

DEPARTMENT OF HEALTH



PROPOSED CHANGES TO REGULATIONS.

Child Care Assistance Program Provider Rates and Family Contributions.

- 7 AAC 41. Child Care Assistance Program.



PUBLIC REVIEW DRAFT.
July 30, 2026.

COMMENT PERIOD ENDS: September 14, 2026.

**Please see the public notice for details about how to
comment on these proposed changes.**

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted. Complete new sections are not in boldface or underlined.)

Chapter 41. Child Care Assistance Program.

7 AAC 41.012 is amended to read:

7 AAC 41.012. Parents achieving self-sufficiency (PASS). The department has designated its child care assistance program as the Parents Achieving Self-Sufficiency (PASS) program, and has created **five** [THREE] categories of assistance:

(1) PASS I provides child care assistance as a self-sufficiency service under AS 47.27, 7 AAC 45, and this chapter to low income eligible families applying for or receiving Alaska Temporary Assistance Program (ATAP) benefits;

(2) PASS II provides child care assistance under **AS 47.25.001 - 47.25.095** [AS 47.25] and this chapter to low to moderate income eligible families for the first year after ATAP benefits cease, for purposes of transitioning from ATAP;

(3) PASS III provides child care assistance under **AS 47.25.001 - 47.25.095** [AS 47.25] and this chapter to low to moderate income eligible families **whose income is at or below 85 percent of the state median income**, regardless of whether the family has received assistance under PASS I or PASS II;

(4) PASS IV provides child care assistance under AS 47.25.001 - 47.25.095 and this chapter to children receiving child protective services under the Department of Family and Community Services, Office of Children's Services;

(5) PASS V provides child care assistance under AS 47.25.001 - 47.25.095 and this chapter to eligible families whose income is at 86 percent to 105 percent of the state

median income. (Eff. 6/23/2006, Register 178; am 1/5/2017, Register 221; am
____/____/____, Register _____)

Authority: AS 47.25.001

7 AAC 41.025(a) is amended to read:

(a) For purposes of calculating a family's program benefits under 7 AAC 41.345, the program rate for each category of care authorized for a child is established in the department's *Child Care Assistance Program Rate Schedule*, revised as of **June 1, 2026**, [DECEMBER 1, 2021,] and adopted by reference. The rates in the schedule are set out by type of facility licensed under 7 AAC 57 or approved under this chapter, category of care, and geographic area.

7 AAC 41.025(b)(1) is amended to read:

(1) age groups include

(A) infant: birth through **18** [12] months of age;

(B) toddler: **19** [13] months of age through 35 months of age;

(C) preschool-age child: 36 months of age through **five years** [59

MONTHS] of age; and

(D) school-age child:

(i) **six** [FIVE] years of age **and below** [THROUGH] 13 years of age; **or**

(ii) **a minor 13 through 17 years of age who has a developmental disability;**

(Eff. 6/23/2006, Register 178; am 8/31/2008, Register 187; am 3/1/2010, Register 193; am 1/5/2017, Register 221; am 9/11/2017, Register 223; am 10/31/2019, Register 232; am 1/1/2023, Register 245; am ____/____/_____, Register _____)

Authority: AS 47.25.001 AS 47.25.041

Editor's note: A copy of the *Child Care Assistance Program Rate Schedule*, adopted by reference in 7 AAC 41.025, is available from the Child Care Program Office, Department of Health, 3601 C Street, Suite 140, P.O. Box 241809, Anchorage, Alaska 99524-1809. The *Child Care Assistance Program Rate Schedule* also may be viewed through the department's Internet website at <https://health.alaska.gov/media/wsvhl3v3/ccap-rate-schedule.pdf> [HTTP://DHSS.ALASKA.GOV/DPA/PAGES/CCARE].

7 AAC 41.305(a) is amended to read:

(a) The department will or a designee shall determine family eligibility to participate in the child care assistance program under AS 47.25.021, 47.25.031, and this chapter. After a determination of eligibility for a 12-month period, the department will not and a designee may not re-determine family eligibility for that 12-month period, if the family's average monthly income as described in 7 AAC 41.325(b) does not exceed **105** [85] percent of the state median income as described in 7 AAC 41.335(b) for a family of the same size. The department will or the designee shall provide written notice to a family regarding eligibility to participate in the program. The department or a designee may re-determine family eligibility up to 60 days before the end of the family's current 12-month period for a new 12-month eligibility period, **subject to an eligibility reduction for any child who turns 13 years of age during the new period or for**

a minor who has a developmental disability and reaches the age of majority during the new period. The new 12-month eligibility period must begin no sooner than the last day of the current 12-month eligibility period.

(Eff. 6/23/2006, Register 178; am 1/5/2017, Register 221; am 10/31/2019, Register 232; am ____/____/_____, Register _____)

Authority: AS 47.05.010 AS 47.25.021 AS 47.25.031
AS 47.25.001

7 AAC 41.335(a) is amended to read:

(a) To determine the amount the family must contribute toward the eligible cost of care, the department will, or a designee shall, use the department's *Family Income and Contribution Schedule*, revised as of **January 1, 2026**, [FEBRUARY 21, 2022,] and adopted by reference. This amount will be based on family size and income level, and on a sliding fee scale.

7 AAC 41.335(b) is amended to read:

(b) The maximum family monthly income allowed for participation in the program appears in the *Family Income and Contribution Schedule*, adopted by reference in (a) of this section. The maximum family monthly income may not exceed **105** [85] percent of the state's median income (SMI) level developed by the federal government for this state, as periodically published in the **Federal Register** [FEDERAL REGISTER], and adjusted by family size. (Eff. 6/23/2006, Register 178; am 11/1/2010, Register 196; am 1/5/2017, Register 221; am 9/11/2017, Register 223; am 10/31/2019, Register 232; am 1/1/2023, Register 245; am ____/____/_____, Register _____)

Authority: AS 47.05.010 AS 47.25.041 AS 47.25.051
AS 47.25.001

Editor's note: The *Family Income and Contribution Schedule*, adopted by reference in 7 AAC 41.335, is available from the Department of Health, Child Care Program Office, 3601 C Street, Suite 140, P.O. Box 241809, Anchorage, Alaska 99524-1809. The schedule is also available on the department's Internet website at <https://health.alaska.gov/media/4heb442z/ccap-family-income-contributions-schedule-201908.pdf> [HTTP://DHSS.ALASKA.GOV/DPA/PAGES/CCARE].

7 AAC 41.350(a) is amended to read:

(a) Subject to (b) [AND (c)] of this section, a child eligible to participate in the child care assistance program under this chapter is an individual

(1) who is younger than 13 years of age, **or who is a minor who has a developmental disability**;

(2) whose family's income does not exceed **105** [85] percent of the state median income as described in 7 AAC 41.335(b) for a family of the same size, and whose family's assets do not exceed \$1,000,000, as certified by a member of that family under 7 AAC 41.315(c);

(3) who

(A) resides with a parent or parents who are working or attending a job training or educational program; or

(B) is receiving, or needs to receive, protective services and resides with a parent or parents not described in (A) of this paragraph; and

(4) who is

(A) a United States citizen;

(B) a United States national; or

(C) a qualified alien under 8 U.S.C. 1613 and 1641.

7 AAC 41.350(c) is repealed:

(c) Repealed ____/____/_____. (Eff. 6/23/2006, Register 178; am 1/5/2017, Register 221; am 10/31/2019, Register 232; am ____/____/_____, Register _____)

Authority: AS 47.05.010 AS 47.25.001 AS 47.25.095