

**Summary of FY 2023 and 2024 Consensus Agreement
for Child Development and Care Caseloads and Costs
May 19, 2023**

*May 2023 Consensus Expenditure Estimates Agreed to by
the State Budget Office, the House Fiscal Agency, and the Senate Fiscal Agency*

Department of Education Estimate for Child Development and Care			
	Current Law	Proposed May 2023 Consensus Estimate	Difference from Current Law
Fiscal Year 2023 Total	\$363,120,000	\$439,200,000	\$76,080,000
Fiscal Year 2024 Total		\$364,500,000	\$1,380,000

For FY 23:

- **CASES:** The state has full recovered from the pandemic, we expect caseloads to trend upwards from 15,766 in FY 22 to 20,000 in FY 23, representing a 26.9% increase.
- **Cost per Case:** We estimate that the costs per case will increase due to all the investments made in the FY 22 budget that have continued as a work project, rising from \$1,699 in FY 22 to \$1,830 in FY 23, representing a 7.7% increase.
- **Overall,** the FY 23 CREC proposal shows an increase of \$76.1 million over the enacted FY 23 budget. Essentially, the cases and costs per case are increasing based on both recent policy revisions and a trend back to pre-2020 program levels. Of the total \$439.2 million, a portion can be supported using remaining work project balances from FY 22 and the remaining would be supported with ongoing funding. Additionally, \$4.6 million GF/GP is needed in FY 23, to maintain matching requirements for the rest of the fiscal year.

For FY 24:

- **CASES:** We expect caseloads to trend upwards from 20,000 to 22,500 in FY 24, a 12.5% increase.
- **Cost per Case:** We estimate that the cost per case will decrease due to a temporary reimbursement rate enhancement ending in FY 23. Cost per case are expected to fall from \$1,830 to \$1,350 in FY 24, representing a 26.2% decrease.
- **Overall,** the CREC proposal shows a decrease of \$74.7 million from FY 23. Essentially, cases will increase based on both recent policy revisions and a trend back to pre-pandemic program levels while costs will decrease more significantly.

Child Development and Care Caseloads and Costs History				
Year	Cases	\$/Case	Total \$/month	Total \$/yr
FY 2018-19	19,536	\$802.81	15,683,949	\$188,207,291
FY 2019-20	18,799	\$874.20	16,416,209	\$196,994,509
FY 2020-21	13,976	\$1,302.00	18,196,288	\$218,355,451
FY 2021-22	15,766	\$1,699.09	26,787,852	\$321,454,235
FY 2022-23 Est.	20,000	\$1,830.00	36,600,000	\$439,200,000
FY 2023-24 Est.	22,500	\$1,350.00	30,375,000	\$364,500,000

