

POLICY NOTICE #23-03

TO: United States Department of Agriculture Child
Child and Adult Care Food Program Adult Day Care Organizations

FROM: Kelly Rice, Supervisor
Office of Older America Services

RE: Child and Adult Care Food Program Meal Reimbursement Rates and
Cash-In-Lieu Rates for 2023-2024

DATE: August 2, 2023

PURPOSE: This Policy Notice announces the annual adjustments to the national average payment rates for the meal service (i.e., meals and snacks) provided in the Adult Day Care centers. The food service payment rates for reimbursement of meals and snacks served in Adult Day Care centers reflect changes in the Consumer Price Index.

Reimbursement/payment rates for organizations participating in the Child and Adult Care Food Program (CACFP) apply to the CACFP Adult Day Care organizations in good standing with the Department for the period July 1, 2023 through June 30, 2024.

BACKGROUND: The Federal Regulations authorize the payment rates of Meal Service Reimbursements are cited in the chart below per the published Federal Register Vol. 88 No. 129 issued on Friday, July 7, 2023. Pursuant to sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753, 1759a and 1766), section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and 7 CFR 226.4, 226.12 and 226.13 of the Program, regulations authorize new payment rates for all institutions participating in the CACFP program, including the Adult Day Care centers. As provided for under the law, all rates in the CACFP must be revised annually, on July 1, to reflect changes in the Consumer Price Index (CPI), published by the Bureau of Labor Statistics of the United States Department of Labor.

The previous years' temporary adjustment authorized under the Keep Kids Fed Act of 2022 (P.L. 117-158) provided *temporary* additional funding for each meal and supplement was available beginning July 1, 2022 and ending on June 30, 2023. This law temporarily provided additional reimbursement in some meal service categories cited below and is reflected in the fluctuation of a lower rate of reimbursement beginning **July 1, 2023**.

IMPLEMENTATION: All authorized CACFP Adult Day Service organizations must utilize the following Rates of Reimbursement beginning **July 1, 2023 – June 30, 2024**.

CACFP RATES of REIMBURSEMENT 2023-2024

| <u>Meal Service Category</u> <u>(Snack)</u> | <u>Breakfast</u> | <u>Lunch</u> | <u>Supplement</u> |
|--|------------------|--------------|-------------------|
| Free | 2.28 | 4.25 | 1.17 |
| Reduced-Price | 1.98 | 3.85 | 0.58 |
| Paid | 0.38 | 0.40 | 0.10 |

SOURCE: <https://www.govinfo.gov/content/pkg/FR-2023-07-07/pdf/2023-14317.pdf>

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CASH IN LIEU: The above rates do not include the value of commodities or *cash-in-lieu* of commodities which ADS centers can receive as additional assistance for each lunch or supper served to participants if you choose to receive cash rather than donated commodities. Cash in Lieu rates decreased by one half (1/2) cents per lunch and/or supper meal service, with the overall rate of 29.50 cents per lunch and supper. These rates are effective from July 1, 2023 – June 30, 2024.

Questions regarding this Policy Notice should be directed to Jennifer Morrell, CACFP Program Manager at Jennifer.morrell@illinois.gov.

KR:jm

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