



Oregon

Tina Kotek, Governor



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Greetings Rulemaking Advisory Committee Participants,

Thank you for sharing your time and expertise with us through the Employment Related Day Care (ERDC) Rules Advisory Committee (RAC). You will be providing input on the proposed changes to the administrative rules pertaining to Employment Related Day Care (ERDC). There will be one meeting which will be held via Zoom.

Meeting Preparation:

To support a productive conversation, we kindly ask that you review the draft rule language prior to the meeting. Your perspective and insights are important, and taking time to read through the materials in advance will help ensure thoughtful discussion during our time together.

Compensation:

Committee members will receive **\$50 per meeting** in recognition of the time and thoughtful input you are providing. Additional information about compensation will be shared at the RAC meeting.

Dates and time for the RAC:

Wednesday, October 15th, 6:00 – 7:00pm

- Join ZoomGov Meeting:
<https://www.zoomgov.com/j/1605909072?pwd=w21QlX4HQFH5YKnv1LbouY2XO5M058.1>
- Meeting ID: 160 590 9072

AGENDA

Topic	Time
1. Welcome and Attendance	5 mins
2. Review Group Norms	5 mins
3. Overview of OAR Updates Effective January 1, 2026: <ul style="list-style-type: none">414-175-0010: Waitlist for ERDC414-175-0024: Verification Requirements414-175-0030: General Financial Eligibility	40 mins

***The Mission** of the Department of Early Learning and Care fosters coordinated, culturally appropriate, and family-centered services that recognize and respect the strengths and needs of all children, families, and early learning and care professionals. **Our Vision** is that all children, families, early care and education professionals, and communities are supported and empowered to thrive.*



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<ul style="list-style-type: none">• 414-175-0075: Child Care Provider Eligibility Standards, Payment Rates, Payment Limits, and Payable Hours• 414-175-0076: High Needs Child Care Payments	
4. Closing Comments <ul style="list-style-type: none">• Reimbursement Process Reminder• Public Comment and Hearing Reminder	5 mins

RAC Committee Roster

Name	Organization/Affiliation	Region (City or County)
Natasha Ilys	211Info	Portland
Anne-Marie Holloway	Child Care Provider	Merlin
Yessie Verbena	Child Care Provider	Medford
Michelle Salinas	Child Care Provider	Salem
Ivy Major-McDowall	Family Forward, Child Care for Oregon Coalition	Portland
Vanessa Broadley	South Coast Regional Early Learning Hub	Coos Bay
Lori Kaiser	Quality Care Connections	Eugene
Florinda Moreno Ovando	Child Care Provider	Portland
Mayra Derma	Child Care Provider	Salem
Anneliese Sheahan	CCPT Local 132	Gladstone
Lisa Duffield	CCPT Local 132	Beaverton
Brittany Piazza	Child Care Provider	Portland

If you have questions, please reach out to Jennifer Heras, jennifer.j.heras@delc.oregon.gov

Encl:

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Oregon Department of
**Early Learning
and Care**

Proposed Rule Changes for Employment Related Day Care (ERDC)

October 2025



Agenda

- Welcome and Attendance
- Review of Group Norms
- Overview of OAR Updates Effective January 1, 2026
- Closing Comments and Thank You



Group Norms

- Bring an equity-driven perspective and approach
- Center children, families, and early learning professionals
- Stay curious and welcome other points of view
- Seek first to understand, then to be understood
- Stay present
- Be respectful with your words
- Be aware of the power and privilege within this group
- Start and stop on time



Summary of Changes

Effective date of changes: January 1, 2026

- 414-175-0010: Waitlist for ERDC
- 414-175-0024: Verification Requirements
- 414-175-0030: General Financial Eligibility
- 414-175-0075: Child Care Provider Eligibility Standards, Payment Rates, Payment Limits, and Payable Hours
- 414-175-0076: High Needs Child Care Payments



414-175-0010: Waitlist for ERDC

Purpose/Background

- OAR 414-175-0010 defines the ERDC waitlist, which monitors the number of families added to the caseload and identifies which applicants are subject to the waitlist and which populations are exempt.

Reason for Change

- Currently, when the waitlist is activated, all exemption criteria apply. The rule is being updated to allow DELC to determine which exemptions apply when the waitlist is active, providing greater flexibility to manage exemption criteria in line with available funding.

Impacts of Change

- There may be a fiscal impact to the agency if fewer exemptions are available, as this could reduce overall program costs. Families applying for ERDC may be affected if they are not able to bypass the waitlist under certain exemptions.



414-175-0024: Verification Requirements

Purpose/Background

- OAR 414-175-0024 outlines verification requirements for ERDC, specifying required documentation to determine eligibility. It clarifies acceptable verification forms, including medical documentation, and when self-attestation is allowed.

Reason for Change

- This rule is being updated to clarify that Special Needs Age (SNA) must be verified at both application and renewal, clarify that self-attestation only applies for SNA in cases of “other circumstances” and it moves SNA/Special Needs Rate (SNR) verification requirements into this new verification requirements rule.

Impacts of Change

- These clarifications align with current practices and ONE system functionality, with no service delivery or fiscal impacts for the agency, families, or providers.



414-175-0030: General Financial Eligibility

Purpose/Background

- OAR 414-175-0030 outlines the general financial eligibility requirements for families applying for or receiving ERDC.

Reason for Change

- The rule is being updated to add Medical Saving Accounts (MSA), Health Reimbursement Arrangements (HRA), and Health Savings Accounts (HSA) as additional examples of income types that must be considered when determining the availability of income and when defining types of earned income. Previously, only Flexible Spending Accounts (FSA) were listed. This change aligns ERDC rules with ODHS program rules for consistency.

Impacts of Change

- There is no fiscal impact, as the update only clarifies examples. It improves program delivery by providing clearer, more consistent guidance through alignment with current processes, ONE system functionality, and ODHS rules.



414-175-0075: Child Care Provider Eligibility Standards, Payment Rates, Payment Limits, and Payable Hours

Purpose/Background

- OAR 414-175-0075 outlines the eligibility standards, payment rates, limits and hours for families and child care providers.

Reason for Change

- Moving SNR verification requirements to OAR 414-175-0024. Updating SNR language for clarity (changing “the norm” to “typically expected”) along with other language updates that do not change policy.
- Updating rule to reflect 2026 child care provider rates. For now, only the effective date in the rule will be updated; the rate table PDF will be revised once bargaining is complete.
- Updating commute time language from “two hours per day” to “25 percent” to provide more accurate wording.

Impacts of Change

- The SNR/SNA and commute time updates have no fiscal impact and align with current process and ONE system functionality. Provider rate updates will increase program costs, but may improve family access by encouraging more providers to participate in ERDC.



Oregon Department of
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414-175-0076: High Needs Child Care Payments

Purpose/Background

- OAR 414-175-0076 outlines the calculation of the supplemental high needs payment. The payment is added to the base special needs payment to account for additional care and supervision required due to a child's physical, mental, or behavioral condition.

Reason for Change

- Moves existing eligibility language for the supplemental high needs payment from OAR 414-175-0075 to this rule to consolidate related requirements. Adds a requirement for a written plan dated within the last 12 months, with flexibility when updates are delayed by the program. Requires the Department to review the supplemental payment determination at least annually.

Impacts of Change

- There is no fiscal impact, as the payment methodology remains the same. The update aligns the rule with current process and ONE system functionality by clarifying eligibility criteria, annual review requirements, and documentation standards. It also reduces the risk of issuing high needs (HN) payments in error when documentation is outdated, missing, or insufficient.



Oregon Department of
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Next Steps & Timeline



ERDC rules presented to Early Learning Council (ELC) for review	November 19, 2025
RAC meeting ★	October 15, 2025
Public Hearing: ERDC Rules	November 12, 2025 (5-6pm)
Public Comment Period Ends	November 28, 2025 (5PM)
ERDC rules presented to Early Learning Council for vote	December 10, 2025
ERDC rules amendments effective <i>(if passed)</i>	January 1, 2026



ERDC January 2026 Bundle

Rule Changes:

- 414-175-0010: Waitlist for ERDC
- 414-175-0024: Verification Requirements
- 414-175-0030: General Financial Eligibility
- 414-175-0075: Child Care Provider Eligibility Standards, Payment Rates, Payment Limits, and Payable Hours
- 414-175-0076: High Needs Child Care Payments

Proposed Language 414-175-0010 Waitlist for ERDC

(1) Eligibility is subject to the availability of funds. The Department may implement a Child Care Waitlist whenever the Department determines that sufficient funding is not available to sustain benefits for all of the applicants requesting ERDC benefits.

~~(2) With reasonable notice, the Department may activate or deactivate one or more of the exemption criteria in Section 3 of this rule based on available program funding. Only exemption criteria that is the Department has noticed are active and in effect at the time of the application may be used to determine whether an applicant is not subject to the placement on the Child Care Waitlist.~~

~~(2)~~ (3) The following applicants are subject to placement on the Child Care Waitlist when the Child Care Waitlist is in effect. New applicants will be placed on the Child Care Waitlist for ERDC unless any member of the ERDC filing group meets at least one active exemption listed in the following paragraphs:

(a) Received a partial or full month of cash benefits from the Refugee (REF), State and Family Pre-SSI (SFPSS), or Temporary Assistance to Needy Families (TANF) programs in the state of Oregon in at least one of the preceding three months.

(b) Determined eligible for, and being placed in, a current opening in a

Head Start program contracted slot, an Early Head Start Child Care Partnership contracted slot, or a Baby Promise program contracted slot.

(c) The caretaker is currently working with Child Welfare as part of a Child Protective Services (CPS) assessment or open case and Child Welfare has determined the use of child care will:

- (A) Prevent removal of the child from their home;
- (B) Allow a child to be returned home; or
- (C) Allow for placement of the child with a relative or with an adult whom the child or the family of the child has an established relationship.

(d) Determined eligible for Temporary Assistance for Domestic Violence Survivors (TA-DVS) program benefits from the state of Oregon in the current month or at least one of the preceding three months.

(e) Was part of an ERDC filing group with a break in ERDC benefits of no more than two consecutive calendar months.

(3 4) When the Child Care Waitlist is in effect, the Department must place all applicants who are subject to the Child Care Waitlist under section (2) of this rule on the Child Care Waitlist for future selection. The Department sends these applicants a decision notice of ineligibility for the ERDC program.

(4 5) Each month, on the basis of an estimate of available funds, an appropriate number of individuals from the Child Care Waitlist are selected on a first-in and first-out basis and invited to apply for ERDC.

(5 6) After an individual is selected from the Child Care Waitlist, the individual must establish a date of request no later than 45 days after the date on the selection letter. The individual may request child care benefits from the Department:

- (a) Without completing a new application, when the previous application is within 45 days of its date of request; or
- (b) By submitting a new application for child care benefits to the Department in accordance with OAR 414-175-0005.

(6 7) The processing time frame for the ERDC application is the same as that specified in OAR 414-175-0005, except that:

- (a) If the Department does not receive a request for benefits within the

deadline to apply, the individual is dropped from the Child Care Waitlist.

(b) An individual who requests benefits after the 45-day deadline to apply (see section (5) of this rule) will be returned to the Child Care Waitlist.

Proposed Language [414-175-0024](#) Verification Requirements

414-175-0024

Verification Requirements

(1) Methods of verifying information include the following:

(a) Electronic: Information available and provided to the Department by worker-initiated verification through system access. Electronic verification is the preferred method when information is available.

(b) Self-attestation: Information provided orally or in writing by or on behalf of an individual. Self-attestation is only accepted where indicated below and no other method is required.

(c) Documentation: Documentary evidence provided by or on behalf of an individual or obtained by the Department from a third party. Documentation is required whenever electronic verification is not available and self-attestation is not allowed. Medical documentation must be written and must contain all the following:

(A) A diagnosis in medical terminology, including an explanation of whether the impairment limits the individual's ability to perform normal functions and, if so, how.

(B) A prognosis, including an expected recovery time frame.

(C) Clinical findings from physical examination, psychiatric evaluation, X rays, or a laboratory procedure, including specific data supporting diagnosis of a condition that causes disability, either on a medical or psychiatric basis.

(2) Acceptable forms of medical documentation include:

(a) ~~Evaluations from the following medical sources: m~~Medical evaluations ~~only~~ from licensed physicians, ~~including~~ psychiatrists, osteopaths, nurse practitioners, physician assistants, and ophthalmologists.

(b) Vision assessments ; ~~mental evaluations only from psychiatrists and licensed or certified psychologists; and measurement of visual acuity and visual fields only~~ from ophthalmologists and licensed optometrists.

(bc) Mental health evaluations from psychiatrists, licensed or certified psychologists, and psychiatric mental health nurse practitioners. ~~Supplemental medical and vocational information to augment evaluations from acceptable medical sources, from a licensed social worker, licensed physical or occupational therapist, or licensed nurse practitioner.~~

(ed) Supplemental medical and vocational information to augment evaluations from acceptable medical sources, from a licensed social worker, licensed physical or occupational therapist, or licensed nurse practitioner. ~~Medical evaluations from licensed nurse practitioners and physician assistants; and mental evaluations from psychiatric mental health nurse practitioners.~~

(3) The following information must be verified at initial application, recertification, and whenever eligibility for benefits becomes questionable, except as outlined in sections 4, 5 and 6.

(a) Countable income

(b) Special Needs Rate such that a request for the higher rate must be received and the disability must be verified by one of the following:

(A) A physician, nurse practitioner, clinical social worker, or any additional sources in section 2 of this rule.

(B) Eligibility for Early Intervention and Early Childhood Special Education Programs, or school-age Special Education Programs.

(C) Eligibility for SSI.

(c) Identity of the caretaker(s)

(d) Resources: self-attestation is allowable

(e) Child care need

(f) Second caretaker unable to provide adequate care

(g) Need for care of child(ren) age 13 or older at the time of application or recertification ~~: self-attestation is allowable~~ must be verified by one of the following:

(A) A clinical social worker or any additional sources in section 2 of this rule.

(B) A child's eligibility for SSI

(C) A child being under court supervision

(D) A child's eligibility for foster care payments

(E) Other unique circumstances where the child's safety or the caretaker's ability to work or participate in authorized activities will be significantly compromised if child care is not approved: self-attestation is allowed.

(h) Eligibility for priority processing: self-attestation is allowable.

(i) Caretaker's schedule: self-attestation is allowable.

(j) Immunizations:

(A) Reporting that immunizations are up to date: self-attestation is allowable.

(B) Reporting that an immunization series has started or that requirements are met due to having the medical or non-medical exemption form: documentation is required.

(k) Payment of an unpaid copay

(l) Head Start enrollment

(m) Authorized Medical Leave

(A) Parental leave:

(i) Up to 3 months: self-attestation is allowable.

- (ii) More than 3 months: medical documentation is required.
- (B) Medical leave for any other reason: medical documentation is required.
- (4) The following information must be verified during a certification period:
 - (a) A change in income:
 - (A) A decrease in income to reduce the copay.
 - (B) An increase in income due to a new filing group member entering the home.
 - (C) Income over the income limits in OAR 414-175-0050: self-attestation is allowable.
 - (b) An increase in child care hours: electronic verification or documentation is required.
- (5) For filing groups categorically eligible for ERDC, self-attestation is allowed except as outlined in subsection (3)(j)(B).
- (6) For filing groups categorically eligible under Expanded Child Welfare (EXP CW), self-attestation is allowed for child care need, hours and income.

Proposed Language 414-175-0030 General Financial Eligibility

- (1) General Financial Eligibility Provisions
 - (a) An available asset, either income or a resource, is categorized as either excluded or countable.
 - (b) Excluded assets are identified in the rules in this chapter and are not considered when an individual's eligibility and benefit level are determined.
 - (c) An available asset not specifically excluded is countable, and its value is used in determining the eligibility and benefit level of an individual.
 - (d) An asset may not be counted as a resource and as income in the

same month.

- (e) The treatment of a check is based on the source of the funds.
- (f) If an asset is converted to other uses, the asset is treated under the other applicable rules.

(2) Resources

(a) Jointly-owned resources are available to members of a financial group only to the extent they own the resource. For the purposes of this section, “liquid resources” means cash as well as other resources that can be converted to cash within 20 business days.

(b) A resource is not available to an individual in the financial group in each of the following situations:

(A) The individual has a legal interest in the resource, but the resource is not in the individual’s possession and the individual is unable to gain possession of it.

(B) The resource is jointly owned with others not in the financial group who are unwilling to sell their interest in the resource, and the individual’s interest is not reasonably saleable.

(C) The individual verifiably lacks the competence to gain access to or use the resource and there is no legal representative available to act on the individual’s behalf.

(D) The individual is a victim of domestic violence and:

(i) Attempting to use the resource would subject the individual to risk of domestic violence; or

(ii) The individual is using the resource to avoid the abusive situation.

(c) A resource is not considered available during the time the owner does not know he or she owns the resource.

(d) If a resource is subject to an early withdraw penalty, the amount of the penalty is not available.

(3) Determining Availability of Income

(a) Income is considered available the date it is received or the date a individual in the financial group has a legal right to the payment and the legal ability to make it available, whichever is earlier, except as follows:

(A) Income usually paid monthly or on some other regular payment schedule is considered available on the regular payment date if the date of

payment is changed because of a holiday or weekend.

(B) Income withheld or diverted at the request of an individual is considered available on the date the income would have been paid without the withholding or diversion.

(C) An advance or draw of earned income is considered available on the date it is received.

(D) Income that is averaged, annualized, converted, or prorated is considered available throughout the period for which the calculation applies.

(E) A payment due to a member of the financial group, but paid to a third party for a household expense, is considered available when the third party receives the payment.

(F) In prospective budgeting, income is considered available in the month the income is expected to be received.

(b) The following income is considered available even if not received:

(A) Deemed income.

(B) The portion of a payment from an assistance program, such as public assistance, unemployment compensation, or Social Security, withheld to repay an overpayment.

(c) The amount of income considered available is the gross before deductions, such as garnishments, taxes, or other payroll deductions including [Flexible Spending Accounts \(FSA\)](#), [Medical Savings Accounts \(MSA\)](#), [Health Reimbursement Arrangements \(HRA\)](#), and [Health Savings Accounts \(HSA\)](#).

(d) The following income is not considered available:

(A) Wages withheld by an employer in violation of the law.

(B) Income received by another individual who does not pay the individual their share.

(C) Income received by an individual in the financial group after the individual has left the household.

(D) Moneys withheld from or returned to the source of the income to repay an overpayment from that source unless the repayment is countable under subsection (3)(a) of this rule.

(E) For an individual who is not self-employed, income required to be

expended on an ongoing, monthly basis on an expense necessary to produce the income, such as supplies or rental of work space.

(F) Income received by the financial group but intended and used for the care of an individual not in the financial group as follows:

(i) If the income is intended both for an individual in the financial group and an individual not in the financial group, the portion of the income intended for the care of the individual not in the financial group is considered unavailable.

(ii) If the portion intended for the care of the individual not in the financial group cannot readily be identified, the income is prorated evenly among the individuals for whom the income is intended. The prorated share intended for the care of the individual not in the financial group is then considered unavailable.

(G) Income controlled by the individual's abuser if the individual is a survivor of domestic violence, the individual's abuser controls the income and will not make the money available to the filing group, and the abuser is not in the individual's filing group.

(4) Treatment of Excluded Assets

(a) Excluded income remains excluded so long as it is kept in a separate account and not commingled with other funds.

(b) Excluded income that is commingled in an account with funds not excluded remains excluded for six months from the date it is commingled, after which it is counted as a resource.

(5) Periodic income is averaged over the applicable period.

(6) Lump sum income is excluded.

(7) Income received from an illegal activity as defined in OAR 414-175-0002 is considered countable income.

(8) Individuals applying for ERDC are not required to make a good faith effort to obtain any asset to which the individual has a legal right or claim.

(9) Earned income is income received in exchange for an individual's physical or mental labor. Earned income includes all of the following:

(a) Compensation for services performed, including wages, salaries, commissions, tips, sick leave, vacation pay, draws, or the sale of blood or plasma.

- (b) Income from on-the-job-training, paid job experience, and JOBS Plus work experience.
- (c) In-kind income, when an individual is an employee of the person providing the in-kind income and the income is in exchange for work performed by the individual, or when received as compensation from self-employment.
- (d) For self-employment, gross receipts and sales, including mileage reimbursements, before costs.
- (e) Cafeteria plan benefits that an employee takes as cash, and funds placed in a [Flexible Spending Account \(FSA\)](#), [Medical Savings Accounts \(MSA\)](#), [Health Reimbursement Arrangements \(HRA\)](#), and [Health Savings Accounts \(HSA\)](#).
- (f) Income from work-study.
- (g) Income from profit sharing that the individual receives monthly or periodically.
- (h) The fee for acting as an individual's representative payee, when that individual is not included in the filing group.
- (i) The income a principal earns working for a corporation, unless the individual can be considered self-employed.

Proposed Language [414-175-0075](#) Child Care Provider Eligibility Standards, Payments Rates, Payment Limits, and Payable Hours

- (1) The following definitions apply to the rules governing child care rates:
 - (a) Infant: For all providers other than licensed (registered or certified) care, a child aged newborn to 1 year. For licensed care, an infant is a child aged newborn to 2 years.
 - (b) Toddler: For all providers other than licensed (registered or certified)

care, a child aged 1 year to 3 years. For licensed care, a toddler is a child aged 2 years to 3 years.

(c) Preschool: A child aged 3 years to 6 years.

(d) School: A child aged 6 years or older.

(e) Special Needs Rate (SNR): A child who meets the age requirement of the program and who requires a level of care over and above ~~the norm~~what is typically expected for their age due to a physical, behavioral, or mental disability. The disability must be verified in accordance with 414-175-0024.
~~by one of the following:~~

~~(A) A physician, nurse practitioner, clinical social worker, or any additional sources in OAR 414-175-0024.~~

~~(B) Eligibility for Early Intervention and Early Childhood Special Education Programs, or school-age Special Education Programs.~~

~~(C) Eligibility for SSI.~~

(2) The following definitions apply to the types of care specified in the child care rate charts in subsections (4)(a) through (4)(c) of this rule:

(a) The Standard Family Rate applies to child care provided in the provider's own home or in the home of the child when the provider does not qualify for the enhanced rate allowed by subsection (b) of this section.

(b) The Enhanced Family Rate applies to child care provided in the provider's own home or in the home of the child when the provider meets the training requirements of the Oregon Registry, established by the Oregon Center for Career Development in Childhood Care and Education.

(c) The Registered Family Rate applies to child care provided in the provider's own home when the provider meets criteria established by the Child Care Licensing Division.

(d) The Certified Family Rate applies to child care provided in a residential dwelling that is certified by the Child Care Licensing Division as a Certified Family Home. To earn this designation, the facility must be inspected, and both provider and facility are required to meet certain standards not required of a registered family provider.

(e) The Standard Center Rate applies to child care provided in a facility that is not located in a residential dwelling and is exempt from Child Care Licensing Division Certification rules.

(f) The Enhanced Center Rate applies to child care provided in an exempt center whose staff meet the training requirements of the Oregon Registry established by the Oregon Center for Career Development in Childhood Care and Education. Eligibility to receive the enhanced center rate for care provided in an exempt center is subject to the following requirements:

(A) A minimum of one staff member for every 20 children in care must meet the Oregon Registry training requirements noted in subsection (b) of this section.

(B) New staff must meet the Oregon Registry training requirements within 90 days of hire, if necessary to maintain the trained staff-to-children ratio described in paragraph (f)(i) of this subsection.

(C) There must be at least one person present where care is provided who has a current certificate in infant and child CPR and a current American Red Cross First Aid card or an equivalent.

(g) An enhanced rate will become effective not later than the second month following the month in which the Department receives verification that the provider has met the requirements of subsection (b) or (f) of this section.

(h) The Certified Center Rate applies to child care provided in a center that is certified by the Child Care Licensing Division or participating in the Alternative Pathway program through the Child Care Licensing Division.

(3) The following provisions apply to child care payments:

(a) Providers not eligible for the enhanced or licensed rate will be paid at an hourly rate for children in care less than 158 hours per month subject to the maximum full-time monthly rate.

(b) Providers eligible for the enhanced or licensed rate will be paid at an hourly rate for children in care less than 136 hours a month, unless the provider customarily bills all families at a part-time monthly rate subject to the maximum full-time monthly rate and is designated as the primary provider for the case.

(c) At their request, providers eligible for the enhanced or licensed rate may be paid at the part-time monthly rate if they provide 63 or more hours of care in the month, customarily bill all families at a part-time monthly rate,

and are designated as the primary provider for the case.

(d) Unless required by the circumstances of the caretaker or child, the Department will not pay for care at a part-time monthly or a full-time monthly rate to more than one provider for the same child for the same month.

(e) The Department will pay at the hourly rate for less than 63 hours of care in the month subject to the maximum full-time monthly rate.

(f) The Department will pay for absent days each month the child is absent. Absent days can be billed if:

(A) It is the provider's policy to bill all families for absent days; and

(B) The child was scheduled to be in care, the provider bills for the amount of time the child was scheduled to be in care, and the child has not been absent for a calendar month.

(g) Child care providers are eligible to receive an incentive payment upon achieving and maintaining a three star or higher rating with the Quality Rating Improvement System (QRIS), or SPARK program, subject to all of the following provisions.

(A) The incentive payment is in addition to the Department maximum rate.

(B) A provider may receive an incentive payment for any ERDC child that the Department paid the provider for full-time care (136 hours or more).

(C) Providers who are contracted for child care services through the ERDC program are not eligible to receive incentive payments, with the exception of Early Head Start providers.

(D) Eligibility for the incentive payment is effective the month after the QRIS rating has been achieved.

(E) The incentive payment amount is based on the provider's star QRIS rating as follows:

(i)	Star Rating.....	Amount
(ii)	3.....	\$54
(iii)	4.....	\$72
(iv)	5.....	\$90

(h) Child care providers eligible for the licensed rate may receive payment from the Department for registration and other fees if they are

required by the facility for a child to begin or continue care and the fees are also required of the general public. Fees related to penalties, fines, charges exceeding approved ERDC hours or rates (see section (4) of this rule), or advance payment for cost of care are not eligible for payment.

(A) Child care providers are eligible to receive an additional payment from the Department of 9% of the payment issued for a billing form when all the following are met:

(i) A home-based provider's billing form was processed more than 4 business days after the completed billing form was received by the Department or a center-based provider's billing form was processed more than 7 business days after the completed billing form was received by the Department,

(ii) The provider initiated the request for the additional payment within 30 calendar days of the payment being processed,

(B) Providers request the additional payment using the Department's request process, and

(C) The payment was processed outside the timeframe indicated in subparagraph (A) of this paragraph (i) under circumstances other than exceptional circumstances. "Exceptional circumstances" means circumstances beyond the reasonable control of the Department including:

(i) State declared natural disaster,

(ii) System outages or failure that prevents payment issuance, or

(iii) A cause that originated outside the Department that the Department could not prevent.

(4) Effective January 1, 202⁶⁴, the following are the child care rates based on the type of provider, the location of the provider (shown by zip code), the age of the child, and the type of billing used (hourly or monthly):

(a) [see attached table]

(b) [see attached table]

(c) [see attached table]

(5) OAR 414-175-0050 establishes ERDC allowable child care cost, and

the copay calculation, except for child care under a contract between a Head Start agency and the Department, which is covered under OAR 414-175-0105.

(6) Subject to the provisions in section (9) of this rule, the monthly limit for each child's child care payments is the lesser of the amount charged by the provider or providers and the following amounts:

(a) The monthly rate provided in section (4) of this rule.

(b) The product of the hours of care, limited by section (8) of this rule, multiplied by the hourly rate provided in section (4) of this rule.

(7) The limit in any month for child care payments on behalf of a child whose caretaker is away from the child's home for more than 30 days because the caretaker is a member of a reserve or National Guard unit that is called up for active duty is the lesser of the following:

(a) The amount billed by the provider or providers.

(b) The monthly rate established in this rule for 215 hours of care.

(8) The number of payable billed hours of care for a child is limited as follows:

(a) The total payable hours of care in a month may not exceed the amounts in paragraphs (a)(A) or (B) of this subsection:

(A) 125 percent of the number of child care hours authorized under OAR 414-175-0050; or

(B) The monthly rate established in section (4) of this rule multiplied by a factor of not more than 1.5, determined by dividing the number of hours billed by 215, when the caretaker meets the criteria for extra hours under section (10) of this rule.

(b) For a caretaker who earns less than the Oregon minimum wage, the total may not exceed 125 percent of the anticipated earnings divided by the state minimum wage not to exceed 172 hours (which is full time).

(9) The limit in any month for child care payments on behalf of a child whose caretaker has special circumstances, defined in section (10) of this rule, is the lesser of one of the following:

(a) The amount billed by the provider or providers; or

(b) The monthly rate established in section (4) of this rule multiplied by a factor, of not more than 1.5, determined by dividing the number of hours

billed by 215.

(10) The limit allowed by section (9) of this rule is authorized once the Department has determined the caretaker has special circumstances. For the purposes of this section, a caretaker has special circumstances when it is necessary for the caretaker to obtain child care in excess of 215 hours in a month to perform the requirements of their employment or training required to keep current employment, not including self-employment. This is limited to the following situations:

(a) The caretaker's commute time to and from work or education settings exceeds two hours per day 25 percent of the total authorized child care hours.

(b) The caretaker has an overnight shift and care is necessary for both shift hours and sleep hours.

(c) Retroactively effective January 1, 2023, multiple caretakers need care for both shift hours and sleep hours when:

(A) There is overlap in the caretakers' reported hours, and

(B) At least one caretaker works an overnight shift.

(d) The caretaker has a split shift and it is not feasible to care for the child between shifts.

(e) The caretaker consistently works, participates in education hours, or both, more than 40 hours per week.

~~(11) The payment available for care of a child who meets the special needs criteria described in section (1)(e) of this rule is increased in accordance with OAR 414-175-0076, if the requirements of both of the following subsections are met:~~

~~(a) The child requires significantly more direct supervision by the child care provider than normal for a child of the same age.~~

~~(b) The child is enrolled in a local school district Early Intervention or Early Childhood Special Education program or school-age Special Education Program. The enrollment required by this subsection is waived if determined inappropriate by a physician, nurse practitioner, licensed or certified psychologist, clinical social worker, or school district official.~~

~~(1211)~~ Provider payment rates are informed by a cost estimation model

and may include financial incentives as outlined in ORS 329A.500(4)(c)(A)-(G).

[ED. NOTE: To view attachments referenced in rule text, click here for PDF copy.]

Proposed Language 414-175-0076 High Needs Child Care Payments

(1) The supplemental high needs payment is allowable authorized if the child is eligible for the special needs rate outlined in by OAR 414-175-0075(411)(e) and the requirements of the following subsections are met: is calculated by adding the applicable high need payment established by section (4) of that rule to the additional amount determined by this rule.

(a) The child requires significantly more direct intervention by the child care provider than typical for a child of the same age as determined by the Department through an assessment with the family and child care provider input and review of submitted documentation.

(b) The child is enrolled in an Early Intervention or Early Childhood Special Education program or school-age Special Education Program with a written plan that supports the child's need for increased intervention and supervision while in care. The written plan must be dated within the last 12 months. If an updated plan is not available due to program delays, the caretaker must provide documentation that an updated plan is delayed.

(dc) The Eligibility for the supplemental high needs payment must be reviewed by the Department at least once every 12 months from the date of the prior determination.

(2) The supplemental high needs payment additional amount is intended to cover the cost of determined by this rule is allowed in consideration of the additional cost to a child care provider for the additional care and supervision intervention required because of due to a child's physical, mental or behavioral condition. To determine the additional amount supplemental high needs payment, a factor ranging from 0 to 2, determined by this rule is multiplied by:

- (a) \$5.00 for a payment calculated on an hourly basis; or
- (b) \$840 for a payment calculated on a monthly basis.
- (3) The factor used to make the calculation described in section (2) of this rule is determined by first establishing a score for each category listed in section (5) of this rule. The score is established by multiplying a rating and the weight for each category. The weight is given in section (5). The rating is determined as follows:
 - (a) The child's need for care and supervision is assessed and is compared with the needs of other children of the same age, and a rating is determined for each category. The rating is a whole number from zero to ten.
 - (b) Benchmark scores are given in section (5) of this rule for each category using several descriptions of need. The child's level is matched with the benchmark descriptions, and a rating is assigned based on a comparison of the child's needs and the benchmark descriptions. If a child's level of need falls between — or is described in part by — two benchmarks in the rule, an appropriate intermediate rating is assigned based on the benchmarks scores.
- (4) After a score is determined for each category, the scores are added. The sum of the scores is changed to 100 if it is less than 110 and is reduced to 300 if it exceeds 300. The adjusted score is decreased by 100, and the remainder is divided by 100. The result is the factor used in section (2) of this rule.
- (5) The categories, their weights, and standards for their ratings are as follows:
 - (a) Level of medical care — weight is 7:
 - (A) Child requires on-site medical attention by a licensed medical or mental health professional and the child care provider must have specialized training related to the child's medical or mental health needs — rating of 10.
 - (B) The provider must have specialized training related to the child's medical or mental health needs and consults frequently with a medical or mental health professional — rating of 8.
 - (C) Child requires medical attention by an individual who has received

some specialized training related to the child's medical or mental health needs — rating of 4.

(D) Child requires medical attention or monitoring by an individual who has received special instructions from the parent or a service provider related to the child's medical or mental health needs — rating of 1.

(E) Child's needs can be met by staff with general knowledge — rating of zero.

(b) Self-sufficiency with daily tasks — weight is 5:

(A) Child requires total assistance with eating or toileting, such as requiring tube feedings or with special toileting needs, such as ostomy care — rating of 10.

(B) Child requires considerable assistance in eating or toileting — rating of 5.

(C) Child requires only minor assistance with eating or toileting — rating of 1.

(D) Child can take care of daily tasks with very little assistance — rating of zero.

(c) Mobility — weight is 5:

(A) Child is unable to help with positioning or movement, needs frequent repositioning, and the child is difficult to move — rating of 10.

(B) Child can help with transfers, pivoting and position — rating of 5.

(C) Child is able to move independently with minor support — rating of 1.

(D) Child's mobility is similar to other children of the same age — rating of zero.

(d) Communication skills — weight is 6:

(A) Child is unable to communicate needs and wants, and is unable to use alternative communication methods — rating of 10.

(B) Child relies entirely upon alternative methods such as sign language, picture boards, gestures, or facial expressions, to communicate the child's needs or to understand requests made of the child — rating of 8.

(C) Child has limited verbal skills. The child may require one-on-one communication to gain the child's attention, simplify instructions, or to understand the child's speech or gestures. Child may use alternative methods, mentioned in paragraph (B) of this sub-section, as a supplement

to verbal skills — rating of 4.

(D) Child's communication skills are roughly similar to other children of the same age — rating of zero.

(e) Need for monitoring and intervention — weight is 11:

(A) The child must remain within the child care provider's direct view at all times and needs frequent intervention to prevent harm to self or other children — rating of 10.

(B) The child must remain within the provider's direct view at all times but does not need frequent intervention — rating of 7.

(C) Child has behaviors that frequently require adult intervention but are not a threat to the child's or other children's safety — rating of 4.

(D) Child needs assistance to initiate, respond to, or engage in peer interactions that are safe, positive, and appropriate — rating of 2.

(E) Child needs some assistance but generally does well if the assistance is provided — rating of zero.

(f) Cognition and comprehension — weight is 7:

(A) Child is unable to recognize danger, is unable to follow instructions without one-on-one assistance, and has difficulty processing basic sensory information about the environment. This does not include vision or hearing as the primary difficulty — rating of 10.

(B) Child needs to be given one instruction at a time and may need reminders of what was asked in order to complete instruction — rating of 5.

(C) Child is able to understand and solve problems with some special attention — rating of zero.

(g) Other special considerations — weight is 5. There are other considerations relating to the level of supervision required for the child that are not included in the above categories. A rating is determined based on how much more supervision the child needs — because of the other consideration — than other children of the same age.

Statutory/Other Authority: ORS 329A.500

Statutes/Other Implemented: ORS 329A.500

History:

[ELD 11-2023, adopt filed 06/28/2023, effective 07/01/2023](#)

