



## State Child Care Subsidy Administration Policies For School-Age Care

The Child Care and Development Fund (CCDF) is the largest single source of federal funding for afterschool programs and is an important avenue through which low-income families can access care for school-age children. With funding from this program, states administer subsidies to families with children under the age of 13 that are in need of child care services.

States have significant flexibility in shaping their child care programs, and each decision impact families' ability to access care. These decisions also can impact states' ability to administer the program effectively and ensure CCDF resources are appropriately provided to eligible families. The subsidy administration process can be particularly challenging when dealing with school-age care, due to the need for periodic transitions between full-time and part-time care during school breaks. These transitions can result in rate adjustments, changes in providers, and other obstacles to the provision of and access to child care services. To address the challenges that come with providing these services, many states have developed innovative strategies to better meet the needs of families, providers, and administrators.

### **Establishing Subsidy Rates for School-Age Care**

States establish their subsidy rates based upon a Market Rate Survey that they conduct biannually to determine how rates compare to current market conditions. Most states address school-age care in their Surveys and, subsequently, in the establishment of their subsidy rates. As of 2006, 40 states and territories report setting separate school-age rates for center-based care. Twenty states also report establishing separate rates that specifically apply to centers that serve school-age children exclusively.

### **Separate Rates for Full-Time or Part-Time Care**

A number of states differentiate between full-time and part-time care when establishing their subsidy rates. School-age children primarily need part-time care during the school year, but they also may need full-time care at various times throughout the year. By allowing for full-time and part-time rates, states can help to ensure that families receive subsidies that accurately reflect any fluctuations in the services they receive. As of 2006, nearly two-thirds of states and territories offer separate subsidy rates for full-time and part-time care.

### **Determining Family Co-payments**

Families that receive child care subsidies are required to contribute a portion of the cost of care, or co-payment. Although care for school-age children usually costs less than care for younger children, few states consider this variance in cost when determining a family's contribution. Many states reason that because the co-payments are based on the family's income and size, no adjustment is necessary.

**Alabama, Massachusetts, Pennsylvania, and Wisconsin**, however, make allowances for the reduced cost of care for school-age children when establishing family co-payments.

### **Facilitating Transitions between Full-Time and Part-Time Care**

To facilitate the transition between full-time and part-time care for school-age children, several states have implemented innovative strategies aimed at increasing communication between all parties or providing families with flexible options for school-age care. Some of these strategies include:

#### ***Increasing Communication by Managing and Organizing Information***

- Comprehensive Child Care Certificate Systems (Georgia and Vermont)
- Child Care Management Systems (Alabama)
- Contracts (Hawaii, Illinois, Massachusetts, Nevada, New Jersey, South Carolina, and Vermont)
- Targeted Communication (Massachusetts and Washington)

***Providing Flexible Options for Families***

- School Bank Hours (Wisconsin)
- Flexible Authorization (Minnesota, Louisiana, and Pennsylvania)
- Back-up Providers (Iowa and Nevada)

To learn more about these and other strategies for facilitating the provision of and access to child care for school-age children, please visit the Afterschool Investments website <http://nccic.acf.hhs.gov/afterschool/> for the forthcoming publication, ***State Child Care Subsidy Administration Policies for School-Age Care.***