



Proposed Changes on Child Care Assistance Program, Provider Rates and Family Contributions

Public Comment Received July 30, 2026 – September 14, 2026

On July 30, 2026, the Alaska Department of Health (DOH), Division of Public Assistance, Child Care Program Office (CCPO), posted a [Notice of Proposed Changes on Child Care Assistance Program provider rates and family contributions](#) on the Alaska Online Public Notice System with an archive date of September 15, 2026. Public comment was available through multiple channels including:

- Written public comment was accepted through 5:00 p.m. on September 14, 2026, by email at doh.dpa.public.comments@alaska.gov
- In writing with the mailing address: State of Alaska, Department of Health, Child Care Program Office, Division of Public Assistance, 3601 C Street, Suite 140, Anchorage, Alaska 99503.

An oral hearing was also held by telephone on August 26, 2026, from 12:00 p.m. to 1:00 p.m. No public comments were received during the public hearing. The meeting was attended by seven (7) people: three (3) staff from the Child Care Program Office, and four (4) members of the public who did not comment.

The public comment period closed at 5:00pm on September 14, 2026, with sixteen (16) responses received via email. This document contains the Department of Health's response to the comments received.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #1 From: Wilson Walker, Walker Properties Phase 2 LLC Received: By email on 8/7/2026 via wlw357@msn.com Salutation Ms. Karen Benson, Hopefully all is well with you and your family. My name is Wilson Walker, and I am an Emergency License Home Provider for OCS Office Of Children Services. I am writing to request clarification regarding the Foster Care and Augmented Rates pay chart. As outlined, foster care daily rates are reviewed annually using the following methodology: • The most recent USDA federal poverty guidelines and the "Expenditures on Children by Families" data. • The U.S. Department of Labor Consumer Price Index (CPI) inflation rate calculator. • The Cost of Living (COL) index multiplier for Anchorage, Alaska. • Once the daily base rate is established, a geographic differential is applied for each town in Alaska. While these factors clearly guide the annual review of foster care daily rates, I did not see any proposal or indication of an increase for Emergency Foster Care Home rates. Given the rising cost of living, inflation, and the unique demands placed on emergency homes, I am respectfully requesting clarification on why emergency foster care rates were not included in the proposed adjustments. Additionally, I would like to know whether it is possible for me—and for all foster care providers in Alaska—to receive the detailed methodology used to determine the annual rate adjustments. Specifically, I am requesting access to the following: • The most recent USDA federal poverty guidelines and the "Expenditures on Children by Families" data. • The U.S. Department of Labor CPI inflation rate calculator inputs used. • The Cost of Living (COL) index multiplier for Anchorage, Alaska. • The geographic differential applied once the daily base rate is established. Having access to this information would help providers better understand how rates are calculated and ensure transparency in the process. My personal belief is that this methodology is not being fully reviewed or completed by regular civilians, especially foster care providers. This leads me to another question: how can this information become a mandatory item to be reviewed and filled out at the time each foster provider renews their license?	The Department of Health appreciates your comments regarding emergency foster care rates and the methodology used to establish foster care reimbursement rates. The rates referenced in your email below are administered by the Department of Family and Community Services, Office of Children's Services (OCS), and are outside the scope of the proposed Child Care Assistance Program regulation changes under the Department of Health. Questions and comments regarding foster care reimbursement rates and rate-setting methodology should be directed to: Office of Children's Services OCS State Office 130 Deward Street, Room 406 PO Box 112631 Juneau, AK 99811 Phone: 907-465-3191 Additional OCS foster care contact information and resources are available on the OCS Foster Care Contacts webpage: https://dfcs.alaska.gov/office-of-childrens-services/foster-care/contacts/

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Lastly, I would appreciate guidance on how I can personally obtain or receive the full methodology that the Office of Children's Services uses when determining these rates. <i>Public Comment #1 continued</i> Thank you for your time, attention, and continued support. Respectfully, Wilson Walker Walker Properties Phase 2 LLC South Anchorage Corporate Suites, Vacations Rental, Assisted Living Wilson and Eliomarys Walker (P)907-727-4411 (F)907-688-2233 Cleanliness is our commitment.	

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #2 From: Carsen Ray, Ray's Child Care and Learning Center Received: By email on 8/7/2026 via rayschildcare907@gmail.com Hello Ms. Karen Benson, I wanted to ask how the definition of ages will change for CCAP Rates. Does that mean infants are defined from 0 - 18 months? I just wasn't completely sure I was following the though and wanted to ask. Would 5 years still change to school-age rate? Many 5 year olds do not start kindergarten right when they turn five but I understand that sort of thing needs to be spelled out black and white. 7 AAC 41.025. Program rates is proposed to be changed as follows: Amend to include an updated version of a department document adopted by reference, the Child Care Assistance Program Rate Schedule. Update the age-group definitions used to determine categories of care by revising the age ranges for infants, toddlers, preschool-age children, and school-age children, and address minors with developmental disabilities who are older than school-age. Thank you, Carsen Ray Ray's Child Care and Learning Center (907) 745-4875	The Department of Health appreciates your questions below regarding the proposed changes to the age-group definitions used to determine categories of care and Child Care Assistance Program rates. Under the proposed changes, the infant age category is defined as birth through 18 months, toddler as 19 months through 35 months, preschool-age as 36 months through 71 months, and school-age as six years through 12 years of age. Under the proposed regulations, a child would transition to a school-age category/rate the month following their 6th birthday.
Public Comment #3 From: Sara Lords, Sara Lords Received: By email on 8/10/2026 via sara.m.lords@gmail.com As a member of the public, as well as an employee of the State of Alaska, I would first like to say that the proposed changes would be very helpful to Alaskan families. One thing I would ask the state to consider is elimination mandatory deductions from a families income calculation. As a state employee close to \$1000 per month is deducted from my pay for involuntary contributions. My take home pay is equivalent to that of someone that makes around \$22 per hour. The person that makes \$22 hourly would still qualify for childcare assistance, while I am very close to no longer qualifying due to the states retirement fund. It makes it hard to want to continue to advance in my career for fear of not being able pay for childcare and having to choose between staying home and working.	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Sincerely, Sara Lords	
Public Comment #4 From: Abby Miller, CCS Early Learning Received: By email on 8/10/2026 via amiller@ccsalaska.org Good afternoon! Do the rates on the Child care Assistance Program Rate Schedule Revised June 1, 2026, actually retroactively go back to June 1? If not, when do the rates go into effect? Thanks! -- Abby Miller CCS Early Learning Finance Director 2060 E Industrial Dr. ~ Wasilla, AK 99654 Phone. 907-373-7000 Fax. 907-373-7020 amiller@ccsalaska.org Making a difference in the lives and families of young children within our communities	The Department of Health appreciates your questions regarding the effective date of the proposed Child Care Assistance Program Rate Schedule. The proposed rates will not be applied retroactively to June 1, 2026. The June 1, 2026, date identified on the proposed Child Care Assistance Program Rate Schedule is the revision date of the document and does not represent the effective date of the proposed rates. The proposed rates would become effective following adoption of the proposed regulations. Regulatory effective dates are typically 30 days after adoption; however, the effective date may vary depending on the type and scope of the regulation package.

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Public Comment #5 From: Skywalker Payne, Skywalker Payne Received: By email on 8/12/2026 via annsdaughta@gmail.com Please answer following: One big question: Is the 7% per child? If a family has 3 children in childcare, is the limit still 7% of their monthly income? Or is it 21%? Sincerely, Skywalker Payne Homer, AK	The Department of Health appreciates your question regarding the proposed 7% family contribution limit. The proposed regulations reducing the family copay limit from 9% to 7% applies to the family, not to each individual child receiving child care assistance. If a family has three children receiving child care assistance, the family contribution would be limited to 7% of the family's monthly income; it would not increase to 21% based on the number of children receiving care.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #6 From: Debi Baldwin, Debi Baldwin Received: By email on 8/12/2026 via d.baldwin@mtaonline.net Good Afternoon Ms. Benson, I am contacting you to inquire about more information related to the proposed Child Care Assistance regulation changes. I am looking for the proposed wording of some of the changes. For example, it states one of the proposed changes relates to the age group definitions used to determine categories of care. Can you share what the newly proposed definition is? Also, are the proposed draft copies of the Child Care Program Rate Schedule and the Family Income and Contribution Schedule available to view? I apologize if I have overlooked a link to the proposed wording changes on the Public Notice website. I appreciate your feedback. Thank you in advance for responding to this inquiry. Debi Baldwin d.baldwin@mtaonline.net (907) 444-9324	The Department of Health appreciates your questions below regarding the proposed Child Care Assistance Program regulation changes and the documents associated with the regulation package. Under the proposed changes, the age categories used to determine categories of care are proposed as follows: Infant: Birth through 18 months Toddler: 19 months through 35 months Preschool-age: 36 months through 71 months School-age: Six years through under 13 years of age. The school-age category also includes a minor 13 through 17 years of age who has a developmental disability. These definitions are included at the bottom of the proposed Child Care Assistance Program Rate Schedule. The proposed Child Care Assistance Program Rate Schedule, Family Income and Contribution Schedule, proposed regulation language, and other documents associated with the regulation package are available on the Alaska Online Public Notice System at: https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=224677

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Public Comment #7 From: Gail McBride, Gail McBride Received: By email on 8/12/2026 via gailmcbride@hotmail.com To Whom it May Concern, Recently I have applied for an in-home relative child care provider to care for my great grandson as my granddaughter is preparing to wean her 8 month old and begin working. It was very dismaying to find that I am unqualified for licensing because she and my great-grandson currently live with me. If our taxpayer funded assistance programs are purposed to benefit the child, assist those in need of the assistance toward the goal of self-sufficiency, it is clear this policy is an obstacle not assistance to that end. The best interest of the child and mother is to maintain consistency in their lives as the best support for success toward self-sufficiency. I will have to quit my work to provide care for my great grandson and the small allotment from the relative care provider program will help me. I am making this sacrifice because it is best for both of them. I thought that was the goal of the State of Alaska assistance programs – to provide toward the best for our children and single parents striving to become independent citizens. There is no benefit for my great grandson to have to go to another location to be cared for by people who he doesn't know and are not his family when he can be cared for by a family member who loves him. Please make the reform to change this policy which prevents the best for children and parents as they work to become stable parents. Thank you, Gail McBride Fairbanks, AK 907-750-7656	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

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Public Comment #8 From: Jeff Baker, Little Peoples 1&2 Received: By email on 9/1/2026 via guideofsteel@gmail.com Article 5 Definitions (7 AAC 41.990) Regarding a possible change to the definition of ages, I would like to offer our thoughts. Little Peoples and Little Peoples 2 have been exactly where the rubber meets the road for almost 30 years and as such, I believe our information is very credible. At our childcare program, a child's ability to walk independently is an important factor in determining when the child can safely move from an infant classroom to a toddler classroom. However, the state's current payment classification changes according to age alone. When a child reaches 13 months, the state pays the lower toddler rate even if the child is not yet walking and must remain in the infant's classroom. Many children in our care do not begin walking independently until they are 16 or 17 months old. These children continue to need the environment, close supervision, staffing, and hands-on assistance provided in an infant classroom. Moving them solely because of their age may not be developmentally appropriate or safe. Walking by 12 or 13 months is not universal, and children reach gross-motor milestones at different ages. The CDC's evidence-informed developmental milestone framework recognizes this normal variation. Its milestones are generally placed at ages when at least 75% of children are expected to demonstrate a skill. During the CDC's revision process, 21 of the 31 milestones that were reassigned to a different age were moved to an older age. This supports using a broader, evidence-informed understanding of developmental readiness rather than assuming that every child will walk by 12 or 13 months. The strongest reason for adopting the proposed change is that it would align Child Care Assistance Program reimbursement with Alaska's existing childcare licensing requirements. Under 7 AAC 57.505, children through 18 months are classified as infants, and the required staffing ratio is one caregiver for every five infants. The toddler category and the ratio of one caregiver for every six children begin at 19 months. Under the current payment classification, a provider caring for a child between 13 and 18 months may be required to keep that child in an infant classroom and continue meeting the more costly one-to-five staffing ratio while receiving the lower toddler reimbursement rate. This creates a mismatch between the payment received and the staffing level, classroom placement, and care the provider is required to maintain.	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

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<i>Public Comment #8 continued</i> The Child Care Assistance Program should not reimburse care at a lower toddler rate while licensing standards continue to classify the child as an infant and require infant-level staffing. Providers should be compensated according to the level of care they are required to provide. For these reasons, I respectfully support defining an infant as a child from birth through 18 months, with the toddler classification beginning at 19 months. This amendment would: • Align assistance rates with Alaska's licensing classifications and staffing ratios. • Recognize normal differences in children's developmental timelines. • Allow children who are not yet walking to remain safely in an appropriate classroom. • Compensate providers fairly for the staffing and care they are required to provide. • Promote consistency, safety, and stability for childcare providers, children, and families. Thank you for considering this comment and the practical effect that age classifications and reimbursement rates have on Alaska's childcare providers and the families they serve. Jeff Baker Little Peoples 1&2	

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #9 From: Darby Kaldor, Little Dippers Learning Center Received: By email on 9/1/2026 via littledippersak@gmail.com Hello, My name is Darby Kaldor, I am the current administrator of Little Dippers Learning Center in Skagway. I am writing in favor of the proposed changes to the Child Care Assistance Program (CCAP) regulations. These changes will make a huge impact on many families around the state. It will allow children and families to have access to child care who have not previously had access. It will allow many families who I currently serve to find more financial stability with the cost of childcare no longer being cause for concern. Currently only %17 percent of the families I serve are eligible and on assistance. I know multiple other families who are just above the eligibility limit who would benefit from assistance with childcare. Even just a small increase means food on the table. Childcare is no longer a luxury, it is a necessity for our communities. This will also allow center and home childcare to accept families who previously did not have the funds for childcare. Across the fjord in Haines they have had to shut down their preschool as families could not pay what it cost to have a quality licensed child care center. This is driving young families out of Alaska. With these changes their preschool may be able to reopen providing a much needed service to their community. Adopt the proposed changes so we can keep children and families in Alaska! Darby Kaldor Administrator Little Dippers Learning Center (325)716-9603	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.
Public Comment #10 From: Susannah Lemke, Susannah Lemke Received: By email on 9/1/2026 via stdowds@gmail.com Dear Ms. Benson, I am writing to express my strong support for the Alaska Department of Health's proposal to change regulations regarding child care assistance program provider rates and family contributions under 7 AAC 41.012 and 7 AAC 41.025. Childcare is an essential service, and parents, teachers, and caregivers deserve all possible assistance. This proposal is a step in the right direction. Best regards,	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Susannah Lemke Skagway, AK	
Public Comment #11 From: Colleen Hummel, Registered Voter Received: By email on 9/3/2026 via skierbean@gmail.com Please enter this comment into the record in favor of the change to 7 AAC 41.305. See below: 7 AAC 41.305. Family eligibility determination is proposed to be changed as follows: · Increase the income threshold used during the 12-month eligibility period from 85 percent to 105 percent of the state median income. · Update language to account for the age limit set out in the statutory definition of "child" under AS 47.25.095. Increasing the income threshold for family eligibility determination is a much needed support for working families across Alaska. As wages for early education and day care providers remain low, the industry struggles with high turnover, low levels of training, and even, in many cases, day care providers and preschools closing their doors. The very limited benefits available to working families to help them access high quality early education and care for their children disrupts the state economy, causes out migration, and negatively impacts our local economies across Alaska. Please increase the income threshold as proposed. Thank you for considering this comment. Colleen Hummel, Registered Voter 1560 Westwood Way Fairbanks, AK 99709 907-978-9510	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #12 From: Holly Marban, Executive Director, Mt Edgecumbe Preschool Received: By email on 9/3/2026 via holly@mtedgecumbepreschool.org Hello, I would like to comment on the proposed changes to the regulations regarding child care assistance program provider rates and family contributions, Title 7 of the Alaska Administrative Code. I fully support the proposed change in 7AAC 41.305 (Family Eligibility Determination) to increase the income threshold used during the 12-month eligibility period from 85 percent to 105 percent of the state median income. As the director of a licensed child care facility serving preschoolers ages 3-5 years old, I have witnessed a large number of families express that they cannot afford full preschool tuition, yet they have been denied by the Child Care Assistance Program, as their income is slightly above the current eligibility threshold. The cost of living in Alaska is incredibly high, and so many families struggle to make ends meet despite full-time employment. Please support our working families of young children by increasing the income threshold to 105 percent of the state median income. Thank you for your time and attention. Best regards, Holly Marban -- Holly Marban Executive Director 129 Seward St. Sitka, AK 99835 907 966-2675 phone 907 966-2674 fax www.mtedgecumbepreschool.org	Your comment has been received. The department appreciates your participation in the proposed regulation public comment process

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Public Comment #13 From: Caitlin Jacobson, Parent, Ketchikan Received: By email on 9/7/2026 via caitlinedixon@hotmail.com Dear Child Care Program Office, My name is Caitlin Jacobson and I am a parent in Ketchikan. I am asking the CCPO to: Stop using the Market Rate Survey to set CCAP rates. This approach has resulted in Ketchikan's rates being much lower than those in other Southeast Alaska communities, even though local child care providers face high operating costs. Low reimbursement rates can leave families responsible for unaffordable copayments, force parents to reduce work hours or turn down employment, and make it harder for families to remain in the workforce. Use the funding appropriated by the Legislature last year to increase the monthly child care grants that directly support child care programs. When grants and CCAP payments do not cover the true cost of care, providers may struggle to pay competitive wages, retain qualified staff, maintain adequate staffing levels, and keep classrooms open. These challenges can reduce available child care slots and create long waitlists, leaving Ketchikan families with few reliable options. Fair and adequate CCAP support would help stabilize local child care programs, protect access to care, and support parents who work, attend school, or pursue training. Ketchikan families and providers should not be disadvantaged by a rate-setting method that does not reflect the actual cost of providing care in our community. Please take action on these concerns before the proposed CCAP rate changes are finalized and implemented. I respectfully ask the CCPO to establish rates that reflect Ketchikan's local costs and to direct the appropriated funding toward meaningful increases in monthly child care grants. Thank you for your consideration. Caitlin Jacobson, 5665 S Tongass Ketchikan AK 99901	Good morning, Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #14 From: Russell Dever, Parent, Active Duty US Coast Guard Ketchikan Received: By email on 9/9/2026 via kodiak181@gmail.com Dear Child Care Program Office, My name Russell Dever, and I am a parent and active duty member of the US Coast Guard in Ketchikan. I am asking the CCPO to: 1. Stop using the Market Rate Survey to set CCAP rates. This approach has resulted in Ketchikan's rates being much lower than those in other Southeast Alaska communities, even though local child care providers face high operating costs. Low reimbursement rates can leave families responsible for unaffordable copayments, force parents to reduce work hours or turn down employment, and make it harder for families to remain in the workforce. 2. Use the funding appropriated by the Legislature last year to increase the monthly child care grants that directly support child care programs. When grants and CCAP payments do not cover the true cost of care, providers may struggle to pay competitive wages, retain qualified staff, maintain adequate staffing levels, and keep classrooms open. These challenges can reduce available child care slots and create long waitlists, leaving Ketchikan families with few reliable options. Fair and adequate CCAP support would help stabilize local child care programs, protect access to care, and support parents who work, attend school, or pursue training. Ketchikan families and providers should not be disadvantaged by a rate-setting method that does not reflect the actual cost of providing care in our community. Please take action on these concerns before the proposed CCAP rate changes are finalized and implemented. I respectfully ask the CCPO to establish rates that reflect Ketchikan's local costs and to direct the appropriated funding toward meaningful increases in monthly child care grants. Thank you for your consideration. Russell Dever Ketchikan, AK 907-738-4351	Good morning, Your comment has been received. The department appreciates your participation in the proposed regulation public comment process.

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
Public Comment #15 From: Stephanie Berglund, thread CEO Received: By email on 9/11/2026 via sberglund@threadalaska.org To: Department of Health, Child Care Program Office From: thread Subject: Public Comments on Proposed Child Care Assistance Program Regulations Date: August 28, 2026 Dear Department of Health, On behalf of thread, Alaska’s statewide Child Care Resource and Referral Organization, I appreciate the opportunity to provide comments on the proposed changes to Alaska’s Child Care Assistance Program regulations. thread works directly with thousands of families and early educators each year to improve access to high-quality, affordable child care across the state. thread strongly supports the proposed expansion of family eligibility to 105 percent of State Median Income, the revised approach for PASS IV for children receiving protective services, the addition of PASS V for families between 86 and 105 percent of State Median Income, updated provider rates and age categories, and a family contribution schedule copay capped at 7 percent of income. These changes are meaningful and should move forward. They are particularly important because Alaska has historically had among the lowest utilization of the Child Care Assistance Program (CCAP) in the country, with national estimates showing that only about 7 percent of potentially eligible children receive assistance. Expanding eligibility is an important step, but increasing utilization will also require making the program substantially easier for families to access and for child care providers to participate in. While the proposed changes are significant and meaningful, the current proposal leaves several longstanding administrative barriers largely unchanged. Families can still face a lengthy application and verification process before care is authorized, creating financial uncertainty for families and providers while applications are pending. Providers also face a separate approval process to participate in the Child Care Assistance Program even after meeting state licensing requirements, limiting the number of child care options available to participating families. Additional barriers remain around income calculations, renewals, reporting requirements, and transitions between PASS categories. thread recommends adopting the proposed changes while expanding this work into a broader focus built around a simple goal: one family facing Child Care Assistance Program including	Good morning, Your comments have been received. The department appreciates your participation in the proposed regulation public comment process.

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application for PASS III and PASS V, one eligibility decision, one affordable family payment, a smooth transition between PASS III and PASS V, one annual review, and a significantly simpler pathway for qualified child care providers to participate in the program. <i>Public Comment #15 continued</i> Below you will find thread's comments on the proposed changes and recommendations for a broader regulatory package. Chapter 41. Child Care Assistance Program (7 AAC 41.010 to 7 AAC 41.990) COMMENTS ON THE PROPOSED CHANGES - Expanded eligibility and PASS delivery changes 7 AAC 41.012: Parents Achieving Self Sufficiency; 7 AAC 41.305: Family eligibility determination; 7 AAC 41.335: Family income and contribution schedule; 7 AAC 41.350: Eligible child thread supports increasing the eligibility limit from 85 percent to 105 percent of State Median Income. This will help more working families receive assistance before child care costs force them to reduce work or leave the workforce. thread also supports the proposed shift in delivery for PASS IV, which is critical for foster parents and other caregivers of children in Office of Children's Services custody, and the addition of PASS V for families between 86 and 105 percent of State Median Income. Alaska refers to the full program as Child Care Assistance Program, or CCAP, while PASS terminology is used internally to align with the federal program. Families should experience CCAP as a clear, coordinated benefit, and understand how it ties into the other PASS-related programs. - Program rates and age categories 7 AAC 41.025: Program rates thread supports adopting the revised June 1, 2026 rate schedule and updating the age categories for infants, toddlers, preschool age children, and school age children. Updated rates are essential for maintaining provider participation and giving families a realistic choice of care. These changes also align CCAP age categories with Child Care Licensing, reducing confusion and administrative hardship for providers. thread recommends a regular rate review process that considers current market prices and the true cost of providing care. Rate changes should be implemented automatically and should not require families or providers to submit additional paperwork.	

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<i>Public Comment #15 continued</i> - Family contribution schedule and actual family cost 7 AAC 41.330: Family contribution; 7 AAC 41.335: Family income and contribution schedule; 7 AAC 41.345: Payment of program benefits thread supports the revised contribution schedule and the maximum copay contribution of 7 percent of family income. However, the current regulation separately requires families to pay the difference when a provider charges more than the State program rate. This means a family can make a 7 percent copay contribution and still pay substantially more of their total income for care. thread recommends that provider payment rates continue to be increased and aim to cover the true cost of care. This approach would help ensure providers receive sufficient funding to maintain high-quality services and operate successful businesses. EXPANDED REGULATORY PACKAGE RECOMMENDATIONS - Create a smooth transition from PASS III to PASS V 7 AAC 41.010: Applicability; 7 AAC 41.012: Parents Achieving Self Sufficiency; 7 AAC 41.015: Responsibilities of designees Families transitioning through the PASS programs should have a clear, coordinated Child Care Assistance process. thread recommends that information already submitted be used to support a smooth transition for families going between PASS programs when a family's income changes, without requiring the family to start over or creating an avoidable gap in care or provider payment. For example, thread recommends PASS I continuing to operate through the Alaska Temporary Assistance Program, where Division of Public Assistance case managers can issue assistance without additional child care paperwork. PASS IV should continue to be handled separately through the Office of Children's Services for children in OCS custody. - Complete AKCCIS system improvements and establish a clear implementation timeline 7 AAC 41.305: Family eligibility determination; 7 AAC 41.315: Family application thread encourages the Department to prioritize and adequately support completion of the remaining AKCCIS system improvements, so the system provides its full intended functionality for families, providers, and eligibility staff. The Department should establish and communicate a clear schedule for system improvements, including key milestones and an anticipated completion timeline. A fully functional AKCCIS system should simplify applications, reduce duplicative paperwork, improve electronic document	

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processing, and make it easier for families to apply for and maintain child care assistance. • Simplify family income calculations 7 AAC 41.325: Family income determination thread recommends revising 7 AAC 41.325 to base eligibility and family contributions on a family's adjusted net income rather than gross income, to the greatest extent permitted under federal requirements. Gross income does not always reflect the resources a family has available to support its household or pay for child care, particularly in Alaska, where seasonal employment, self-employment, commercial fishing, and subsistence activities can require substantial necessary expenses. The Department should allow reasonable and documented deductions for expenses necessary to earn income or support subsistence activities, including costs associated with fishing vessels, snowmachines, ATVs, fuel, equipment, maintenance, and other essential infrastructure when applicable. Families with seasonal or variable earnings should also be able to use a representative income period that reflects their typical annual income. Self-employed families should be able to deduct reasonable business expenses and document income through a tax return, bookkeeping statement, or simplified income and expense form. This approach would better reflect the financial resources available to Alaska families while maintaining clear and consistent eligibility standards. • Provide stable, enrollment-based payments 7 AAC 41.035: Enrollment authorization; 7 AAC 41.040: Attendance authorization; 7 AAC 41.345: Payment of program benefits thread recommends that payments be made prospectively and based on enrollment rather than requiring providers and families to continually reconcile care against attendance. Enrollment-based payments would better protect continuity of care during routine absences, school breaks, illness, or temporary changes in a parent's schedule. Stable payment supports continuity of care for children, makes it more practical for providers to participate, and reduces billing disputes for families and programs.	

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<i>Public Comment #15 continued</i> • Provide temporary authorization while applications are pending 7 AAC 41.305: Family eligibility determination; 7 AAC 41.315: Family application; 7 AAC 41.340: Child care authorization thread recommends establishing a temporary or presumptive authorization process for families whose applications are pending. Child Care Assistance generally provides stability once eligibility is determined, and care is authorized for the 12-month certification period. The greater risk occurs during the application process, when a provider may be providing care or holding a child care space without assurance that the family will ultimately receive assistance. Alaska should allow temporary authorization when a family appears likely to qualify and has provided the minimum information necessary to establish preliminary eligibility. This would allow care to begin while remaining documentation or verification is completed and would protect both families and providers from unexpected financial liability caused by processing delays. If the family ultimately does not qualify, providers should not bear the cost of care provided in good faith during an approved temporary authorization period. • Improve notices and prevent closures caused by paperwork 7 AAC 41.405: Notice of proposed action; 7 AAC 41.415: Determination of incorrect payment of program benefits; 7 AAC 41.420: Incorrect payment of program benefits Families should continue to receive required written notices by mail, with additional communication through email, online portal, phone, or other available methods when helpful. thread recognizes that eligibility staff already send detailed notices and make additional efforts to reach clients. Before denying or closing a case, thread recommends continuing strong outreach, clearly identifying missing information, and providing a reasonable opportunity to correct it. Program integrity resources should focus on fraud and intentional violations rather than minor paperwork problems. Conclusion thread strongly supports the proposed eligibility expansion, revised PASS IV delivery approach, new PASS V higher income pathway, updated rate schedule, revised age categories, and the 7 percent family copay contribution schedule. These changes will make assistance available to more Alaska families and should be adopted.	

PUBLIC COMMENT	DEPARTMENT OF HEALTH RESPONSE
<i>Public Comment #15, Continued</i> At the same time, expanding eligibility without simplifying and improving the overall CCAP processes will leave many families unable to access or maintain the benefit. thread recommends a broader regulatory and policy review that supports a smooth transition between pass programs, simplifies verification and reporting, protects continuity of care, and ensures the 7 percent copay cap reflects what families pay while rates continue to rise to cover the true cost of care. Thank you for the opportunity to submit comments and for your continued partnership in supporting Alaska’s children, families, and early educators. Sincerely, Stephanie Berglund, thread CEO sberglund@threadalaska.org 907.265.3101 www.threadalaska.org	
Public Comment #16 From: Monica Magari, Co-Director, Denali Preschool and Learning Center (Early Learning Coalition) Received: By email on 9/8/2026 via dplc.funkids@gmail.com To the Alaska Department of Health: On behalf of the Early Learning Coalition, which does business as Denali Preschool and Learning Center (DPLC), I am writing in general support of the proposed changes to Alaska’s Child Care Assistance Program. <i>Public Comment #16 continued</i>	Your comments have been received. The department appreciates your participation in the proposed regulation public comment process.

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DPLC is a nonprofit early-learning center that was established in 2008 to serve children from one month through 12 years of age in the rural Denali Borough. As the borough's only state-licensed childcare center, we see firsthand how the cost and availability of childcare affect families' employment, financial stability, and ability to remain in our community. This issue is also personal to me. When my family moved to the Denali Borough, the availability of childcare at DPLC allowed me to continue working and building a career here. Years later, following reductions in DPLC's operating hours and while facing the cost of care for three children, I left a full-time, career-level federal position for a lower-paying hourly position that offered greater flexibility. Childcare was not the only factor in that decision, but its cost and limited availability played a significant role. My experience reflects a much broader workforce issue. Reliable childcare is an important recruitment and retention tool for employers throughout the Denali Borough. It helps families accept positions, work consistent schedules, remain employed, and establish long-term roots in our community. When care is unavailable or unaffordable, local employers also lose qualified workers. We have seen this happen among DPLC families. One single parent held a well-paying seasonal position but did not qualify for assistance under the existing parameters. Despite having good employment, the cost of licensed care for multiple children was not sustainable. The parent ultimately reduced their work hours and relied on a less expensive, and lower quality babysitting arrangement. The result was underemployment—not because the parent lacked the ability or desire to work, but because the cost of care made continued employment at their previous level impractical. Examples like this illustrate why PASS V and a more gradual transition away from assistance are needed. A family can earn too much to qualify under the current limits while still being unable to afford licensed childcare, especially when multiple children need care. A raise, additional work hours, or a strong seasonal income should not leave a family financially worse off or force a parent to reduce their participation in the workforce. We particularly support the following proposed changes: • Expanding assistance through the creation of PASS V for otherwise eligible families earning between 86% and 105% of Alaska's State Median Income • Increasing the income limit during a family's eligibility period to reduce the benefits cliff • Making PASS III available to qualifying families regardless of previous participation in PASS I or PASS II	

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• Creating a clearer assistance pathway through PASS IV for children receiving services through the Office of Children’s Services • Updating child age categories to better reflect the differing costs of providing care While we support the overall direction of the proposal, we encourage the Department to provide clarification regarding several implementation issues: • Whether adequate funding will be available for all eligible PASS V families • Whether PASS V families could be placed on a waitlist • How contributions will be calculated for families with multiple children • Whether the required contribution will apply once per household or separately to each child • Whether provider payment rates adequately reflect the actual cost of licensed care in rural communities • Whether providers will receive clear guidance and training before implementation • How the State will ensure timely application processing, authorizations, and provider payments Expanded eligibility will have limited practical value if families remain responsible for both a substantial contribution and a large difference between the State’s approved rate and the provider’s tuition. We encourage the Department to regularly evaluate reimbursement rates against the true cost of providing safe, reliable, and appropriately staffed care throughout Alaska. For small rural providers, program expansions can also bring additional administrative responsibilities. Clear authorizations, predictable payments, accessible technical assistance, and straightforward reconciliation procedures will be essential to making these changes successful. Overall, DPLC strongly supports efforts to expand childcare assistance and reduce the benefits cliff. These proposed changes could help more parents remain fully employed, give employers access to a more stable workforce, and allow families to continue living and working in Alaska’s rural communities. Childcare assistance is more than support for an individual family. It is an investment in Alaska’s children, workforce, employers, and communities. Thank you for considering our comments. Sincerely, Monica Magari Co-Director, Denali Preschool and Learning Center Early Learning Coalition	