

## 2018 Home Child Care Enhancement Grant (HCCEG) Information Bulletin 3 – March 19, 2018

*The following provides an update on the Wage Enhancement Grant process in London-Middlesex. Readers are reminded that information is subject to change by the Ministry of Education.*



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Ontario's Ministry of Education introduced a new initiative called the Home Child Care Enhancement Grant (HCCEG) in 2015. They have continued this initiative in 2018. The Home Child Care Enhancement Grant must be provided in addition to other funding sources.

As established by the Ministry:

### 1. **PURPOSE:**

- Support an increase for Private Home Day Care providers contracted with a licensed Home Day Care agency;
- Support greater employment and income security; and
- Support higher quality consistent child care services to support children's learning and development

### 2. **ELIGIBILITY:**

All licensed child care centres or agencies are eligible to apply for the Wage Enhancement Grant.

Beginning in 2018, licensed centres or agencies created in 2018 are eligible to apply for wage enhancement or HCCEG in the year the program begins operations.

#### a) **Full Home Child Care Enhancement Grant:**

To be eligible to receive Full Home Child Care Enhancement Grant of \$20 per day, Home Day Care Providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (excluding the provider's own children, but including privately placed children)
  - Note: The Ministry verbally indicated that a provider must be willing and able to accept children from the licensed home child care agency in place of privately placed children using a licensed space.
- Provide full time services on average (6 hours or more per day); and
- Receive daily fees excluding HCCEG of less than \$250.70 (i.e. \$20 below the cap of \$270.70)

b) Partial Home Child Care Enhancement Grant:

To be eligible to receive the Partial Home Child Care Enhancement Grant of \$10 per day, Home Day Care Providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (excluding the provider's own children, but including privately placed children)
  - Note: The Ministry verbally indicated that a provider must be willing and able to accept children from the licensed home child care agency in place of privately placed children using a licensed space.
- Provide part time services on average (less than 6 hours per day); and
- Receive daily fees excluding HCCEG of less than \$152.42 (i.e. \$10 below the cap of \$162.42)

c) Ministry EDU Supplemental Grant

- In 2018, the Ministry of Education is providing Private Home Day Care agencies with a supplemental grant to support shortfalls related to the HCCEG.
- This supplemental grant is funded at \$50 per eligible provider.

**APPLICATION PROCESS**

- Funding Entitlement is based on 2017 PHDC service provided. For new or anticipated positions in 2018, anticipated PHDC hours worked for the entire year.
- Providers must serve at least one child excluding their own children, but including privately placed children.
  - Eligibility is no longer based on FTE children
- Daily Eligibility rate is now based on level of service (averaging more or less than 6 hours) instead of number of children.
- The daily fee cap for full HCCEG is \$270.70, so in 2018 an eligible provider must have daily fees (excluding year one HCCEG) of less than \$250.70 per day.
- The daily fee cap for partial HCCEG has been raised to \$162.42 per day, meaning an eligible provider must have daily fees (HCCEG) of less than \$152.42 per day to be eligible.
- The Ministry is collecting new Service Data, namely the head count of the number of Private Home Day Care providers who are above the daily cap.

The Home Child Care Enhancement Grant application form will be posted to the City of London website and the County of Middlesex website no later than March 19, 2018. The applications are due **May 4, 2018**, and applications not received or incomplete by **May 4, 2018** will not be eligible to receive Wage Enhancement Grant funding in 2018. **We encourage agencies to submit applications by April 20, 2018 so we can review and request changes if required before the actual deadline.** Agencies that applied for Wage Enhancement in 2017 are required to apply again in 2018.

**3. PAYOUT**

Home Child Care Enhancement Grant funding must be directed solely to Private Home Day Care providers to increase daily income. HCCEG funding cannot be used to support child care system expansion or reduce fees.

Agencies must use HCCEG funding for the intended purpose of providing a daily increase of up to \$20 for eligible licensed Private Home Day Care providers based on current hours of service provided (note: the daily wage increase cannot exceed \$20 per day and the daily cap of \$270.70).

If at any point a Private Home Day Care provider stops serving children, the Home Day Care agency must terminate the transfer of HCCEG funds to the provider.

### **PAY-OUT GUIDELINES**

- In 2018, agencies have the flexibility to pay providers who meet the eligibility guidelines regardless of whether that provider was serving children in 2017.
  - This means an agency can pay a new provider who holds a contract with a licensed Home Child Care Agency and begins serving children in 2018 and serves at least one child (excluding their own) and is below the daily cap.
- In 2018, operators must include HCCEG payments on each pay cheque.