First 3 Pilot: Provider Questions and Answers

Child Care Council of Dutchess and Putnam

Dutchess County Office of Children and Family Services

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Thank you to everyone who joined our applicant workshops on October 23 and October 26 and sent questions to First3@childcaredutchess.org. We are sharing every answer with all programs at the same time. This Q&A goes with the First 3 Provider Program Guide. If the Guide and this document ever differ, the signed Provider Participation Agreement is the official version.

More questions? Email: First3@childcaredutchess.org or call (845) 473 4141.

Questions from the workshops

How are market rates established? Market rates are set by the NYS Office of Children and Family Services (OCFS), not by the Council. OCFS sets them using its periodic child care market rate survey, which looks at what programs in each region charge. Rates differ by program type and the age of the child. It is not a simple average of survey responses; the calculation follows federal rules. First 3 pays the current OCFS weekly market rate for Dutchess County. Providers received the 2026 Child Care Market Rate Survey by email in September. For help finding your survey, or to learn more about how rates are calculated, email ocfs.sm.marketratesurvey@ocfs.ny.gov.

Will the market rate or payments increase each year? There is no set annual increase, but First 3 rates follow the OCFS market rate, so when it goes up, First 3 payments go up too. OCFS runs the market rate survey every two years and it is currently open right now.

Since the First 3 rate plus the $15 copay is lower than my current rate, can I charge parents the difference? No. The First 3 rate plus the $15 Family Share is payment in full for the full time day. You may charge your regular rates only for care outside the full time day, such as early mornings (before 7am), evenings (after 6pm) or weekends, if it is in your written fee policy and applied to all families.

My families can drop the summer months and pay a fee to hold their spot for September. Can First 3 families do this, and would my current family contract apply? First 3 seats are full time and year round, and First 3 families cannot be charged a holding fee or any fee beyond the $15 Family Share. Your other written policies, such as hours and conduct, apply to First 3 families the same way they apply to everyone. A child absent 14 days in a row must be reported to the Council within 5 days. A summer break can be covered by the child's 80 excused absences. Once those run out, the seat becomes vacant and is no longer paid. Providers cannot charge a family to hold any seat, including over the summer.

I have 3 toddlers whose parents could benefit from the program because of financial difficulties, but they did not qualify. Can they get First 3? Likely yes. First 3 has no income or work requirement, so families who did not qualify for other child care assistance may still be eligible. Families who live in Dutchess County with a child under four can apply through the OCFS enrollment system when it opens,

and the County determines their eligibility. If they are approved, they get priority for a seat in the program they chose.

Some programs do not accept foster children or subsidized families. Who decides which child goes where? Do programs that do not accept low income or subsidized families now have to accept them? Families choose their program. The County determines whether a family is eligible, and the family then selects a participating program from the list of contracted providers. If a family selects your program and you have an open First 3 seat, you must accept them, whether or not they are in foster care or receive other assistance. First 3 is not a subsidy to the family; it is a contract with you for the seat, paid at the market rate. Participating programs must give First 3 children the same care as everyone else. Programs that do not join First 3 are not affected, and joining First 3 does not require you to accept CCAP.

If a program applies and is approved, how much time does it have before signing the contract? You will have 30 days from the award notice to sign. A longer period may be allowed depending on circumstances; if you need more time, tell the Council in writing why, with an estimated timeline. Seat awards will begin in January 2027. We will send the contract with the award notice, and awarded seats are held until the signing deadline. Keep in mind that when family enrollment opens, families choose from a list of contracted providers, so programs that sign early will be on that list from the start.

If all the large centers apply first, will there be any seats left for family programs? All regulated providers in good standing are eligible to apply – this include home-based and centers. We have placed a 50% limit to keep anyone center from filling all of its capacity with First 3 seats, Seats are also released in phases over three years, not all at once. If requests ever reach all 1,000 seats, we will publish a priority structure that favors child care deserts, expanded hours, and newly created seats. Seats are not set aside by program type, so family and group family programs are encouraged to apply early.. We will monitor how seats are spread across program types.

So no matter what a center builds, it can only contract for 4 seats? No. The cap of 4 applies only to a center's currently existing and vacant seats combined. Newly created seats, meaning OCFS approved capacity added on or after January 1, 2027, have no cap. A center's total First 3 seats still cannot be more than half of its licensed capacity.

If I have empty preschool slots, do they count as new seats? No. Empty slots within your current licensed capacity are currently vacant seats, which count toward your cap. Also, First 3 serves children under four, so preschool seats must be for 3 year olds.

I have a large classroom licensed for school age child care with low enrollment. If I want to convert it to a 2 or 3 year old room, do I start with OCFS? Yes. Changing the ages or capacity of a classroom requires OCFS approval, so contact your OCFS regional office first. Once OCFS approves, converting a school age room to serve children under four counts as newly created seats, even if your total licensed capacity stays the same. Moving seats between younger age groups, such as 4s to 3s, does not.

If a center opens a new location, is it under the same application, or is it one per location? One application per location. Each site needs its own application.

Do the children under 4 I already care for qualify? They can apply. Any child under four who lives in Dutchess County may be eligible, with no income or work requirement. Families need proof of the child's birth, such as a birth certificate, to apply.

What happens with children who receive child care assistance through DSS? It is the parent's choice. Families receiving child care assistance (CCAP) can choose to remain in CCAP or enroll in the First 3 Pilot for their child. For example, a family may use First 3 for the full time day of 8 to 10 hours and CCAP for before school, after school and weekend care. CCAP and First 3 can never pay for the same hours. Providers may also charge families beyond the $15 weekly Family Share for care outside the full time day.

Are newly created seats outside our total licensed capacity? Usually, but not only. Newly created seats are OCFS approved capacity for children under four added on or after January 1, 2027. That includes capacity beyond your total licensed capacity, and a school age room converted by OCFS waiver or relicensing to serve children under four. Moving seats between younger age groups, such as from 4 year olds to 3 year olds, does not create new seats.

My family day care capacity is 8. If I add 1 or 2 seats, do I also need an assistant? A family day care home cannot go beyond its licensed capacity. To serve more children, a home would need to become a group family day care home, which requires a new license and an assistant. All OCFS ratio requirements apply to First 3 seats.

If I get a waiver for a classroom, could that count as newly created seats? Will the Council offer technical assistance with waivers? Yes. Capacity for children under four added through an OCFS approved waiver counts as newly created seats. Waivers are approved by OCFS, and the Council will offer technical assistance to help you through the waiver process.

If I have a waiting list and a spot opens, do I have to accept a First 3 approved family before calling my waiting list? Yes. A First 3 seat can only be filled by a County approved family, and seats are filled in the order families are referred through the enrollment system. Families you already serve who are approved still get priority for your seats. Encourage families on your waiting list to apply through the enrollment system when it opens.

Will there be a process to tell our existing families they can apply? Yes. The Council will provide a family flyer you can share.

Can we still take 4 year olds? Yes, outside of the First 3 seats. First 3 does not limit who else you serve. If a child in a First 3 seat turns 4 during a contract period, they can stay in that seat until the contract period ends. For example, if your contract runs January 2027 through August 31, 2027 and a child turns 4 in May 2027, the child can stay in care through August 31, 2027. Other 4 year olds are served through private pay or other funding.

Do First 3 families pay registration fees? No. First 3 families pay only the $15 weekly Family Share for the full time day. You may not charge registration or other fees.

Will parents and providers meet before a child enrolls, to make sure the program fits the child's needs? Families choose their program, and we encourage you to offer tours and meet families before enrollment, just as you would with any family.

How will parents learn about First 3 and how to enroll? The County and OCFS will share information with families about the enrollment system, and the Council will promote First 3 through our referral services and website. The family enrollment system is being built by the State and is expected to open in

the first quarter of 2027. Once the opening date is set, the Council, the County and the Early Childhood Coalition will run broad outreach.

Are First 3 seats tied to the child or to my program? To your program. Unlike CCAP, which follows the child, First 3 seats are contracted to your site. If a family leaves, the seat stays with you and is refilled through the enrollment system. We ask you to put continuity of care first and work with families, the Council and the County to keep children in care.

How will families find my program? When a family is approved, they select a provider from the list of contracted programs with open seats in the enrollment system. A family can choose your program directly, or browse the list if they do not have a program in mind.

Do First 3 families still complete my enrollment process? Yes. The family brings you their enrollment letter showing they were approved, and they complete your usual enrollment forms and follow your process. Note that you cannot charge them an enrollment/application fee.

Can expectant parents apply before the baby is born? No. Families need proof of birth, such as a birth certificate, to apply, so they can apply once the baby is born.

Why is the Family Share a flat $15? First 3 does not verify income, so a copay based on income cannot be calculated. All three pilot counties chose the same flat $15 to reduce red tape for families and providers.

If a First 3 child or parent goes against my code of conduct, can I remove the child without being penalized under my contract? Yes, under your written policies, applied equally to all families. Give the Council 10 business days written notice before ending a First 3 child's enrollment. If a child or staff member is at immediate risk, you may act sooner and tell us within 24 hours. Full process pending NYS guidance.

Is there a grace period when families first start enrolling? Yes. For the first 30 days after family enrollment begins, we pay for all of your contracted seats without requiring attendance, to give families time to choose a program and get started. After that, payment is based on attendance.

Does my program have to be part of QUALITYstarsNY? No. Any program licensed or registered by OCFS can apply.

Does First 3 include funding to raise staff wages? No. First 3 pays the market rate and does not include a separate workforce component. Our Business Coordinator can help you with budgeting and planning.

My insurance carrier discourages electronic systems because of supervision concerns. Do I have to use a CCMS? The State requires participating programs to have or adopt a CCMS, mainly to record attendance; you do not have to use it for everything. We are sharing this insurance concern with the State. The Council is also exploring a group insurance pool for pilot programs to help lower costs.

We added capacity in 2026 to prepare for the pilot. Do those seats count as newly created? These seats would be existing seats if they are created and licensed before January 2027.

With subsidy, I am not paid if a family leaves suddenly without giving notice. Will First 3 be different? Yes. First 3 seats belong to your program, not the child. If a family leaves, report the vacancy to the

Council in writing within 5 days, and the seat is paid for up to 30 days while it is refilled. Telling us as early as possible, even before a family's last day, helps us match a new family to your seat sooner.

Existing seats and current families

We received thoughtful written feedback from providers about how First 3 could affect programs that already serve families. We are grateful for it and are sharing it with our State and County partners. Here are answers to the questions raised.

Could seats be allocated based on licensed capacity and the number of eligible children already enrolled? The cap on existing and vacant seats lets First 3 reach as many programs as possible across the county, while the goal of the First 3 Pilot is to grow the overall supply of care. The cap may be raised later (see below). Newly created seats have no cap, so programs with room to grow are not limited.

What will keep children from having to leave their current program once that program's First 3 seats are full? This is a real concern and we take it seriously. Families choose their program, and First 3 cannot require a family to stay with or leave any provider. No family should lose care or hours to make room for a First 3 seat, and we will track enrollment shifts closely through the pilot evaluation and share what we learn with the State and County.

Could programs with demand from currently enrolled families receive more seats, even if they cannot expand? Yes, in time. The caps stay as published at first so every program has the same chance to take part. Once all programs have had that chance, if families are waiting in currently enrolled seats or existing seats have not been fully used, we will raise the cap on existing seats.

Will unused seats be offered to programs with waiting lists or more eligible families? Seats are released in phases over three years rather than all at once, and some are held back to add families later. Seats that go unused or come back to the pilot will be offered again. If requests ever reach all 1,000 seats, we will publish a priority structure.

How will the pilot avoid destabilizing programs that already serve our community? Stabilizing existing care matters as much as growth. The idea of the cap is part of the control we are putting in place to avoid destabilizing programs. Programs that join will receive steady, contracted payment for their First 3 seats every two weeks, paid absences and closure days, and planned incentives. Our Business Coordinator can help with budgeting and planning. Provider surveys, the Council Advisory Committee and the pilot evaluation will help us see the effect on programs early and raise concerns with the State and County as the pilot moves forward. The County and Council will watch closely for disruption and adjust processes quickly if needed, rather than waiting until the pilot ends. After launch, the Pilot Steering Committee will add a center representative, a home based provider, and a family receiving First 3 care, so we get real time feedback from the field.

Questions received by email

How are newly created seats defined? Are they seats beyond the center's capacity or beyond a program's capacity? If I convert a preschool room into a toddler room, are those new seats even though my total capacity does not change? Newly created seats are OCFS approved capacity for children under four added on or after January 1, 2027. Converting a preschool room into a toddler room does not create new seats; those seats stay currently vacant seats, within your cap. Seats do count as

newly created when you add capacity beyond your total licensed capacity, or when an OCFS approved waiver or relicensing turns a school age room into a room for children under four. Any change to a room's ages or capacity starts with your OCFS regional office.

Does First 3 help children who may benefit from developmental evaluations or other services, as UPK programs do? First 3 does not provide evaluations directly, but you can still connect families to help. For children under 3, families can be referred to the Dutchess County Early Intervention Program. For children 3 and older, families can contact the Committee on Preschool Special Education (CPSE) in their school district. The Council is glad to help you find the right contact. Participating programs must also make reasonable changes so children with disabilities can take part.

If centers can add newly created seats beyond their first four, how might that affect home based providers? Is there a plan so home based providers are not disadvantaged? A center's total First 3 seats can never be more than half of its licensed capacity, and seats are released in phases over three years. If requests ever reach all 1,000 seats, we will publish a priority structure. Home based programs are an important part of First 3, and we will watch how seats are spread across program types and share what we learn with the State and County. Seats are not set aside by program type; all programs apply on the same first come, first served basis. If the mix becomes uneven, we can address it in the priority structure.. We plan to offer targeted business support and marketing help for home based programs, and the planned desert incentive may also benefit them.

Can private pay families who have been with my program a long time apply, and get priority to stay with me? First 3 has no income or work requirement. Once the County approves them, families you already serve could fill your First 3 seats.

What attendance tracking methods are accepted? Is there a list of approved systems? Attendance must be recorded in a child care management system (CCMS) on the OCFS approved list, such as Brightwheel or Playground. Arrival and departure are logged daily, at the time they happen. If you do not have a CCMS, the Council may help cover license costs, and home based programs can get setup help through the Staffed Family Child Care Network. We are still asking NYS to confirm the approved list. If you already use a CCMS, please name it in your application; we will use that information to advocate for adding those systems to the list.

Will there be another First 3 information or Q&A meeting in the next month or two? We have completed our first two Q&A sessions and will schedule more in the future. All written updates will be posted on the First 3 page of the Council website.

Applying

When can I apply? The RFQ opens Friday, October 30, 2026 at 10 a.m. There is no closing date. Applications are accepted on a rolling basis.

How are seats awarded? First come, first served. We review complete applications in the order we receive them. If requests ever reach all 1,000 seats, we will publish a priority structure that favors child care deserts, expanded hours and newly created seats.

Does applying right at 10 a.m. matter? Earlier helps, because complete applications are reviewed in the order received. An incomplete application may need follow up before it moves forward, so have your information ready before you start.

Does applying guarantee me seats? No. Applying does not guarantee seats. Every applicant will get an email confirming we received the application.

Can I apply on paper? Yes. Call us and we will mail you a copy. Paper applications can be mailed or hand delivered to 301 Manchester Rd, Suite 203, Poughkeepsie. They are logged in the order they arrive at our office.

I run more than one location. Do I apply once? No. Each site needs its own application. Only sites located in Dutchess County qualify.

What do I need to have ready? Your provider and program name, EIN, OCFS license or registration number, program type and licensed capacity, good standing answers, the seats you want by type and age group, your full time schedule and any nontraditional hours, supports for children with special needs, your CCMS if you have one, and any conflict of interest.

Eligibility

Which programs can apply? Every licensed or registered program type in Dutchess County: child day care centers, small day care centers, group family day care homes, and family day care homes. You must be in good standing with OCFS, serve (or plan to serve) children under four, and use (or set up) an approved CCMS.

What does good standing mean? You are licensed or registered, in a payable status, and not under an active enforcement action. A suspension, limitation, proposed revocation, denial of renewal or revocation makes a program ineligible. You can check your record on OCFS Child Care Search.

I have an open citation. Can I still apply? Yes, unless you are under an active enforcement action. We encourage you to resolve open violations before you apply.

I am not licensed yet. Can I take part? Reach out to us. We can talk with you about getting started and how newly created seats could fit once you are licensed.

I am a home based program without liability insurance. Can I apply? Yes. First 3 follows OCFS insurance rules for your program type, and OCFS does not require liability insurance for home based programs. We encourage home base program to apply and will provide support to establish a business model that is sustainable, including possible pool for liability insurance.

Does serving on the Council's new advisory committee help my application? You are welcome to serve, but it gives no advantage in seat awards.

Seats

What kinds of seats are there?

- **Currently existing:** within your licensed capacity and filled by a child today (note that to become a First 3, the child will need to be enrolled and eligible for First 3)

- **Currently vacant:** within your licensed capacity but open/vacant today
- **Newly created:** OCFS approved capacity for children under four added on or after January 1, 2027, including school age rooms converted to serve children under four

How many of my current seats can become First 3 seats? Existing and vacant seats together are capped by program type: family day care 2, group family day care 3, small day care center 4, child day care center 4.

If I hire an assistant so I can serve more children, is that a newly created seat? No because you are not increasing your licensed capacity. For a home based program, a seat you can fill by hiring an assistant counts as a currently vacant seat, within the cap above.

How do I add newly created seats later? Once OCFS approves your added capacity or new license, we verify it and add the seats to your contract by a short amendment. A family day care home that wants to grow into a group family day care home will need a new license.

What is the 50% limit? It applies only to child day care centers. A center's total First 3 seats can be no more than half of its licensed capacity. For example, a center licensed for 60 children may have up to 30 First 3 seats in total. The limit is based on licensed capacity, not income or revenue. It does not apply to small day care centers, group family day care homes or family day care homes.

Are part time seats available? No. First 3 seats are full time only, meaning your standard full time day of 8 to 10 hours. There are no part time or shared seats.

Families and enrollment

Can I enroll families myself? No. Families must apply through a central online system run by OCFS, and Dutchess County determines eligibility. Please do not promise anyone a seat, and do not place a child in a First 3 seat until you have written confirmation. The family will need to bring you their enrollment letter before the first day.

Can the families I already serve get First 3? Technically, Yes. Once the County approves them,. Have them apply through the enrollment system when it opens, and let us know if they are found eligible.

Which families qualify? Families who live in Dutchess County with a child under four. There is no income or work requirement. Children in foster care placed in Dutchess also qualify. Families must show proof of Dutchess County residency and proof of the child's age. No other documentation is required, and providers may not ask families for immigration or citizenship documents. The enrollment system may ask about income and work to understand who is being served, but those answers do not affect eligibility.

What does the family pay? The Family Share (copay) is $15 per week per family, even with more than one child enrolled. You collect it directly from the family, and it is not deducted from your payment.

Can I charge First 3 families more? Only for care outside the full time day, such as early mornings, evenings or weekends, at your regular rates. This must be in your written fee policy and applied to all families. You cannot charge First 3 families other fees or the difference between the First 3 rate and your private rate.

I take CCAP. Can I still? Yes. CCAP and First 3 can never pay for the same hours.

Can I end a First 3 child's enrollment? Only under written policies applied equally to all families, with 10 business days written notice to the Council. If a child or staff member is at immediate risk, you may act sooner and tell us within 24 hours.

Rates and payment

What is the rate? The OCFS weekly market rate, per child, per week:

Age of child	Child care center	Family or group family home
Under 1½ years	$385	$315
1½ through 2 years	$365	$300
3 years	$340	$285

Rates are set by OCFS and change when OCFS updates the market rate.

How often am I paid? Every two weeks by direct deposit, based on attendance in your CCMS. Finalize attendance within 3 business days after the pay period ends, and payment arrives within 10 business days of complete records.

When is my first payment? First payments are expected by March 2027, or sooner as families enroll. All payments depend on State and County funding.

Am I paid when a child is absent? Yes, for up to 80 excused absences per child each enrollment year. You are also paid for up to 20 closure days a year, including up to 2 training days.

What if no family fills my seat? A seat is paid for up to 30 days while it waits for its first family.

Am I paid while under an enforcement action? No. Payment stops during an OCFS enforcement action or a lapse in your license or required insurance. Your contract includes language that specifies the terms of the agreement which includes the termination of the contract in those circumstances.

What if I am paid in error? These are public funds, so any overpayment must be repaid or will be deducted from future payments.

CCMS

Which CCMS can I use? Any system on the OCFS approved list, such as Brightwheel or Playground.

I do not have a CCMS. What now? The Council may help cover license costs. Free help is also available from the Empire State Family Child Care Collaborative and the New York Early Learning Alliance, and home based programs can get help through the Staffed Family Child Care Network.

Incentives and bonuses

What incentives are planned? Based on available funding: a one time sign on bonus, a newly created seat incentive, startup furniture and supplies for new seats, a child care desert incentive, a

nontraditional hours incentive (before 7 a.m., after 6 p.m., overnight or weekends), CCMS license support, and an annual year end quality bonus. We are also exploring a sustainability fund for one time emergencies, such as a broken boiler.

How much are they? Amounts are not set yet. They depend on funding, may change year to year, and will be announced separately to all programs at once.

Are there conditions? Yes. If you leave within 12 months of receiving the sign on bonus, or a newly created seat closes early, you may need to repay part of it. The quality bonus requires being in good standing and under contract on the last day of the contract year. Keep receipts showing how you used each incentive.

Contract

Who is my contract with? The Council. OCFS and Dutchess County DCFS fund the pilot, but the Council is your only contract and your main point of contact.

How long is the contract? The first contract runs January 2027 through August 31, 2027, with up to two renewals of up to 12 months each. If your contract starts after January, the first term is prorated.

Can I leave the program? Yes, with 60 days written notice. The Council may end the contract with 30 days notice. Contract may also be terminated immediately upon revocation of OCFS's license.

What if there is a problem with my program? For problems that can be fixed, you get written notice and 15 business days to fix it or submit a corrective action plan. Disagreements can be raised in writing within 30 days; the Child Care Council Executive Director, in consultation with the County, makes the final decision after review.

Does First 3 affect my licensing inspections? No. The Council's home based licensing work is separate and not affected by First 3.

Will the Council direct my program? No. You remain an independent business. We fund seats; we do not direct your program, staff or curriculum.

Timeline

- **October 30, 2026:** RFQ opens at 10 a.m.
- **January 2027:** Seat awards begin and contracts are signed
- **January to February 2027:** Orientation, CCMS and direct deposit setup, closure calendar
- **March 2027:** Family enrollment and first payments expected
- **After August 31, 2027:** Contract renewals

What happens after three years? This is a Pilot program to determine the feasibility of a universal childcare program in New York State. Continuation and expansion will depend on State funding. We will share news with all programs as soon as the State decides.

Still to come

A few questions are still being confirmed with our State and County partners. We will answer them in writing and share them with every program at the same time. All updates will be posted on the First 3 page of the Council website.