

Quality Recognition System, QRS Subsidy Add-ons

Frequently Asked Questions

Q – Why do participants in QRS get a subsidy add-on?

A – Subsidy add-ons for participation in QRS are given for several reasons:

1. To incentivize and support childcare providers who are focused on increasing quality.
2. To encourage childcare providers to participate in the Best Beginnings Childcare Scholarship Program

Q – Why are my QRS subsidy add-on rates changing?

A – Changes to federal rules, funding, and internal changes have necessitated a change. Montana's CCDF quality system is being revised. One of the primary goals of the revision is to simplify the quality system. The previous system had five-star levels and was focused on ratings. The new system will have 3 stages and is focused on recognition. Because the number of levels has changed, other initiatives connected to the system must adjust. In the 2021 Legislative Session, the legislature voted to terminate the STARS to Quality funding. This cut \$2 million per biennium from the STARS to Quality program. This loss of revenue demanded a change to the incentives that ECFSD paid out to licensed programs participating in the STARS program. The 2024 CCDF rule requires states to pay child care subsidies based on enrollment rather than attendance. To align with federal rule and state law (HB 648) Best Beginnings Scholarship will implement a pay-by-enrollment approach.

Q – What will the new rates be?

A – **The new QRS Bridge add-on rates**

- **Stage 1:** \$0.00 (Entry level)
- **Stage 2:** \$73.00/authorized child/month
- **Stage 3:** \$115.00/authorized child/month

Q – What do I have to do to be eligible for the QRS subsidy add-on?

A – During the QRS Bridge period (October 2025-October 2026), current STARS participants were moved to one of the three QRS stages automatically. In March, a second automatic adjustment will be made to align with changes in QRS subsidy add-ons. The second automatic movement will include:

Previous Star Level → New QRS Level or Stage

- New participants: **Stage 1**
- Pre-Star: **Stage 2**
- Star 1: **Stage 2**
- Star 2: **Stage 2**
- Star 3: **Stage 2**
- Star 4: **Stage 2**
- Star 5: **Stage 3**

Q – What will happen to my participation level in October of 2026 when the new system launches?

A – Subsidy add-ons are connected to QRS participation, evaluation, and stage-level approval. The evaluation and approval process will occur annually, following the QRS launch in October 2026. Each childcare provider will have an opportunity to be evaluated for their highest stage at the time of their license renewal. More information about the QRS framework will be coming soon.

Q – Will my QRS add-on subsidy rates change when QRS launches in October of 2026?

A – No. There are currently no plans to change add-on rates with the launch of the revised QRS framework. However, annual evaluation and approval will begin close to your program's renewal month after October 1, 2026. Childcare providers who wish to continue in the QRS framework will need to meet identified standards for the stage at which they would like to be recognized. Again, more information is coming.

Q – What is the most important thing I need to do to be prepared for the launch of QRS?

A – The most important step any childcare provider can take to prepare for participation in the new QRS is to renew their license on time. Maintaining a license without gaps will set you up for evaluation in higher stages.

Q – Are QRS subsidy add-ons different based on program type or age of children served?

A – No. There is one amount for each authorized child per month. See table below.

- **Level 1:** NA
- **Level 2:** \$73.00
- **Level 3:** \$114.00

Q – What if I have more questions about my QRS subsidy add-on rate?

A – Please revisit this FAQ. It will be updated continually as questions come in.

Q – What if I'd like to speak to someone?

A – You can contact your local eligibility specialist on the western side of the state by reaching [Child Care Resources](#), and in the middle and eastern side of the state by reaching [Family Connections](#).

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