



County of Simcoe
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Issued October 11, 2024

FREQUENTLY ASKED QUESTIONS (FAQ)

in response to the release of

CWELCC COST-BASED FUNDING APPROACH AND GUIDELINE

LICENSED HOME CHILD CARE

Responses provide our current understanding of details related to the question posed and may be subject to updates and/or revisions if/when additional information is provided.

CLARIFICATION OF DEFINITIONS

COST-BASED FUNDING ALLOCATION

Q: 1. Based on the CWELCC Allocation Guideline, I understand the calculation for home child care providers is: $(\$155.02 + \$22.34) * 0.87 + (\$22 * \text{number of children})$. Can you confirm if this calculation is correct for Simcoe County?

A: 1. The CWELCC Cost-Based Funding Approach, includes benchmark allocations which are used to determine a notional Cost-Based Funding Allocation to eligible Home Child Care Agencies. This allocation to the agency is based on the sum of the number of active home child care providers multiplied by the number of planned service days and then multiplied by the HCC provider benchmark of \$155.02. The provider compensation component reflects a notional allocation to the eligible home child care agency and is not intended to direct specific provider payments. The Cost-Based Funding Allocation is calculated using three components, a Program Cost Allocation; plus an Allocation in Lieu of Profit/Surplus; minus the agency's Expected Base Fee



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Revenue Offset. When calculating the estimated base fee revenue, the total number of active home seats expected to be charged that fee is multiplied by the number of service days, which is then subtracted from the sum of the Program Cost Allocation and Allocation in Lieu of Profit/Surplus.

Q: 2. Will the daily compensation of (\$155.02 + \$22.34) be prorated based on the number of children in care? Specifically, will the amount differ if a provider has one child versus the maximum of six children?

A: 2. As indicated in Q & A #1, the provider compensation calculation is determined as one part of the agency allocation. Existing provider payment schedules and structures should continue.

Q: 3. The provider compensation value seems incredibly low - based on 261 days, compensation calculation would be \$40,460.22, adjust for GAF drops to \$35,200. Based on a 10-hour day this works out to a rate of \$13.49/hour. Am I missing something?

A: 3. As indicated in Q & A #1, the provider compensation calculation is determined as one part of the agency allocation. Existing provider payment schedules and structures should continue.

RECONCILIATION – ACTUAL COST-BASED FUNDING

Q: 1. Will the municipality continue providing the HCCEG, General Operating Grant, and Base Funding to home child care providers? If so, what are the expected amounts for each of these grants/funds?

A: 1. Effective January 1, 2025, the HCCEG, General Operating Grant and Home Child Base Funding have been factored into the Cost-Based Funding Approach, developed by the Ministry of Education. The Cost-Based Funding Allocation replaces all previous home child care funding envelopes.



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Q: 2. Is the municipality planning to introduce any new funds for home child care providers? If so, please provide details on these funds and the expected amounts.

A: 2. The Ministry of Education has developed the CWELCC Cost-Based Funding Approach that replaces the previous funding formula. The County of Simcoe in its role as the Service System Manager is responsible for the implementation of the Cost-Based Funding Approach. We are not aware of any additional funding outside of the new Cost-Based Funding Approach.

NEW Questions (as of October 8, 2024):

Q: 1. Now that all funding lines for 0-5 will be combined in the new cost-based funding approach how does that work for us if we receive CWELCC funding from York Region and WEG/HCCCEG AND GOG from Simcoe County?

A: 1. Beginning January 2025, eligible Home Child Care agencies with active homes in more than one service system jurisdiction will receive the CWELCC funding, from the overseeing Service System Manager, to cover all of the agency's active homes, other than new active homes within other ("Secondary") service system jurisdictions after a 'specified date' (for 2025, this specified date is December 31, 2022). For example, A Home Child Care Agency located in Simcoe County would receive their CWELCC funding allocation based on their active homes within the County, as well as outside of the service system jurisdiction, that were in existence prior to December 31, 2022. Active homes in another service system jurisdiction, that opened after December 31, 2022, would be funded through that "secondary" Service System Manager.

Q: 2. Will this cost-based funding approach impact how providers get paid since we will no longer have HCCCEG/GOG?



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A: 2. As indicated in the section above entitled '**Cost-Based Funding Allocation**' under Q & A #1, the provider compensation calculation is determined as one part of the agency allocation. Existing provider payment schedules and structures should continue.