families that meet income eligibility and work/job training/education requirements can apply to the Lead Agency for a subsidy. Many families are required to pay a copay, but states may waive those requirements. Families who receive a subsidy may choose any participating child care provider, including center-based care (including faith-based programs), home-based care, and in-home care.

In Louisiana, eligibility is capped at 53% of State Median Income (SMI). This means that a family of 3 is eligible for a subsidy if they make: $2,736 or less per month ($32,832 per year).

CCDBG by the Numbers in Louisiana

- 363,043 Children Under 6
- 66% Population Under 6 with All Parents in the Workforce
- 15,366 Children Ages 0-6 Served by CCDBG and Mandatory Funds
- 982 Providers Accepting CCDBG Subsidies
- 78% Children Currently Served by CCDBG Who Are Under the Age of 6
- $150,276,564 CCDBG and Mandatory Funds
- $8,932,552 CCDBG State Match
- $1,038,454,429 CCDBG COVID-Relief Allocations: CARES | CRRSA | ARPA (CCDF + Stabilization)
- $0 TANF Transferred to CCDBG

In Louisiana, $0 TANF Transferred to CCDBG.
CCDBG in COVID-19 Relief
Throughout the pandemic, there was strong bipartisan support for federal relief funding to keep the child care sector afloat. CCDBG was the primary mechanism for providing this relief to child care providers and ensuring access to child care for thousands of working families through CARES, CRRSA, and ARPA. As of December 31, 2022:

- 2,105 child care programs in Louisiana received American Rescue Plan Stabilization support, impacting up to 150,200 children.
- Providers in 95% of Louisiana counties have received funds, including:
  - Most common use of funds: Goods and services necessary to operate the program.

American Rescue Plan Act Spending Spotlight
Funds have been used to support and stabilize the early childhood sector. The base amount awarded is $1,256 per child in license capacity and there is a bonus amount per child (maximum of $628 per child), awarded to programs that serve CCAP-certified children (depending on the allocation), offer nontraditional hour care, serve infants and toddlers, among other groups.

Federal pandemic relief funding, which buttressed an already struggling child care market, expires in September 2024. As this temporary funding expires, Congress must come together to strengthen and invest in our federal early learning and care programs so families can access the reliable, high-quality, affordable child care they depend on.

Provider Reimbursements
ACF recommends that Lead Agencies set provider reimbursement rates at the 75th percentile of the market rate. This is the price the lowest 75% of child care programs included in the market rate survey reported charging.

However, market rates often do not reflect the actual costs of providing high-quality care as programs must charge what families can afford in order to fill slots. Therefore, there is a significant gap between how much providers are reimbursed and how much it costs to provide care. Find answers to the most frequently asked questions about provider reimbursement rates here.

Provider Reimbursement Rates in Louisiana
In percentiles of market rate

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<th>Center-Based</th>
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Louisiana is among the few states that surpass the federally recommended reimbursement rate. These higher payment rates are critical in supporting providers to stay financially afloat and provide high-quality learning experiences. They also help low- and middle-income working families afford quality child care.

For instance, center-based infant care ranges in price from:
- $2 per month in Livingston Parish
- $505 per month in West Feliciana Parish

Receiving subsidies results in much lower out-of-pocket costs for families.
Families with very low incomes, children experiencing homelessness, and families receiving TANF are exempt from copayments.

Families that don’t receive subsidies pay significantly higher costs.

Find more information on child care prices by age and care setting in your state or county here.

In Louisiana, a family receiving a CCDBG subsidy pays between
- $2 - $3 out-of-pocket per month

Families that don’t receive subsidies pay significantly higher costs.

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For instance, center-based infant care ranges in price from:
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