## PART III – DESCRIPTION OF CHILD CARE SERVICES OFFERED

### Section 3.1.1 – Certificates, Grants, and Contracts

*Reminder: The Lead Agency must offer certificates for services funded under 45 CFR 98.50. (98.30) Certificates must permit parents to choose from a variety of child care categories including center-based care, group home care, family child care and in-home care. (§98.30(e))*

*In addition to offering certificates, does the Lead Agency also have grants or contracts for child care slots?*

Most States administer the bulk of their CCDF services funds via child care certificates. But many Lead Agencies reported that they also negotiate contracts or grants for direct services and/or reserve "slots" for specific populations. These efforts are summarized below.

- Twenty-five States (AZ, CA, CO, CT, DC, HI, IL, IN, KY, ME, MA, MS, NV, NH, NJ, NY, OR, PA, PR, SC, SD, VT, WA, WI, WY) reported that they award grants or contracts for child care slots. However, many of these initiatives are limited to specific populations or are not available Statewide.

  In addition to contracting with center- and home-based child care providers to serve a wide range of income-eligible children and families, **Massachusetts** has developed special contracts with providers who are willing to provide nontraditional hour child care, teen-parent child care, child care for children affected by HIV/AIDS, and child care for homeless families.

  **Pennsylvania** allows its voucher management agencies, called Child Care Information Services (CCIS) agencies, to negotiate contracts (which they call "subgrants") with providers that serve special populations or to assure the availability of services in a neighborhood. The total amount of funds committed to subgrants may not exceed 20 percent of the CCIS budget.

  **Oregon** contracts only with programs that serve special populations, including parents engaged in migrant or seasonal farm work, teen parents enrolled in high school, parents participating in substance abuse treatment, post-secondary student parents, and children with disabilities who need access to child care.

- Four States (CO, IN, NY, WI) allow local agencies the option of negotiating contracts with child care programs.

**States Continue to Negotiate Contracts for Special Types of Child Care**

Although most States administer the bulk of their CCDF services dollars as certificates (or vouchers), half of them also negotiate contracts with child care programs. In most cases, these contracts are limited to specific populations and/or low-income neighborhoods where child care is in limited supply.

- Three States (HI, SD, WA) reported that they negotiate contracts or make special provisions for families participating in welfare reform.

  **Hawaii** contracts for drop-in care for families who have appointments with their First-to-Work or child care caseworkers.

  **South Dakota** contracts for child care slots in areas of the State that serve above-average numbers of Temporary Assistance to Needy Families (TANF) families.

  **Washington** reserves child care slots for parents of infants who are receiving TANF as well as low-income parents who are attending vocational classes in the evenings and on weekends.

- Two States (VT and WY) reported that they contract with Head Start programs for "wrap-around" child care.

- Two States (HI and NV) reported that they limit contracts to before- and after-school child care programs.

- **Arizona** only contracts with programs to serve children with special needs.

## Section 3.1.2 – Limitations on In-Home Care

*The Lead Agency must allow for in-home care, but may limit its use. Does the Lead Agency limit the use of in-home care in any way?*

- Twenty-two States (AK, AZ, CO, CT, HI, IL, KS, LA, MD, MN, MS, MO, NV, NH, NM, NY, OH, OK, OR, SC, UT, WY) reported that they do *not* limit in-home care in any way.

- Twenty-eight States (AL, AR, CA, DE, DC, GA, ID, IN, IA, KY, ME, MA, MT, NE, NJ, NC, ND, PA, PR, RI, SD, TN, TX, VT, VA, WA, WV, WI) reported that they limit the use of in-home care in some way. Some of these limits are for financial reasons; others result from quality concerns. Table 3.1.2 on page 44 summarizes the limitations on in-home care as reported in the State CCDF Plans.

***Financial Limits***

States establish financial limits on the use of in-home care to ensure simultaneously that costs are reasonable and that the in-home provider receives at least the minimum wage (which is required by labor laws). In some cases, the cap is established by specifying a minimum number of children who must be served. In other cases, the State requires parents to pay the difference between the State's rate ceiling and the minimum wage.

- Three States (AR, DE, ID) authorize payment for in-home care only for families in which *four* or more children require child care, although **Delaware** and **Idaho** will make an exception under special circumstances (e.g., when the child has special needs or the parent works the late shift in a rural area and other types of care are not available).

- Four States (IN, NE, RI, WI) authorize payment for in-home care only for families in which *three* or more children require child care. **Nebraska** will make an exception under special circumstances (e.g., when the child has special needs or the parent works the late shift in a rural area and other types of care are not available.)

- Five States (CA, ND, PR, VA, WV) do not specify a minimum number of children that must be served but require that there must be a sufficient number of children requiring care to ensure that the Federal wage laws are met.

  The **District of Columbia** limits in-home care to those cases in which no other care is a viable alternative (e.g., parent/guardian working nontraditional hours and no readily accessible centers or homes offer such care), and those cases in which in-home care represents the most practical child care solution for the family (e.g., parent/guardian works part-time and has several children of different ages or very young children).

  **North Carolina** limits payment for in-home care to no more than 50 percent of the subsidy rate for one-star centers. The difference between this rate and the minimum wage must be paid by the parents. Each parent who chooses this type of care receives a copy of the form "Requirements for Payment of Care in the Child's Home." The form provides an explanation of the parent's responsibilities regarding payment, record keeping, and making the appropriate deductions for State and Federal taxes, including Social Security and Unemployment Compensation, if applicable.

***Limitations Related to Program Health and Safety***

Lead Agencies are also concerned about the difficulty of assuring that in-home care meets quality standards. To this end, several States have established special quality provisions for this type of care.

- Four States (KY, ME, MA, MT) require criminal background checks for in-home providers.

- Two States (MA and MT) require in-home providers to attend an orientation or training session.

  **Massachusetts** requires all in-home providers to attend an orientation and training session conducted by the child care resource and referral agencies. As part of the orientations, the CCR&Rs provide in-home/relative care providers with a resource packet that includes age appropriate toys or books, "Growing up Healthy," a guide to appropriate child care, a first aid kit, a smoke alarm, safety outlet plugs and covers, window blind cord wind-ups, cabinet safety locks, and choke tubes.

| TABLE 3.1.2 – LIMITATIONS ON THE USE OF IN-HOME CARE | | | |
|---|---|---|---|
| **Limitation on In-Home Providers** | **States Reporting 2000-2001 Plans** | **States Reporting 2002-2003 Plans** | **Change** |
| **Must Serve Four or More Children** | 2 | 3 | +1 |
| **Must Serve Three or More Children** | 7 | 4 | -3 |
| **Must Serve a Sufficient Number of Children to Meet Federal Wage Laws** | 3 | 5 | +2 |
| **Must Meet Minimum Health and Safety Standards** | N/A | 3 | N/A |
| **Must Undergo Criminal Background Checks** | N/A | 4 | N/A |
| **Must Attend an Orientation or Training Session** | N/A | 2 | N/A |

*Source*: Information compiled from State CCDF Plans, FFY 2002-2003.

## Section 3.2 – Payment Rates

*The statute (at 658E)(4)) requires the Lead Agency to establish payment rates for child care services that ensure eligible children equal access to comparable care.*

*The following is a summary of the facts relied on by the State to determine that the attached rates are sufficient to ensure equal access to comparable child care services provided to children whose parents are not eligible to receive child care assistance under the CCDF and other governmental programs. Included, at a minimum:*

- *The month and year of the local market rate survey (§98.43(b)(2))*
- *How the payment rates are adequate to ensure equal access based on the results of the above noted local market rate survey (i.e., the relationship between the attached payment rates and the market rates observed in the survey(§98.43(b))*
- *Additional facts that the Lead Agency relies on to determine that its payment rates ensure equal access include: (§98.43(d))*
- *If the payment rates do <u>not</u> reflect individual rates for the <u>full</u> range of providers – center-based, group home, family and in-home care – explain how the choice of the full range of providers is made available to parents:*

***Timing of the Market Rate Survey and the Implementation of New Rate Ceilings***

All of the Lead Agencies reported that they conduct biennial market rate surveys and use the resulting data to help inform decisions regarding rate increases. In most States, there is little

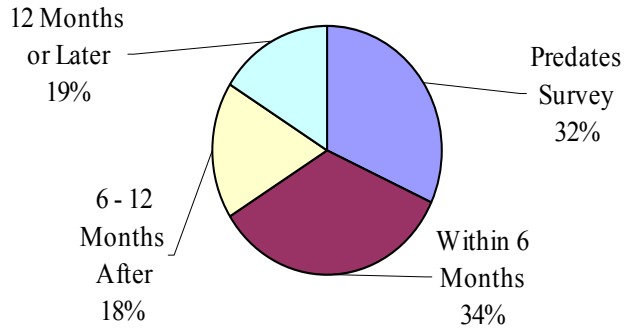
lag between the date of the market rate survey and the implementation of revised rate ceilings. But in some States, implementation of revised reimbursement ceilings—a process often involving an act of the State's legislature—can take more than a year, by which time the next biennial market rate survey may be due to begin. Chart 3.2 illustrates the timing of the survey and subsidy rate structure, which is explained in the bullets below.

- Sixteen Lead Agencies (CO, DE, DC, HI, IL, IA, KS, MS, MO, NE, NY, NC, ND, PR, RI, WA) use a reimbursement rate schedule that *predates* the most recent biennial market rate survey.

- In 17 States (AL, AZ, AR, CA, GA, ID, KY, LA, MD, MT, NV, NH, PA, SD, WV, WI, WY), new reimbursement rate ceilings were put into effect *within six months* of the most recent market rate survey as reported by the Lead Agency. In another nine States (AK, CT, ME, NJ, OH, OK, OR, TN, UT), new rate schedules were implemented between *six months and one year* from the date of the most recent market rate survey.

- New reimbursement rate ceiling schedules appeared *more than one year* after the most recent biennial market rate survey was completed in eight States (IN, MA, MN, NM, SC, TX, VT, VA).

**Chart 3.2 - Effective Date of Rate Structure Relative to Date of Market Rate Survey**




*Source*: Information compiled from State CCDF Plans, FFY 2002-2003.

Although no market rate survey predates February 2000, the effective date of the rate ceiling schedules included in the State Plans ranged from April 1998 to January 2002. Table 3.2.1 on pages 46-47 shows the date of the most recent market rate survey as reported by the Lead Agencies and the effective date of the reimbursement rate ceilings submitted with each State's CCDF Plan.

| TABLE 3.2.1 – RATE SURVEY AND RATE SCHEDULE DATES | | |
|---|---|---|
| **State** | **Date of Market Rate Survey** | **Effective Date of Reimbursement Rate Schedule** |
| **Alabama** | May 2001 | October 1, 2001 |
| **Alaska** | December 2000 | July 1, 2001 |
| **Arizona** | October 2001 | October 1, 2001 |
| **Arkansas** | February 2001 | July 1, 2001 |
| **California** | May 2000 | July 1, 2000 |
| **Colorado** | August 2001 | June 1, 1999 |
| **Connecticut** | May 2001 | January 1, 2002 |
| **Delaware** | August 2000 | October 1, 1999 |
| **District of Columbia** | December 2000 | June 1, 2000 |
| **Florida** | | |
| **Georgia** | October 2000 | October 2000 |
| **Hawaii** | February 2001 | November 20, 1999 |
| **Idaho** | November 2000 | January 1, 2001 |
| **Illinois** | December 2000 | July 1, 2000 |
| **Indiana** | March 2000 | May 2001 |
| **Iowa** | September 2000 | July 1, 2000 |
| **Kansas** | August 2000 | February 1, 1999 |
| **Kentucky** | April 2001 | October 1, 2001 |
| **Louisiana** | November 1999 | November 1999 |
| **Maine** | March 2000 | October 1, 2000 |
| **Maryland** | January 2001 | January 1, 2001 |
| **Massachusetts** | February 2000 | July 1, 2001 |
| **Michigan** | | |
| **Minnesota** | July 2000 | August 1, 2001 |
| **Mississippi** | April 2001 | October 1, 2000 |
| **Missouri** | January 2001 | October 1, 1998 |
| **Montana** | September 12, 2000 | October 2000 |
| **Nebraska** | March 2001 | April 1, 1998 |
| **Nevada** | May 2000 | October 2000 |
| **New Hampshire** | March 29, 2000 | September 1, 2000 |
| **New Jersey** | December 2000 | July 1, 2001 |
| **New Mexico** | February 2000 | July 1, 2001 |
| **New York** | June 2001 | October 1, 1999 |
| **North Carolina** | November 2000 | September 2000 |
| **North Dakota** | April 2001 | September 2000 |
| **Ohio** | May 2000 | January 1, 2001 |
| **Oklahoma** | April 2001 | December 1, 2001 |
| **Oregon** | September 2000 | July 1, 2001 |
| **Pennsylvania** | June 2001 | October 1, 2001 |
| **Puerto Rico** | June 2001 | October 1998 |
| **Rhode Island** | July 2000 | January 2000 |
| **South Carolina** | September 2000 | October 1, 2001 |
| **South Dakota** | August 2001 | October 1, 2001 |
| **Tennessee** | October 2000 | July 1, 2001 |
| **Texas** | August 2000 | October 1, 2001 |
| **Utah** | September 2000 | August 1, 2001 |
| **Vermont** | March 2000 | July 1, 2001 |
| **Virginia** | February 2000 | June 1, 2001 |
| **Washington** | May 2002 | November 1, 2001 |

| TABLE 3.2.1 – RATE SURVEY AND RATE SCHEDULE DATES | | |
|---|---|---|
| **State** | **Date of Market Rate Survey** | **Effective Date of Reimbursement Rate Schedule** |
| **West Virginia** | May 2001 | October 1, 2001 |
| **Wisconsin** | August 2000 | January 1, 2001 |
| **Wyoming** | February 2001 | July 1, 2001 |

*Source*: Information compiled from State CCDF Plans, FFY 2002-2003.

***Ensuring Equal Access***

- Twenty-seven States (AK, AZ, AR, CA, CT, DE, DC, ID, IN, KY, ME, MD, MN, MT, NV, NY, NC, ND, OH, OK, PR, SD, UT, VT, WV, WI, WY) indicated that they cap rates at the 75th percentile of the local market rate, or higher. At the 75th percentile, the cap would equal or exceed the rate charged by three-fourths of the providers who responded to the State's local market rate survey.[6] Most of these States reported that they believe this rate ceiling ensures that families who receive child care assistance have equal access to comparable child care services provided to children whose parents are not eligible for public child care subsidies.

  **California** bases its reimbursement rates on 1.5 standard deviations above the market rate survey mean. This results in maximum reimbursement at about the 85th percentile.

  **Kansas** tracks the number of providers who sign agreements to serve subsidized children and uses this percentage to help determine if families have equal access to care.

- Fifteen States (AL, GA, IL, MD, MA, MO, NH, NJ, NM, OK, TN, VT, VA, WV, WY) reported that they had increased child care reimbursement rates to help assure equal access to care. **Hawaii** had proposed, but not yet implemented, a rate increase.

  **Illinois** reported that a combination of an overall rate increase, a provider cost of living adjustment, and new "add-ons" to rates have served to substantially increase parent access to care as well as provider compensation. The "add-ons" were for infants and toddlers (10 percent more) and evening/weekend care (an additional $3 per hour for infants/toddlers and $2 per hour for older children). Additionally, Illinois tracked the types of care utilized by families who receive child care assistance. They found that the percentage of center-based care used by these families had increased.

**Many States Implement Tiered Reimbursement**

Thirteen States reported establishing a tiered reimbursement system. Developing and implementing these systems, which make higher child care reimbursement rates available to programs that meet higher quality standards, is a popular use of CCDF funds.

[6] Child Care Bureau, Administration for Children and Families, U.S. Department of Health and Human Services, *Conducting Market Rate Surveys and Establishing Rate Policies* (July 2001), p. 34. This resource is available on the Web at *http://nccic.org/pubs/MRSpubJuly2001.pdf*.

**Iowa's** Lead Agency was unable to secure the funding necessary to implement an overall rate increase based on a new market rate survey. However, providers were given the opportunity to update their published rates if they had recently implemented a rate increase and were still at or below the State's rate ceiling.

**Rhode Island** conducted 16 focus groups with parents who utilize the Child Care Assistance Program. Parents reported that payment rates did not, in their view, limit access to comparable child care.

- Two States (IL and ND) indicated that they helped to ensure equal access by reducing family copayments. Illinois also expanded eligibility so that more families had access to government child care subsidies.

- Thirteen States (AR, CO[7], DC, KY, MS, MO, MT, NJ, NY[7], SC, TN, WV, WI) indicated that tiered reimbursement schedules (e.g., paying higher rates to programs that meet higher quality standards) help to ensure equal access.

- Five States (DC, IL, MO, WA,WV) reported that they sought to assure equal access by increasing rates for child care provided during nontraditional hours (e.g., evenings and weekends.)

**Reimbursement Rate Ceilings**

Lead Agencies were asked to include a copy of their rate ceiling schedule in their CCDF Plans. Table 3.2.2 on pages 50-54 summarizes those reimbursement ceilings, which may be different than current rate schedules since States may have amended their CCDF Plans. In addition, a comparison of the rate ceilings, by age of child and type of care, reported by States in both the 2000-2001 and the 2002-2003 Plans is included in Tables 3.2.3 through 3.2.6.

The average rate ceiling increase reported by States was 10 percent. But this average masks large differences among the States and among age ranges. The percentage change in rate ceilings overall and within each age range was calculated only for those States whose rate ceiling schedules included comparable data in both the 2000-2001 and 2002-2003 Plans. If a State changed the definition of infant, for example, or added a distinct toddler rate in place of an infant/toddler rate, the State's rates for that age range were not included in the percentage change calculations. Similarly, when rate ceiling schedules expressed rates in different units (days rather than weeks, for example), those rates were excluded from the percentage change calculations for that age range. Complete data for both years were not available for all States for all age ranges; however, most States

**Reimbursement Rate Ceilings Increase**

Subsidy rate ceilings increased an average 10 percent from information reported in the 2000-2001 State Plans. However, larger than average increases occurred for care provided to preschool-age children, while in some States and for some age ranges rates remained constant or declined.

[7] Colorado and New York allow counties to decide whether or not they will pay a higher, tiered reimbursement rate.

where rate ceilings were reported in both Plan cycles indicated that their rate ceilings had increased.

The Tables represent rate ceilings for center-based facilities in the largest urban area in each State. Because of anomalies in the child care market, these rate ceilings may not always be the highest rates paid within each State.

It is important to stress that this analysis is based only on the *base rate ceilings*—not the tiered rate ceilings—reported by the States. As noted earlier, 13 States have implemented tiered reimbursement, and rate increases for higher quality care were often much larger than rate increases at the base level. The following discussion does not reflect those increases.

| TABLE 3.2.2 – SUBSIDY REIMBURSEMENT RATE CEILINGS BY CATEGORY OF CARE, LARGEST URBAN AREA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| STATE | INFANT | | TODDLER | | PRESCHOOL | | SCHOOL-AGE | | NOTES |
| | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | |
| **Alabama** | Infant | $105.00/week | Toddler | $105.00/week | Preschool | $99.00/week | School-age | $83.00/week | Rates vary by region. Rates for Birmingham given. |
| **Alaska** | 0 to 18 months | $1035.00/month | 19 to 36 months | $983.00/month | 37 months to 6 years | $880.00/month | 7 - 12 years | $859.00/month | Rates vary by area. Rates for Anchorage/Mat-Su area given. |
| **Arizona** | Birth < 1year | $29.00/day | 1 year < 3 years | $25.58/day | 3 years < 6 years | $23.20/day | 6 years < 13 years | $22.00/day | Rates vary by district. Rates for District I given. |
| **Arkansas** | | | | | | | | | Rate schedule not available. |
| **California** | Under 2 years | $47.45/day | 2 - 5 years | $29.37/day | 2 - 5 years | $29.37/day | 6 years + | $28.09/day | Rates vary by county. Rates for Los Angeles County given. |
| **Colorado** | Under 2 years | $33.00/day | 2 years and older | $28.00/day | 2 years and older | $28.00/day | Before & After School Care | $28.00/day | Rates vary by county. Rates for Denver County given. |
| **Connecticut** | Birth < 3 years | $160.00/week | Birth < 3 years | $160.00/week | 3 - 6 years | $115.00/week | 6 + years | $105.00/week | Rates vary by region. Rates for Region A given. |
| **Delaware** | Infant | $115.50/week | Toddler | $101.20/week | Preschool | $86.25/week | School-age | $81.40/week | Rates vary by county. Rates for New Castle County given. |
| **District of Columbia** | Infant | $31.10/day | Toddler | $31.10/day | Preschool | $23.55/day | School-age | $19.85/day | Rates are District-wide, but vary by tier level. Rates for Bronze-tiered centers given. |
| **Florida** | | | | | | | | | Approved 2002-2003 State Plan not available. |
| **Georgia** | 6 weeks - 12 months | $105.00/week | 13 - 36 months | $95.00/week | 3 - 5 years | $80.00/week | School-age | $80.00/week | Rates vary by zone. Rates for Zone 1 given. |
| **Hawaii** | All Ages | $375.00/month | All Ages | $375.00/month | All Ages | $375.00/month | Before School<br>After School | $60.00/month<br>$80.00/month | Rates are Statewide. |
| **Idaho** | 0 - 12 months | $522.00/month | 13 - 30 months | $453.00/month | 31 - 60 months | $396.00/month | 61-72 months<br>73+ months | $363.00/month<br>$345.00/month | Rates vary by region. Rates for Region I given. |
| **Illinois** | Under 2½ years | $33.77/day | 2½ and older | $24.34/day | 2½ and older | $24.34/day | 2½ and older | $24.34/day<br>$12.17/day | Rates vary by groups of counties. Rates for Group IA Counties given. |
| **Indiana** | Infant | $36.00/day | Toddler | $35.00/day | 3-4 years<br>5 years | $33.00/day<br>$33.00/day | Kindergarten & Regular School-age | $33.00/day | Rates vary by county. Rates for Marion County given. |

| TABLE 3.2.2 – SUBSIDY REIMBURSEMENT RATE CEILINGS BY CATEGORY OF CARE, LARGEST URBAN AREA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| STATE | INFANT | | TODDLER | | PRESCHOOL | | SCHOOL-AGE | | NOTES |
| | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | |
| **Iowa** | 2 weeks - 2 years | $12.45/half-day | 2 weeks - 2 years | $12.45/half-day | 2 years to school-age | $10.50/half-day | School-age | $9.00/half-day | A half-day unit is up to 5 hours of care per 24-hour period. |
| **Kansas** | 0 - 12 months | $3.39/hour | 13 - 30 months | $2.73/hour | 31 months - 5 years | $2.28/hour | 6 years or more | $2.27/hour | Rates vary by SRS area. Rates for Wichita SRS area given. |
| **Kentucky** | Infant | $23.00/day | Toddler | $23.00/day | Preschool | $20.00/day | School-age | $19.99/day | Rates vary by region. Rates for Central Region given. |
| **Louisiana** | All Ages | $15.00/day | All Ages | $15.00/day | All Ages | $15.00/day | All Ages | $15.00/day | Rates are Statewide. |
| **Maine** | Infant | $158.00/week | Toddler | $149.00/week | Preschool | $133.00/week | School-age | $133.00/week | Rates vary by county. Rates for Cumberland County given. |
| **Maryland** | Infant | $771.00/month | Regular | $433.00/month | Regular | $433.00/month | Regular | $433.00/month | Rates vary by Region (groups of counties). Rates for Region BC (Baltimore City) given. |
| **Massachusetts** | Infant | $46.50/day | Infant/Toddler<br>Toddler | $44.00/day<br>$41.50/day | Preschool | $31.50/day | School-age<br>Blended | $19.50/day | Rates vary by Region and Tier levels. Rates for Region 4, Tier 1 given. |
| **Michigan** | | | | | | | | | Approved 2002-2003 State Plan not available. |
| **Minnesota** | Infant | $76.00/day | Toddler | $58.00/day | Preschool | $50.00/day | School-age | $50.00/day | Rates vary by regional groups of counties. Rates for Hennepin County given. |
| **Mississippi** | Birth - 12 months | $84.00/week | 13 - 36 months | $80.00/week | 3 - 5 years | $77.00/week | 5 - 13 years | $76.00/week | Two Tiers exist. Rates for Tier 1 given. |
| **Missouri**[1] | Infant | $25.75/day | | | Preschool | $15.30/day | School-age | $15.00/day | Rates vary by area. Rate areas for infant care are Metro, Sub-Metro and "Rest of State"; rate areas for preschool & school-age are divided into seven groups of counties and Rest of State. Rates given are for St. Louis County. |
| **Montana** | Infant | $22.00/day | Age 2 + | $17.25/day | Age 2 + | $17.25/day | Age 2 + | $17.25/day | Rates vary by CCR&R district. Rates for Billings District given. |

| TABLE 3.2.2 – SUBSIDY REIMBURSEMENT RATE CEILINGS BY CATEGORY OF CARE, LARGEST URBAN AREA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| STATE | INFANT | | TODDLER | | PRESCHOOL | | SCHOOL-AGE | | NOTES |
| | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | |
| **Nebraska** | Infant | $26.00/day | Toddler | $24.00/day | Preschool | $24.00/day | School-age | $24.00/day | Rates vary by groups of counties; rates are Statewide for accredited care. Rates for unaccredited care in Douglas/Sarpy counties given. |
| **Nevada** | 0 - 12 months | $121.00/week | 13 - 36 months | $114.00/week | 37 - 71 months | $100.00/week | 72 months and above | $100.00/week | Rates vary by two counties and rural areas. Rate for Clark County given. |
| **New Hampshire** | Under age 3 | $28.90/day | Under age 3 | $28.90/day | Age 3 or over | $24.40/day | Age 3 or over | $24.40/day | Rates for contract/licensed care given. |
| **New Jersey** | Infant/Toddler (0 up to 2.5 years) | $28.84/day | Infant/Toddler (0 up to 2.5 years) | $28.84/day | Preschool (2.5 up to 5 years) | $23.80/day | Kindergarten and School-age (5 - 13 years) | $23.80/day | Rates may vary by assistance group; rates for participants in the Work First New Jersey and transitional child care programs given. Rates for nonaccredited, licensed child care centers given. Premium rates are paid to accredited, licensed child care centers, school-age programs, and summer camps. |
| **New Mexico** | Infant (0 - 23 months) | $467.84/month | 24 - 35 months | $417.19/month | 3 - 5 years | $386.48/month | 6 years or more | $337.11/month | Rates vary by metro and rural areas. Rates for metro given. |
| **New York** | Under 1½ years | $51.00/day | 1½ - 2 years | $50.00/day | 3 - 5 years | $34.00/day | 6 -12 years | $34.00/day | Rates vary by groups of counties. Rate for Bronx, Kings, Manhattan, Queens and Richmond counties given. |
| **North Carolina** | Infant/Toddler | $520.00/month | Infant/Toddler | $520.00/month | 3 - 5 years | $463.00/month | School-age | $411.00/month | Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County given. |
| **North Dakota** | 0 - 2 years | $115.00/week | 2 - 3 years | $110.00/week | 3 - 13 years | $100.00/week | 3 - 13 years | $100.00/week | Rates are Statewide. |

| TABLE 3.2.2 – SUBSIDY REIMBURSEMENT RATE CEILINGS BY CATEGORY OF CARE, LARGEST URBAN AREA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| STATE | INFANT | | TODDLER | | PRESCHOOL | | SCHOOL-AGE | | NOTES |
| | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | |
| **Ohio** | Infant | $138.00/week | Toddler | $123.00/week | Preschool | $108.00/week | School-age | $100.00/week | Rates vary by county. Rate for Cuyahoga County given. |
| **Oklahoma** | 0 - 12 months | $325.00/month | 25 - 48 months | $282.00/month | 49 - 72 months | $282.00/month | 73 months - 13 years | $239.00/month | Rates vary by geographic area. Five-day weekly rates paid on a monthly basis for one-star centers in the High Geographic Area (including Oklahoma County) given. |
| **Oregon** | Infant | $525.90/month | Toddler | $509.00/month | Preschool | $372.00/month | School | $372.00/month | Rates vary by groups of zip codes. Rates for Group Area A given. |
| **Pennsylvania** | Infant | $34.40/day | Young Toddler<br>Old Toddler | $32.50/day<br>$30.40/day | Preschool | $28.00/day | Young School-age Old School-age | $26.00/day<br>$26.00/day | Rates vary by county. Rates for Bucks County given. |
| **Puerto Rico** | Infant/Toddler | $200.00/month | Infant/Toddler | $200.00/month | Preschool | $160.00/month | School-age | $100.00/month | Rates are Commonwealth-wide. |
| **Rhode Island** | 1 week > 3 years | $160.00/week | 1 week > 3 years | $160.00/week | 3 years > 6 years | $140.00/week | School-age | $125.00/week | Rates are Statewide. |
| **South Carolina** | 0 - 2 years | $96.00/week | 0 - 2 years | $96.00/week | 3 - 5 years | $86.00/week | 6 - 12 years | $81.00/week | Rates vary by urban and rural areas, and whether the center is licensed-only, "enhanced," or NAEYC-accredited. Licensed center rate for urban area given. |
| **South Dakota** | Up to age 3 | $2.50/hour | Up to age 3 | $2.50/hour | 3 years and older | $2.15/hour | 3 years and older | $2.15/hour | Rates vary by urban and rural areas. Rates for urban areas given. |
| **Tennessee** | Under age 2 | $105.00/week | Under age 2 | $105.00/week | 2 years and older | $90.00/week | School-age in School-age out | $50.00/week<br>$75.00/week | Rates vary by Top 15 Counties (highest average populations) and 80 other counties, as well as by tiered quality level. Base rate for Top 15 Counties given. |

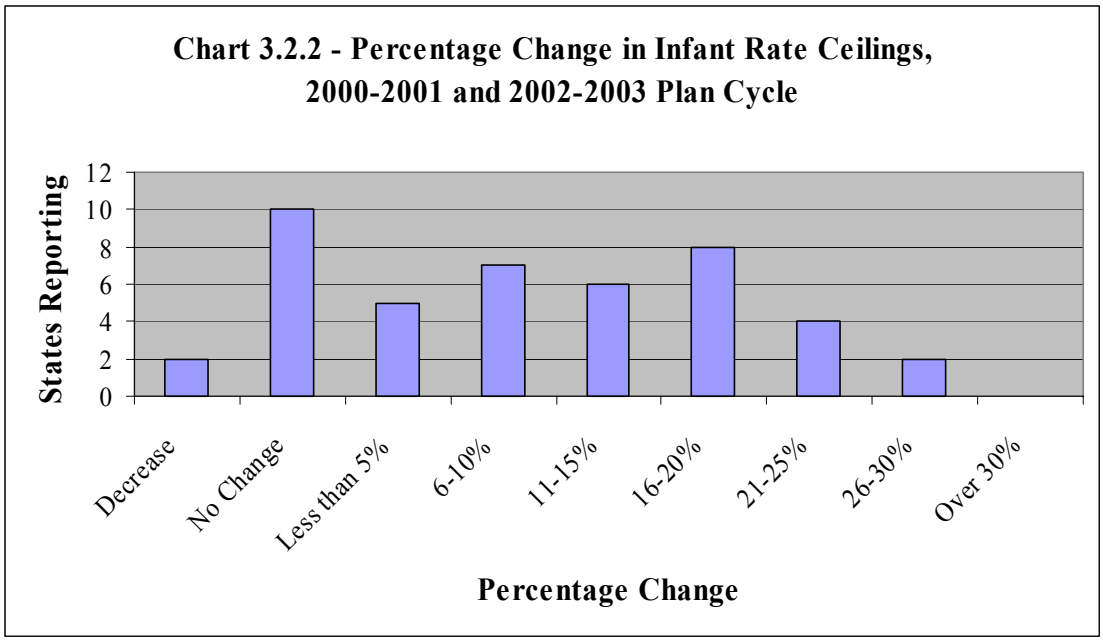
| TABLE 3.2.2 – SUBSIDY REIMBURSEMENT RATE CEILINGS BY CATEGORY OF CARE, LARGEST URBAN AREA | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| STATE | INFANT | | TODDLER | | PRESCHOOL | | SCHOOL-AGE | | NOTES |
| | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | DEFINED | RATE | |
| **Texas** | Infant | $24.00/day | Toddler | $21.00/day | Preschool | $19.00/day | School-age | $18.00/day | Rates vary by Local Workforce Development Areas. Rates for LWDA 28, which includes Houston/Galveston, given. |
| **Utah** | Infant | $533.00/month | Toddler | $441.00/month | Preschool | $412.00/month | School-age | $372.00/month (in) $260.00/month (out) | Rates are Statewide. |
| **Vermont** | Under 3 | $26.11/day | Under 3 | $26.11/day | 3 + | $23.50/day | 3 + | $23.50/day | Rates are Statewide. |
| **Virginia** | Infant | $190.00/week | Toddler | $185.00/week | Preschool | $161.00/week | School-age | $148.00/week | Rates vary by county. Rates for Fairfax Co/City given. |
| **Washington** | 0 - 11 months | $37.82/day | 12 - 29 months | $31.59/day | 30 months - 5 years | $26.50/day | 5 - 12 years | $23.86/day | Rates vary by region. Rates for Region IV given. |
| **West Virginia** | < 24 months | $24.00/day | < 24 months | $24.00/day | 24 months and older | $18.00/day | 24 months and older | $18.00/day | Rates are Statewide. |
| **Wisconsin** | < 2 years | $6.67/hour | 2 - 12 years | $5.75/hour | 2 - 12 years | $5.75/hour | 2 - 12 years | $5.75/hour | Rates vary by county. Rates for Milwaukee County given. |
| **Wyoming** | 0 - 2 years | $2.95/hour | 2 - 3 years | $2.43/hour | 4 - 5 years | $2.43/hour | 6 - 12 years | $2.35/hour | Rates are Statewide. |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

[1]Missouri does not have a separate category for toddlers and the Lead Agency did not report age ranges in the CCDF Plan.

***Increases in Infant Rate Ceilings***

Comparable data on infant rate ceilings were available for both Plan Periods in 44 States. On average, the ceilings reported by these States increased by 10 percent. Chart 3.2.2 below summarizes changes in infant rate ceilings; Table 3.2.3 on pages 57-60 provides specific rate information in each State.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

- Two States (IN and VA) reported a decrease in the rate ceiling for infant care.
- Ten States (DC, HI, KS, LA, MO, MT, NV, NC, ND, PR) reported no increase in the base rate ceiling for infant care.
- Five States (IL, MD, MA, NE, OR) reported an increase of less than 5 percent in the rate ceiling for infant care.
- Seven States (CA, IA, NJ, OH, SD, VT, WI) reported a 6 percent to 10 percent increase in the rate ceiling for infant care.
- Six States (AK, AZ, ME, MN, MS, WA) reported an 11 percent to 15 percent increase in the rate ceiling for infant care.
- Eight States (AL, DE, GA, NM, NY, TX, WV, WY) reported a 16 percent to 20 percent increase in the rate ceiling for infant care.
- Four States (CO, PA, SC, TN) reported a 21 percent to 25 percent increase in the base rate ceiling for infant care.

- Two States (ID and KY) reported a 26 percent to 30 percent increase in the rate ceiling for infant care.

| TABLE 3.2.3 – INFANT SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Alabama** | Infant | Infant | $90.00/week | $105.00/week | Rates vary by region. Rates for Birmingham given. |
| **Alaska** | 0 to 18 months | 0 to 18 months | $919.00/month | $1035.00/month | Rates vary by area. Rates for Anchorage/Mat-Su area given. |
| **Arizona** | Birth < 1 year | Birth < 1year | $25.20/day | $29.00/day | Rates vary by district. Rates for District I given. |
| **Arkansas** | Infant | | $16.00/day | | Rate schedule not available for 2002-2003. |
| **California** | Under 2 years | Under 2 years | $43.94/day | $47.45/day | Rates vary by county. Rates for Los Angeles County given. |
| **Colorado** | Under 2 years | Under 2 years | $27.27/day | $33.00/day | Rates vary by county. Rates for Denver County given. |
| **Connecticut** | | Birth < 3 years | | $160.00/week | Rates vary by region. Rates for Region A given. |
| **Delaware** | Infant | Infant | $98.25/week | $115.50/week | Rates vary by county. Rates for New Castle County given. |
| **District of Columbia** | Infant (6 weeks - 2 years) | Infant | $31.10/day | $31.10/day | Rates are District-wide, but vary by tier level. Rates for Bronze-tiered centers given. |
| **Florida** | 0 - 12 months | | $125/week | | Approved 2002-2003 State Plan not available. |
| **Georgia** | 6 weeks - 12 months | 6 weeks - 12 months | $90.00/week | $105.00/week | Rates vary by zone. Rates for Zone 1 given. |
| **Hawaii** | All Ages | All Ages | $375.00/month | $375.00/month | Rates are Statewide. |
| **Idaho** | 0 - 12 months | 0 - 12 months | $404.00/month | $522.00/month | Rates vary by region. Rates for Region I given. |
| **Illinois** | Under 2½ years | Under 2½ years | $32.95/day | $33.77/day | Rates vary by groups of counties. Rates for Group IA Counties given. |
| **Indiana** | Infant | Infant | $43.00/day | $36.00/day | Rates vary by county. Rates for Marion County given. |
| **Iowa** | 2 weeks - 2 years | 2 weeks - 2 years | $11.30/half-day | $12.45/half-day | A half-day unit is up to 5 hours of care per 24-hour period. |
| **Kansas** | 0 - 12 months | 0 - 12 months | $3.39/hour | $3.39/hour | Rates vary by SRS area. Rates for Wichita SRS area given. |
| **Kentucky** | Infant | Infant | $18.00/day | $23.00/day | Rates vary by region. Rates for Central Region given. |
| **Louisiana** | All Ages | All Ages | $15.00/day | $15.00/day | Rates are Statewide. |

| TABLE 3.2.3 – INFANT SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Maine** | Infant | Infant | $140.00/week | $158.00/week | Rates vary by county. Rates for Cumberland County given. |
| **Maryland** | Infant | Infant | $745.00/month | $771.00/month | Rates vary by Region (groups of counties). Rates for Region BC (Baltimore City) given. |
| **Massachusetts** | Infant | Infant | $45.00/day | $46.50/day | Rates vary by Region and Tier levels. Rates for Region 4, Tier 1 given. |
| **Michigan** | 0 - 2½ years | | $2.95/hour | | Approved 2002-2003 State Plan not available. |
| **Minnesota** | Infant | Infant | $67.00/day | $76.00/day | Rates vary by regional groups of counties. Rates for Hennepin County given. |
| **Mississippi** | Birth - 12 months | Birth - 12 months | $76.00/week | $84.00/week | Two Tiers exist. Rates for Tier 1 given. |
| **Missouri** | Infant | Infant | $25.75/day | $25.75/day | Rates vary by area. Rate areas for infant care are Metro, Sub-Metro and "Rest of State"; rate areas for preschool & school-age are divided into seven groups of counties and Rest of State. Rates given are for St. Louis County. |
| **Montana** | Infant | Infant | $22.00/day | $22.00/day | Rates vary by CCR&R district. Rates for Billings District given. |
| **Nebraska** | Infant | Infant | $25.00/day | $26.00/day | Rates vary by groups of counties; rates are Statewide for accredited care. Rates for unaccredited care in Douglas/Sarpy counties given. |
| **Nevada** | 0 - 12 months | 0 - 12 months | $121.00/week | $121.00/week | Rates vary by two counties and rural areas. Rate for Clark County given. |
| **New Hampshire** | (0 - 23 months) | Under age 3 | | $28.90/day | Rates for contract/licensed care given. |
| **New Jersey** | Infant/Toddler (0 up to 2½ years) | Infant/Toddler (0 up to 2½ years) | $26.38/day | $28.84/day | Rates may vary by assistance group; rates for participants in the Work First New Jersey and transitional child care programs given. Rates for nonaccredited, licensed child care centers given. Premium rates are paid to accredited, licensed child care centers, school-age programs, and summer camps. |
| **New Mexico** | Infant (0 - 23 months) | Infant (0 - 23 months) | $396.00/month | $467.84/month | Rates vary by metro and rural areas. Rates for metro given. |

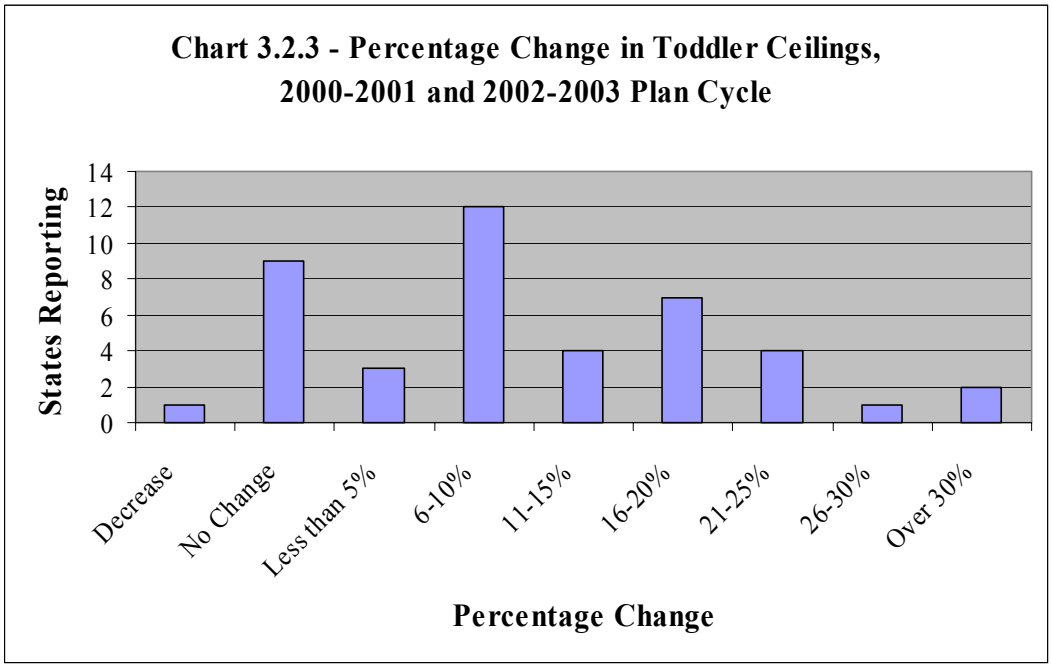
| TABLE 3.2.3 – INFANT SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| State | Age Range | | Reimbursement Rate Ceiling | | Notes |
| | 2000-2001 Plans | 2002-2003 Plans | 2000-2001 Plans | 2002-2003 Plans | |
| **New York** | Under 1½ years | Under 1½ years | $43.00/day | $51.00/day | Rates vary by groups of counties. Rates for Bronx, Kings, Manhattan, Queens and Richmond counties given. |
| **North Carolina** | Infant/Toddler | Infant/Toddler | $520.00/month | $520.00/month | Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County given. |
| **North Dakota** | 0 - 2 years | 0 - 2 years | $115.00/week | $115.00/week | Rates are Statewide. |
| **Ohio** | Infant | Infant | $130.00/week | $138.00/week | Rates vary by county. Rate for Cuyahoga County given. |
| **Oklahoma** | 0 - 24 months | 0 - 12 months | $303.00/month | $325.00/month | Rates vary by geographic area. Five-day weekly rates paid on a monthly basis for one-star centers in the High Geographic Area (including Oklahoma County) given. |
| **Oregon** | 0 - 12 months | 0 - 12 months | $525.00/month | $525.90/month | Rates vary by groups of zip codes. Rates for Group Area A given. |
| **Pennsylvania** | Infant | Infant | $28.40/day | $34.40/day | Rates vary by county. Rates for Bucks County given. |
| **Puerto Rico** | Infant/Toddler | Infant/Toddler | $200.00/month | $200.00/month | Rates are Commonwealth-wide. |
| **Rhode Island** | 1 week through 2 years | 1 week > 3 years | $129.50/week | $160.00/week | Rates are Statewide. |
| **South Carolina** | 0 - 2 years | 0 - 2 years | $77.00/week | $93.00/week | Rates vary by urban and rural areas, and whether the center is licensed-only, "enhanced," or NAEYC-accredited. Licensed center rate for urban area given. |
| **South Dakota** | Up to age 3 | Up to age 3 | $2.30/hour | $2.50/hour | Rates vary by urban and rural areas. Rates for urban areas given. |
| **Tennessee** | Under age 2 | Under age 2 | $85.00/week | $105.00/week | Rates vary by Top 15 Counties (highest average populations) and 80 other counties. Rates for Top 15 Counties given. |
| **Texas** | Infant | Infant | $20.09/day | $24.00/day | Rates vary by Local Workforce Development Areas. Rates for LWDA 28, which includes Houston/Galveston, given. |
| **Utah** | Infant (0 < 24 months) | Infant | $24.00/day | $533.00/month | Rates are Statewide. |

| TABLE 3.2.3 – INFANT SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Vermont** | Under 3 | Under 3 | $21.29/day | $26.11/day | Rates are Statewide. |
| **Virginia** | Infant | Infant | $199.00/week | $190.00/week | Rates vary by county. Rates for Fairfax County/City given. |
| **Washington** | 0 - 11 months | 0 - 11 months | $33.50/day | $37.82/day | Rates vary by region. Rates for Region IV given. |
| **West Virginia** | < 24 months | < 24 months | $20.00/day | $24.00/day | Rates are Statewide. |
| **Wisconsin** | < 2 years | < 2 years | $6.08/hour | $6.67/hour | Rates vary by county. Rates for Milwaukee County given. |
| **Wyoming** | 0 - 2 years | 0 - 2 years | $2.50/hour | $2.95/hour | Rates are Statewide. |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

***Increases in Toddler Rate Ceilings***

Comparable data on toddler rate ceilings were available for both Plan Periods in 43 States. On average, the ceilings reported by these States increased by 11 percent. Chart 3.2.3 below summarizes changes in toddler rate ceilings; Table 3.2.4 on pages 63-66 provides specific information on each State.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

- **Virginia** reported a 5 percent decrease in the rate ceiling for infant care.
- Nine States (HI, IN, KS, LA, NE, NC, ND, OR, PR) reported no increase in the rate ceiling for toddler care.
- Three States (IL, MA, MT) reported an increase of less than 5 percent in the rate ceiling for toddler care.
- Twelve States (CA, IA, ME, MD, MS, NV, NJ, OH, OK, SD, VT, WY) reported a 6 percent to 10 percent increase in the rate ceiling for toddler care.
- Four States (DE, GA, NM, WI) reported an 11 percent to 15 percent increase in the rate ceiling for toddler care.
- Seven States (AL, AZ, MN, NY, PA, WA, WV) reported a 16 percent to 20 percent increase in the rate ceiling for toddler care.
- Four States (RI, SC, TN, TX) reported a 21 percent to 25 percent increase in the rate ceiling for toddler care.

- **Kentucky** reported a 28 percent increase in the rate ceiling for toddler care.
- Two States (CO and ID) reported more than a 30 percent increase in the rate ceiling for toddler care.

| TABLE 3.2.4 – TODDLER SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| State | Age Range | | Reimbursement Rate Ceiling | | Notes |
| | 2000-2001 Plans | 2002-2003 Plans | 2000-2001 Plans | 2002-2003 Plans | |
| **Alabama** | Toddler | Toddler | $90.00/week | $105.00/week | Rates vary by region. Rates for Birmingham given. |
| **Alaska** | 18 to 30 months | 19 to 36 months | $893.00/month | $983.00/month | Rates vary by area. Rates for Anchorage/Mat-Su area given. |
| **Arizona** | 1 year < 3 years | 1 year < 3 years | $22.00/day | $25.58/day | Rates vary by district. Rates for District I given. |
| **Arkansas** | Toddler | | $15.20/day | | Rate schedule not available for 2002-2003. |
| **California** | 2 - 5 years | 2 - 5 years | $27.07/ day | $29.37/day | Rates vary by county. Rates for Los Angeles County given. |
| **Colorado** | 2 years and older | 2 years and older | $18.18/day | $28.00/day | Rates vary by county. Rates for Denver County given. |
| **Connecticut** | | Birth < 3 years | | $160.00/week | Rates vary by region. Rates for Region A given. |
| **Delaware** | Toddler | Toddler | $91.15/ week | $101.20/week | Rates vary by county. Rates for New Castle County given. |
| **District of Columbia** | Preschool (2 - 4 years) | Toddler | $23.55/ day | $31.10/day | Rates are District-wide, but vary by tier level. Rates for Bronze-tiered centers given. |
| **Florida** | 13 - 23 months | | $115.00/week | | Approved 2002-2003 State Plan not available. |
| **Georgia** | 13 - 35 months | 13 - 36 months | $85.00/week | $95.00/week | Rates vary by zone. Rates for Zone 1 given. |
| **Hawaii** | All Ages | All Ages | $375.00/month | $375.00/month | Rates are Statewide. |
| **Idaho** | 13 - 30 months | 13 - 30 months | $344.00/month | $453.00/month | Rates vary by region. Rates for Region I given. |
| **Illinois** | 2½ and older | 2½ and older | $23.75/ day | $24.34/day | Rates vary by groups of counties. Rates for Group IA Counties given. |
| **Indiana** | Toddler | Toddler | $35.00/day | $35.00/day | Rates vary by county. Rates for Marion County given. |
| **Iowa** | Infant and Toddler (2 weeks - 2 years) | Infant and Toddler 2 weeks - 2 years | $11.50/ half-day | $12.45/half-day | A half-day unit is up to 5 hours of care per 24-hour period. |

| TABLE 3.2.4 – TODDLER SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| State | Age Range | | Reimbursement Rate Ceiling | | Notes |
| | 2000-2001 Plans | 2002-2003 Plans | 2000-2001 Plans | 2002-2003 Plans | |
| **Kansas** | 13 - 30 months | 13 - 30 months | $2.73/ hour | $2.73/hour | Rates vary by SRS area. Rates for Wichita SRS area given. |
| **Kentucky** | Toddler | Toddler | $18.00/ day | $23.00/day | Rates vary by region. Rates for Central Region given. |
| **Louisiana** | All Ages | All Ages | $15.00/ day | $15.00/day | Rates are Statewide. |
| **Maine** | Toddler | Toddler | $140.00/week | $149.00/week | Rates vary by county. Rates for Cumberland County given. |
| **Maryland** | Regular | Regular | $407.00/month | $433.00/month | Rates vary by Region (groups of counties). Rates for Region BC (Baltimore City) given. |
| **Massachusetts** | Toddler | Toddler | $40.00/day | $41.50/day | Rates vary by Region and Tier levels. Rates for Region 4, Tier 1 given. |
| **Michigan** | 2½ year + | | $2.50/hour | | Approved 2002-2003 State Plan not available. |
| **Minnesota** | Toddler | Toddler | $49.00/day | $58.00/day | Rates vary by regional groups of counties. Rates for Hennepin County given. |
| **Mississippi** | Toddler (13 - 36 months) | Toddler (13 - 36 months) | $73.00/week | $80.00/week | Two Tiers exist. Rates for Tier 1 given. |
| **Missouri**[1] | | | | | Rates vary by area. Rate areas for infant care are Metro, Sub-Metro and "Rest of State"; rate areas for preschool & school-age are divided into seven groups of counties and Rest of State. Rates given are for St. Louis County. |
| **Montana** | Regular | Age 2 + | $16.50/day | $17.25/day | Rates vary by CCR&R district. Rates for Billings District given. |
| **Nebraska** | Toddler | Toddler | $21.00/day | $21.00/day | Rates vary by groups of counties; rates are Statewide for accredited care. Rates for unaccredited care in Douglas/Sarpy counties given. |
| **Nevada** | 13 - 36 months | 13 - 36 months | $105.00/week | $114.00/week | Rates vary by two counties and rural areas. Rate for Clark County given. |

| TABLE 3.2.4 – TODDLER SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| State | Age Range | | Reimbursement Rate Ceiling | | Notes |
| | 2000-2001 Plans | 2002-2003 Plans | 2000-2001 Plans | 2002-2003 Plans | |
| **New Hampshire** | | Under age 3 | | $28.90/day | Rates for contract/licensed care given. |
| **New Jersey** | Infant/Toddler (0 up to 2½ years) | Infant/Toddler (0 up to 2½ years) | $26.38/day | $28.84/day | Rates may vary by assistance group; rates for participants in the Work First New Jersey and transitional child care programs given. Rates for nonaccredited, licensed child care centers given. Premium rates are paid to accredited, licensed child care centers, school-age programs, and summer camps. |
| **New Mexico** | Toddler (24 - 35 months) | Toddler (24 - 35 months) | $363.00/month | $417.19/month | Rates vary by metro and rural areas. Rates for metro given. |
| **New York** | 1½ - 2 years | 1½ - 2 years | $43.00/day | $50.00/day | Rates vary by groups of counties. Rates for Bronx, Kings, Manhattan, Queens and Richmond counties given. |
| **North Carolina** | Infant/Toddler | Infant/Toddler | $520.00/month | $520.00/month | Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County given. |
| **North Dakota** | Toddler (2 - 3 years) | Toddler (2 - 3 years) | $110.00/week | $110.00/week | Rates are Statewide. |
| **Ohio** | Toddler | Toddler | $115.00/week | $123.00/week | Rates vary by county. Rate for Cuyahoga County given. |
| **Oklahoma** | 25 - 48 months | 25 - 48 months | $260.00/month | $282.00/month | Rates vary by geographic area. Five-day weekly rates paid on a monthly basis for one-star centers in the High Geographic Area (including Oklahoma County) given. |
| **Oregon** | Toddler (1 year through 30 months) | Toddler (1 year through 30 months) | $509.00/month | $509.00/month | Rates vary by groups of zip codes. Rates for Group Area A given. |
| **Pennsylvania** | Young Toddler<br>Old Toddler | Young Toddler<br>Old Toddler | $27.90/day<br>$26.30/day | $32.50/day<br>$30.40/day | Rates vary by county. Rates for Bucks County given. |
| **Puerto Rico** | Infant/Toddler | Infant/Toddler | $200.00/month | $200.00/month | Rates are Commonwealth-wide. |

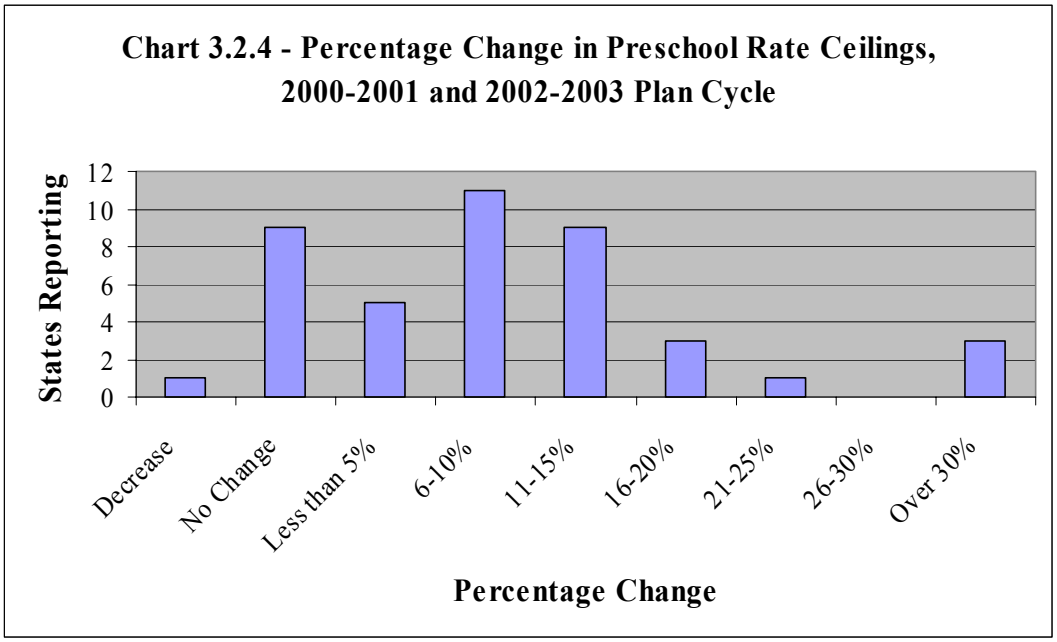
| TABLE 3.2.4 – TODDLER SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| State | Age Range | | Reimbursement Rate Ceiling | | Notes |
| | 2000-2001 Plans | 2002-2003 Plans | 2000-2001 Plans | 2002-2003 Plans | |
| **Rhode Island** | 1 week through 2 years | 1 week > 3 years | $129.50/week | $160.00/week | Rates are Statewide. |
| **South Carolina** | 0 - 2 years | 0 - 2 years | $77.00/week | $93.00/week | Rates vary by urban and rural areas, and whether the center is licensed-only, "enhanced," or NAEYC-accredited. Licensed center rate for urban area given. |
| **South Dakota** | Up to age 3 | Up to age 3 | $2.30/hour | $2.50/hour | Rates vary by urban and rural areas. Rates for urban areas given. |
| **Tennessee** | Under age 2 | Under age 2 | $85.00/week | $105.00/week | Rates vary by Top 15 Counties (highest average populations) and 80 other counties. Rates for Top 15 Counties given. |
| **Texas** | Toddler | Toddler | $17.13/day | $21.00/day | Rates vary by Local Workforce Development Areas. Rates for LWDA 28, which includes Houston/Galveston, given. |
| **Utah** | Toddler (2 + 3 years) | Toddler (2 + 3 years) | $19.50/day | $441.00/month | Rates are Statewide. |
| **Vermont** | Under 3 | Under 3 | $21.29/day | $26.11/day | Rates are Statewide. |
| **Virginia** | Toddler | Toddler | $195.00/week | $185.00/week | Rates vary by county. Rates for Fairfax County/City given. |
| **Washington** | 12 - 29 months | 12 - 29 months | $26.59/day | $31.59/day | Rates vary by region. Rates for Region IV given. |
| **West Virginia** | < 24 months | < 24 months | $20.00/day | $24.00/day | Rates are Statewide. |
| **Wisconsin** | 2 - 12 years | 2 - 12 years | $5.10/hour | $5.75/hour | Rates vary by county. Rates for Milwaukee County given. |
| **Wyoming** | 2 - 3 years | 2 - 3 years | $2.25/hour | $2.43/hour | Rates are Statewide. |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

[1]Missouri does not have a separate rate category for toddlers and the Lead Agency did not report age ranges in the CCDF Plan.

***Increases in Preschool Rate Ceilings***

Comparable data on preschool rate ceilings were available for both Plan Periods in 42 States. On average, the ceilings reported by these States increased by 10 percent. Chart 3.2.4 below summarizes changes in preschool ceilings; Table 3.2.5 on pages 69-72 provides specific information on each State.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

- **Virginia** reported a 5 percent decrease in the rate ceiling for preschoolers.
- Nine States (HI, KS, LA, MO, NV, NC, ND, OR, PR) reported no increase in the rate ceiling for preschoolers.
- Five States (AL, IL, ME, MT, OH) reported an increase of less than 5 percent in the rate ceiling for preschoolers.
- Eleven States (CA, GA, IN, MD, MA, MS, NJ, OK, SD, TX, VT) reported a 6 percent to 10 percent increase in the rate ceiling for preschoolers.
- Nine States (IA, MN, NE, NM, NY, SC, WA, WI, WY) reported an 11 percent to 15 percent increase in the rate ceiling for preschoolers.
- Three States (AZ, ID, TN) reported a 16 percent to 20 percent increase in the rate ceiling for preschoolers.
- **Pennsylvania** reported a 23 percent increase in the rate ceiling for preschoolers.

- Three States (CO, KY, TN) reported increases of more than 30 percent in the rate ceiling for preschoolers.

| TABLE 3.2.5 – PRESCHOOL SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Alabama** | Preschool | Preschool | $94.00/week | $99.00/week | Rates vary by region. Rates for Birmingham given. |
| **Alaska** | Child (30 months – 13 years) | Child (37 months - 6 years) | $800.00/month | $880.00/month | Rates vary by area. Rates for Anchorage/Mat-Su area given. |
| **Arizona** | 3 years < 6 years | 3 years < 6 years | $20.00/day | $23.20/day | Rates vary by district. Rates for District I given. |
| **Arkansas** | Preschool | | $14.40/day | | Rate schedule not available for 2002-2003. |
| **California** | 2 - 5 years | 2 - 5 years | $27.07/ day | $29.37/day | Rates vary by county. Rates for Los Angeles County given. |
| **Colorado** | 2 years and older | 2 years and older | $18.18/ day | $28.00/day | Rates vary by county. Rates for Denver County given. |
| **Connecticut** | | 3 - 6 years | | $115.00/week | Rates vary by region. Rates for Region A given. |
| **Delaware** | Over 2 | Preschool | $81.40/week | $86.25/week | Rates vary by county. Rates for New Castle County given. |
| **District of Columbia** | Preschool (2 - 4 years) | Preschool (2 - 4 years) | $23.55/day | $23.55/day | Rates are District-wide, but vary by tier level. Rates for Bronze-tiered centers given. |
| **Florida** | 24 - 35 months<br>36 - 47 months<br>48 - 59 months | | $102.00/week<br>$100.00/week<br>$99.00/week | | Approved 2002-2003 State Plan not available. |
| **Georgia** | 3 - 5 years | 3 - 5 years | $75.00/week | $80.00/week | Rates vary by zone. Rates for Zone 1 given. |
| **Hawaii** | All Ages | All Ages | $375.00/month | $375.00/month | Rates are Statewide. |
| **Idaho** | 31 - 60 months | 31 - 60 months | $330.00/month | $396.00/month | Rates vary by region. Rates for Region I given. |
| **Illinois** | 2 ½ and older | 2 ½ and older | $23.75/day | $24.34/day | Rates vary by groups of counties. Rates for Group IA Counties given. |
| **Indiana** | 3 - 4 years<br>5 years | 3 - 4 years<br>5 years | $30.00/day<br>$29.00/day | $33.00/day<br>$33.00/day | Rates vary by county. Rates for Marion County given. |
| **Iowa** | Preschool (2 years to school-age) | Preschool (2 years to school-age) | $9.50/ half-day | $10.50/half-day | A half-day unit is up to 5 hours of care per 24-hour period. |
| **Kansas** | 31 months - 5 years | 31 months - 5 years | $2.28/ hour | $2.28/hour | Rates vary by SRS area. Rates for Wichita SRS area given. |
| **Kentucky** | Preschool | Preschool | $15.00/day | $20.00/day | Rates vary by region. Rates for Central Region given. |
| **Louisiana** | All Ages | All Ages | $15.00/day | $15.00/day | Rates are Statewide. |

| TABLE 3.2.5 – PRESCHOOL SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Maine** | Preschool | Preschool | $130.00/week | $133.00/week | Rates vary by county. Rates for Cumberland County given. |
| **Maryland** | Regular | Regular | $407.00/month | $433.00/month | Rates vary by Region (groups of counties). Rates for Region BC (Baltimore City) given. |
| **Massachusetts** | Preschool | Preschool | $29.00/day | $31.50/day | Rates vary by Region and Tier levels. Rates for Region 4, Tier 1 given. |
| **Michigan** | 2½ year + | | $2.50/hour | | Approved 2002-2003 State Plan not available. |
| **Minnesota** | Preschool | Preschool | $44.00/day | $50.00/day | Rates vary by regional groups of counties. Rates for Hennepin County given. |
| **Mississippi** | 3 - 5 years | 3 - 5 years | $70.00/week | $77.00/week | Two Tiers exists. Rates for Tier 1 given. |
| **Missouri** | Preschool | Preschool | $15.30/day | $15.30/day | Rates vary by area. Rate areas for infant care are Metro, Sub-Metro and "Rest of State"; rate areas for preschool & school-age are divided into seven groups of counties and Rest of State. Rates given are for St. Louis County. |
| **Montana** | Regular | Age 2 + | $16.50/day | $17.25/day | Rates vary by CCR&R district. Rates for Billings District given. |
| **Nebraska** | Preschool | Preschool | $21.00/day | $24.00/day | Rates vary by groups of counties; rates are Statewide for accredited care. Rates for unaccredited care in Douglas/Sarpy counties given. |
| **Nevada** | 37 - 71 months | 37 - 71 months | $100.00/week | $100.00/week | Rates vary by two counties and rural areas. Rate for Clark County given. |
| **New Hampshire** | | Age 3 or over | | $24.40/day | Rates for contract/licensed care given. |
| **New Jersey** | Preschool (2½ up to 5 years) | Preschool (2½ up to 5 years) | $21.76/day | $23.80/day | Rates may vary by assistance group; rates for participants in the Work First New Jersey and transitional child care programs given. Rates for nonaccredited, licensed child care centers given. Premium rates are paid to accredited, licensed child care centers, school-age programs, and summer camps. |
| **New Mexico** | Preschool (3 - 5 years) | Preschool (3 - 5 years) | $346.50/month | $386.48/month | Rates vary by metro and rural areas. Rates for metro given. |

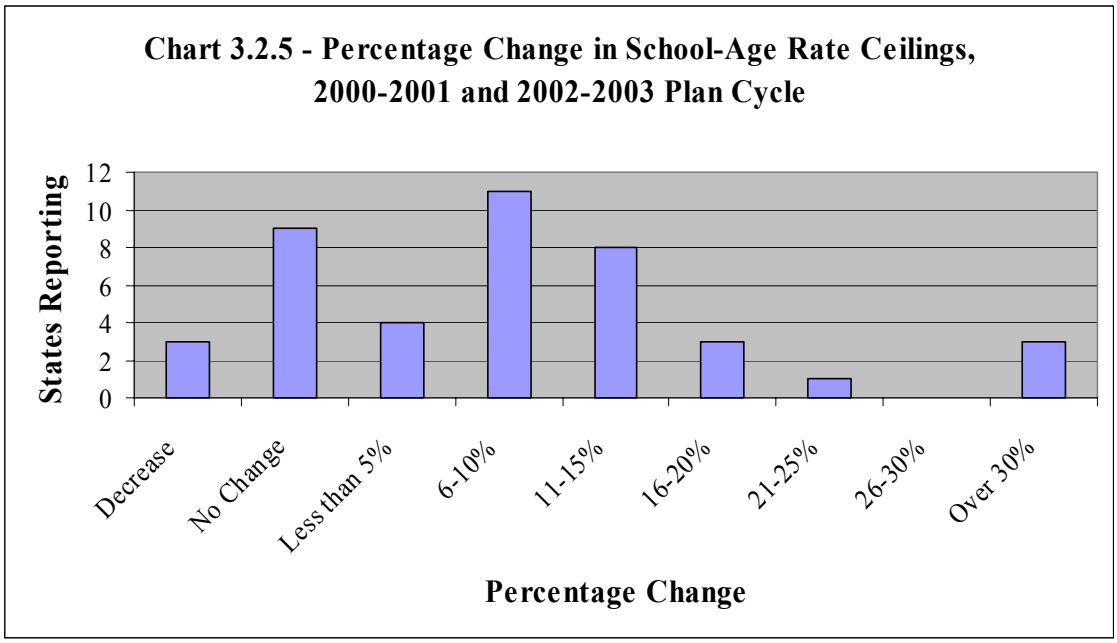
| TABLE 3.2.5 – PRESCHOOL SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **New York** | 3 - 5 years | 3 - 5 years | $30.00/day | $34.00/day | Rates vary by groups of counties. Rates for Bronx, Kings, Manhattan, Queens and Richmond counties given. |
| **North Carolina** | 3 - 5 years | 3 - 5 years | $463.00/month | $463.00/month | Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County given. |
| **North Dakota** | 3 - 13 years | 3 - 13 years | $100.00/week | $100.00/week | Rates are Statewide. |
| **Ohio** | Preschool | Preschool | $105.00/week | $108.00/week | Rates vary by county. Rate for Cuyahoga County given. |
| **Oklahoma** | 49 - 72 months | 49 - 72 months | $260.00/month | $282.00/month | Rates vary by geographic area. Five-day weekly rates paid on a monthly basis for one-star centers in the High Geographic Area (including Oklahoma County) given. |
| **Oregon** | Preschool (31 months through 5 years) | Preschool (31 months through 5 years) | $372.00/month | $372.00/month | Rates vary by groups of zip codes. Rates for Group Area A given. |
| **Pennsylvania** | Preschool | Preschool | $22.70/day | $28.00/day | Rates vary by county. Rates for Bucks County given. |
| **Puerto Rico** | Preschool | Preschool | $160.00/month | $160.00/month | Rates are Commonwealth-wide. |
| **Rhode Island** | 3 years through 5 years | 3 years > 6 years | $100.00/week | $140.00/week | Rates are Statewide. |
| **South Carolina** | 3 - 5 years | 3 - 5 years | $74.00/week | $83.00/week | Rates vary by urban and rural areas, and whether the center is licensed-only, "enhanced," or NAEYC-accredited. Licensed center rate for urban area given. |
| **South Dakota** | 3 years and older | 3 years and older | $2.00/hour | $2.15/hour | Rates vary by urban and rural areas. Rates for urban areas given. |
| **Tennessee** | 2 years and older | 2 years and older | $77.00/week | $90.00/week | Rates vary by Top 15 Counties (highest average populations) and 80 other counties. Rates for Top 15 Counties given. |
| **Texas** | Preschool | Preschool | $17.24/day | $19.00/day | Rates vary by Local Workforce Development Areas. Rates for LWDA 28, which includes Houston/Galveston, given. |
| **Utah** | Preschool (4 and 5 years) | Preschool | $17.19/day | $412.00/month | Rates are Statewide. |

| TABLE 3.2.5 – PRESCHOOL SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Vermont** | 3 years + | 3 years + | $18.92/day | $20.81/day | Rates are Statewide. |
| **Virginia** | Preschool | Preschool | $42.69/day | $161.00/week | Rates vary by county. Rates for Fairfax County/City given. |
| **Washington** | 30 months - 5 years | 30 months - 5 years | $23.41/day | $26.50/day | Rates vary by region. Rates for Region IV given. |
| **West Virginia** | 25 months and older | 24 months and older | $17.00/day | $18.00/day | Rates are Statewide. |
| **Wisconsin** | 2 - 12 years | 2 - 12 years | $5.10/hour | $5.75/hour | Rates vary by county. Rates for Milwaukee County given. |
| **Wyoming** | 4 - 5 years | 4 - 5 years | $2.14/hour | $2.43/hour | Rates are Statewide. |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

***Increases in School-age Child Care Rate Ceilings***

Comparable data on school-age rate ceilings were available for both Plan Periods in 42 States. While the ceilings reported by these States increased by 10 percent on average, some States reported decreases in the base rate for full-day school-age child care. Chart 3.2.5 below summarizes changes in school-age ceilings; Table 3.2.6 on pages 75-77 provides specific information on each State.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

- Three States (CA, TX, VA) reported decreases in the school-age child care rate ceiling.
- Nine States (DC, HI, KS, LA, MO, NC, ND, OR, PR) reported no increase in the rate ceiling for school-age child care.
- Four States (IL, ME, MT, OH) reported an increase of less than 5 percent in the rate ceiling for school-age child care.
- Eleven States (AZ, GA, IA, MD, MS, NV, NJ, NM, OK, SD, WA) reported a 6 percent to 10 percent increase in the rate ceiling for school-age child care.
- Eight States (ID, IN, MA, NE, NY, PA, SC, WI) reported an 11 percent to 15 percent increase in the rate ceiling for school-age child care.
- Three States (AL, MN, WY) reported a 16 percent to 20 percent increase in the rate ceiling for school-age child care.
- **Vermont** reported a 24 percent increase in the rate ceiling for school-age child care.

- Three States (CO, KY, RI) reported an increase of more than 30 percent in the rate ceiling for school-age child care.

| TABLE 3.2.6 – SCHOOL-AGE SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Alabama** | School-age | School-age | $70.00/week | $83.00/week | Rates vary by region. Rates for Birmingham given. |
| **Alaska** | Child (30 months to 13 years) | 7 - 12 years | $800.00/month | $859.00/month | Rates vary by area. Rates for Anchorage/Mat-Su area given. |
| **Arizona** | 6 years < 13 years | 6 years < 13 years | $20.00/day | $22.00/day | Rates vary by district. Rates for District I given. |
| **Arkansas** | School-age | | $14.00/day | | Rate schedule not available for 2002-2003. |
| **California** | 6 years + | 6 years + | $29.19/day | $28.09/day | Rates vary by county. Rates for Los Angeles County given. |
| **Colorado** | 2 years and older | Before & After School Care | $18.18/day | $28.00/day | Rates vary by county. Rates for Denver County given. |
| **Connecticut** | | 6 + years | | $105.00/week | Rates vary by region. Rates for Region A given. |
| **Delaware** | Over 2 | School-age | $81.40/week | $81.40/week | Rates vary by county. Rates for New Castle County given. |
| **District of Columbia** | School-age (4 - 14 years) | School-age | $19.85/day | $19.85/day | Rates are District-wide, but vary by tier level. Rates for Bronze-tiered centers given. |
| **Florida** | Elementary School-age (Summer/Holidays) | | $95.00/week | | Approved 2002-2003 State Plan not available. |
| **Georgia** | School-age | School-age | $75.00/week | $80.00/week | Rates vary by zone. Rates for Zone 1 given. |
| **Hawaii** | Before School<br>After School | Before School<br>After School | $60.00/month<br>$80.00/month | $60.00/month<br>$80.00/month | Rates are Statewide. |
| **Idaho** | 61-72 months<br>73+ months | 61-72 months<br>73+ months | $330.00/month<br>$303.00/month | $363.00/month<br>$345.00/month | Rates vary by region. Rates for Region I given. |
| **Illinois** | 2½ and older<br>School-age Day | 2½ and older<br>School-age Day | $23.75/day<br>$11.88/day | $24.34/day<br>$12.17/day | Rates vary by groups of counties. Rates for Group IA Counties given. |
| **Indiana** | Kindergarten and Regular School-age | Kindergarten and Regular school-age | $29.00/day | $33.00 | Rate schedule not available. |
| **Iowa** | School-age | School-age | $8.50/ half-day | $9.00/half-day | A half-day unit is up to 5 hours of care per 24-hour period. |
| **Kansas** | 6 years and over | 6 years or more | $2.27/ hour | $2.27/hour | Rates vary by SRS area. Rates for Wichita SRS area given. |
| **Kentucky** | School-age | School-age | $14.00/day | $19.00/day | Rates vary by region. Rates for Central Region given. |
| **Louisiana** | All Ages | All Ages | $15.00/day | $15.00/day | Rates are Statewide. |
| **Maine** | School-age | School-age | $130.00/week | $133.00/week | Rates vary by county. Rates for Cumberland County given. |
| **Maryland** | Regular | Regular | $407.00/month | $433.00/month | Rates vary by Region (groups of counties). Rates for Region BC (Baltimore City) given. |

| TABLE 3.2.6 – SCHOOL-AGE SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Massachusetts** | School-age Blended | School-age Blended | $16.50/day | $18.50/day | Rates vary by Region and Tier levels. Rates for Region 4, Tier 1 given. |
| **Michigan** | 2 ½ year + | | $2.50/hour | | Approved 2002-2003 State Plan not available. |
| **Minnesota** | School-age | School-age | $42.00/day | $50.00/day | Rates vary by county. Rates for Hennepin County given. |
| **Mississippi** | 5 - 13 years | 5 - 13 years | $69.00/week | $76.00/week | Two Tiers exists. Rates for Tier 1 given. |
| **Missouri** | School-age | School-age | $15.00/day | $15.00/day | Rates vary by area. Rate areas for infant care are Metro, Sub-Metro and "Rest of State"; rate areas for preschool & school-age are divided into seven groups of counties and Rest of State. Rates given are for St. Louis County. |
| **Montana** | Regular | Age 2 + | $16.50/day | $17.25/day | Rates vary by CCR&R district. Rates for Billings District given. |
| **Nebraska** | School-age | School-age | $21.00/day | $24.00/day | Rates vary by groups of counties; rates are Statewide for accredited care. Rates for unaccredited care in Douglas/Sarpy counties given. |
| **Nevada** | 72 months and above | 72 months and above | $91.00/week | $100.00/week | Rates vary by two counties and rural areas. Rate for Clark County given. |
| **New Hampshire** | | Age 3 or over | | $24.40/day | Rates for contract/licensed care given. |
| **New Jersey** | Kindergarten and School-age (5 - 13 years) | Kindergarten and School-age (5 - 13 years) | $21.76/day | $23.80/day | Rates may vary by assistance group; rates for participants in the Work First New Jersey and transitional child care programs given. Rates for nonaccredited, licensed child care centers given. Premium rates are paid to accredited, licensed child care centers, school-age programs, and summer camps. |
| **New Mexico** | School-age (6 years and older) | School-age (6 years and older) | $313.50/month | $337.11/month | Rates vary by metro and rural areas. Rates for metro given. |
| **New York** | 6 -12 years | 6 -12 years | $30.00/day | $34.00/day | Rates vary by groups of counties. Rates for Bronx, Kings, Manhattan, Queens and Richmond counties given. |
| **North Carolina** | School-age | School-age | $411.00/month | $411.00/month | Rates vary by county and tier level. Rates for one-star centers in Mecklenburg County given. |
| **North Dakota** | 3 - 13 years | 3 - 13 years | $100.00/week | $100.00/week | Rates are Statewide. |
| **Ohio** | School-age | School-age | $95.00/week | $100.00/week | Rates vary by county. Rate for Cuyahoga County given. |

| TABLE 3.2.6 – SCHOOL-AGE SUBSIDY REIMBURSEMENT RATE CEILINGS, LARGEST URBAN AREA | | | | | |
|---|---|---|---|---|---|
| **State** | **Age Range** | | **Reimbursement Rate Ceiling** | | **Notes** |
| | **2000-2001 Plans** | **2002-2003 Plans** | **2000-2001 Plans** | **2002-2003 Plans** | |
| **Oklahoma** | 73 months -13 years | 73 months -13 years | $217.00/month | $239.00/month | Rates vary by geographic area. Five-day weekly rates paid on a monthly basis for one-star centers in the High Geographic Area (including Oklahoma County) given. |
| **Oregon** | School-age (6 years or older) | School-age (6 years or older) | $372.00/month | $372.00/month | Rates vary by groups of zip codes. Rates for Group Area A given. |
| **Pennsylvania** | Young School-age<br>Old School-age | Young School-age<br>Old School-age | $22.70/day<br>$22.70/day | $26.00/day<br>$26.00/day | Rates vary by county. Rates for Bucks County given. |
| **Puerto Rico** | School-age | School-age | $100.00/month | $100.00/month | Rates are island-wide. |
| **Rhode Island** | School-age (6 - 12 years) | School-age (6 - 12 years) | $85.00/week | $125.00/week | Rates are Statewide. |
| **South Carolina** | 6 - 12 years | 6 - 12 years | $70.00/week | $81.00/week | Rates vary by urban and rural areas, and whether the center is licensed-only, "enhanced," or NAEYC-accredited. Licensed center rate for urban area given. |
| **South Dakota** | 3 years and older | 3 years and older | $2.00/hour | $2.15/hour | Rates vary by urban and rural areas. Rates for urban areas given. |
| **Tennessee** | 2 years and older | School-age (in)<br>School-age (out) | $77.00/week | $50.00/week<br>$75.00/week | Rates vary by Top 15 Counties (highest average populations) and 80 other counties. Rates for Top 15 Counties given. |
| **Texas** | School-age | School-age | $18.25/day | $18.00/day | Rates vary by Local Workforce Development Areas. Rates for LWDA 28, which includes Houston/Galveston, given. |
| **Utah** | 6 < 13 years | School-age (in)<br>School-age (out) | $17.00/day | $372.00/month (in)<br>$260.00/month (out) | Rates are Statewide. |
| **Vermont** | Other | 3 years + | $18.92/day | $23.50/day | Rates are Statewide. |
| **Virginia** | School-age | School-age | $41.61/day | $148.00/week | Rates vary by county. Rates for Fairfax County/City given. |
| **Washington** | 5 - 12 years | 5 - 12 years | $21.66/day | $23.86/day | Rates vary by region. Rates for Region IV given. |
| **West Virginia** | 25 months and up | 24 months and older | $17.00/day | $18.00/day | Rates are Statewide. |
| **Wisconsin** | 2 - 12 years | 2 - 12 years | $5.10/hour | $5.75/hour | Rates vary by county. Rates for Milwaukee County given. |
| **Wyoming** | 6 - 12 years | 6 - 12 years | $2.00/hour | $2.35/hour | Rates are Statewide. |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

***Informal Child Care***
Many Lead Agencies reported that it is difficult to conduct an accurate market rate survey for informal, unregulated child care. To this end, 10 States (AZ, ME, MD, MN, MT, NV, NY, NC, TN, WI) reported that they establish rates for this type of care based on a percentage of the regulated family child care rate. Table 3.2.7 below includes the adjustments for unregulated care that States reported in their CCDF Plans.

| TABLE 3.2.7 – ADJUSTED RATES FOR UNREGULATED CARE | |
|---|---|
| **State** | **Adjustment for Unregulated Care** |
| **Arizona** | 70% of the average actual daily payment for certified family child care homes |
| **Maine** | 90% of child care home rates for the appropriate county and age category |
| **Maryland** | 41% of the regulated family child care rate in each region |
| **Minnesota** | 90% of licensed provider rates |
| **Montana** | 75% of family home rates |
| **Nevada** | Between 50% and 75% of the licensed family child care provider category |
| **New York** | 75% of the rate for registered family child care providers |
| **North Carolina** | 50% of the market rate for home-based care |
| **Tennessee** | 70% of the licensed family child care home rate |
| **Wisconsin** | 50% of the licensed family maximum reimbursement rate (for "provisionally certified" family child care) |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

***Reimbursement Rate Policies***
States establish a number of policies that affect child care reimbursement levels. Two key policies are the unit of measurement used to establish rates (e.g., whether the State pays by the hour, the day, the week, the month) and the political jurisdiction used to establish a market rate ceiling (e.g., whether the State defines rate areas as a county, a region—or group of counties—or the State as a whole). Lead Agencies were asked to provide information on both of these policies. Their responses are summarized below.

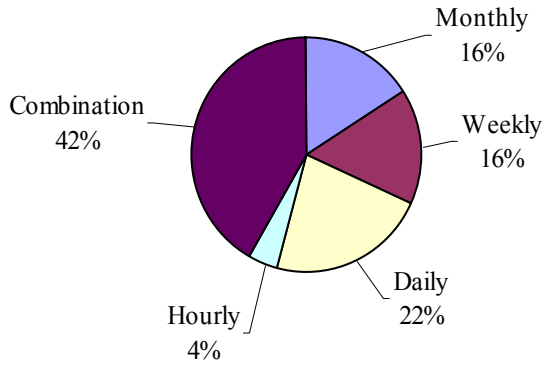
***Rate Units***
States reimburse providers for child care services provided to eligible families using different units of service measurement. Most States use full- and part-time units of service, whether accounting for service delivery on a daily, weekly or monthly basis.

- Eleven Lead Agencies (CO, DE, ID, KS, MD, MA, NV, PR, UT, VA, WY) reported they use only one unit of service, without a full- or part-time accounting.

- Twenty-nine States (AL, AK, AZ, CA, CT, DC, GA, HI, IL, IA, KY, MS, MO, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, VT, WA) listed part- and full-time units of service for either daily, weekly or monthly payment.

Chart 3.2.8 below illustrates the distribution of units of service chosen by Lead Agencies, as reported in rate ceiling tables submitted with their CCDF Plans. The majority (54 percent) of States are split fairly evenly among monthly, weekly or daily units of service; however, 42 percent of States opt for a combination of units (some mix of monthly, weekly, daily or hourly) when processing child care subsidy reimbursement. Only 4 percent of Lead Agencies listed hourly units of service exclusively.

**Chart 3.2.8 - Units of Service States Use to Reimburse Providers**




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

***Rate Areas***
When establishing market rate ceilings, States are permitted to define the geographical outlines of the market within which rates are grouped and for which the rate ceiling is established. States have selected three basic market areas—a county, a region, or the State as a whole.

- Eleven States (CA, CO, DE, IN, ME, MN, NC, OH, PA, VA, WI) reported that they establish rates by county.

- Twenty-three States (AL, AK, AZ, CT, GA, ID, IL, KS, KY, MD, MA, MT, MO, NE, NV, NM, NY, OK, SC, SD, TN, TX, WA) reported that they establish rates by region, which typically refers to a group of counties (although a few States define regions as urban or rural). States use a variety of names to describe these regions, including "rate area," "zone," "district" and so forth. In some States, these regions are designed to correspond with the State's social service districts or the CCR&R service delivery areas.

- **Oregon** establishes rates by groups of zip codes.

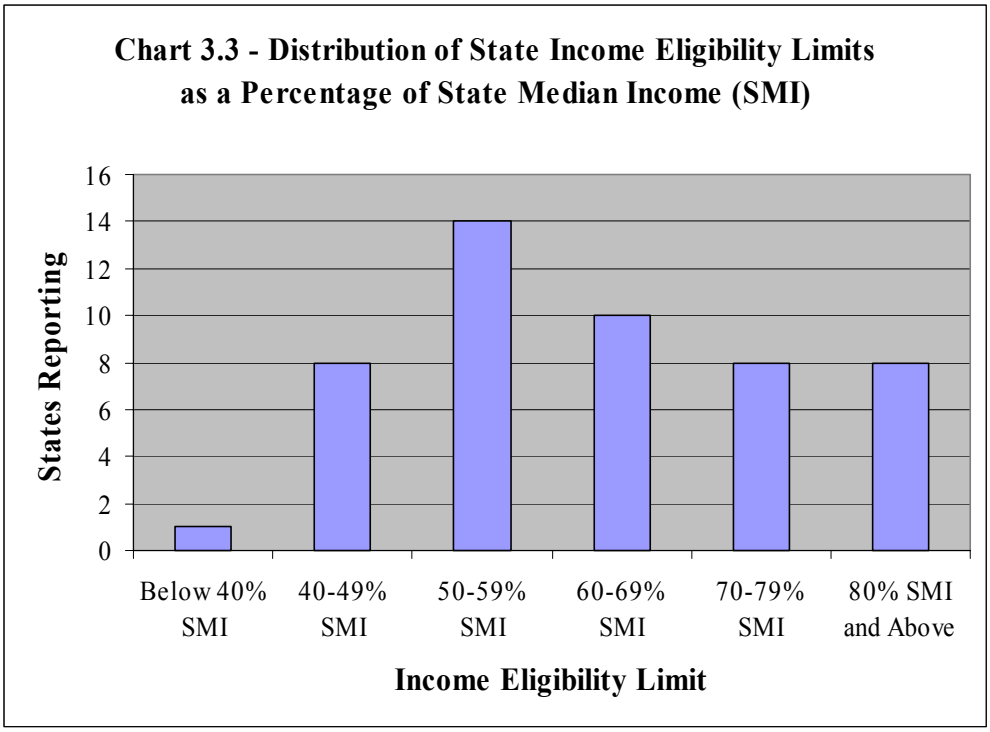
- Fourteen States (DC, HI, IA, LA, MS, NH, NJ, ND, PR, RI, UT, VT, WV, WY) reported that they base rates on data from the whole State. These States do not have multiple rate areas, but rather have one Statewide reimbursement rate ceiling for each age of child and type of care.

## Section 3.3 – Eligibility Criteria for Child Care

*By statute, all eligible children must be under the age of 13 and reside with a family whose income does not exceed 85 percent of the State Median Income (SMI) for a family of the same size and whose parent(s) are working or attending a job training or educational program or who receive or need to receive protective services. (658E(c)(3)(B), 658P(3), §98.20(a))*

Most States have continued to establish income eligibility limits substantially below the levels permissible in Federal regulations. Only about 10 percent of States extend eligibility to families whose income is at 85 percent of SMI, according to information they submitted in their CCDF Plans, a decline from 18 percent of Lead Agencies so reporting in July 1999. On average, States reported an income eligibility level equivalent to 62 percent of SMI. The distribution of State income eligibility limits, expressed as a percentage of SMI, is shown in Chart 3.3 below.

Table 3.3, on pages 81-83, shows the income level for a family of three at 85 percent of the State Median Income (SMI), as reported in the State's 2002-2003 CCDF Plan. Table 3.3 also shows the upper income level for a family of three that the Lead Agency uses to limit eligibility, *if* that upper income level is lower than 85 percent of SMI.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

| TABLE 3.3. INCOME ELIGIBILITY THRESHOLDS AND STATE MEDIAN INCOME (SMI), FAMILY OF THREE | | | | | | |
|---|---|---|---|---|---|---|
| | 2000-2001 State Plans | | | 2002-2003 State Plans | | |
| State | 85% of Monthly State Median Income (SMI)[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI | 85% of Monthly State Median Income[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI |
| **Alabama** | $2,870 | $1,504 | 45% | $3,118.00 | $1,585.00 | 43% |
| **Alaska** | $3,694 | | 85% | $4,481.00 | | 85% |
| **Arizona** | $2,804 | $1,909 | 58% | $3,156.00 | $2,013.00 | 54% |
| **Arkansas** | $2,172 | $1,533 | 60% | $2,776.92 | $1,960.21 | 60% |
| **California** | $3,197 | $2,821 | 75% | $3,315.00 | $2,925.00 | 75% |
| **Colorado**[2] | $3,510 | $2,139 | 52% | $3,774.00 | $2,743.00 | 62% |
| **Connecticut** | | | | $4,495.00 | $3,966.00 | 75% |
| **District of Columbia** | $3,371 | $1,764 | 44% | $3,706.00 | $3,470.00 | 80% |
| **Delaware** | $3,169 | $2,326 | 62% | $3,902.00 | $2,440.00 | 53% |
| **Florida** | $2,667 | $1,706 | 54% | | | |
| **Georgia** | $2,817 | | 85% | $3,569.00 | | 85% |
| **Hawaii** | $3,257 | $2,874 | 75% | $3,479.00 | $3,274.00 | 80% |
| **Idaho** | $2,684 | $1,706 | 54% | $2,838.00 | $1,706.00 | 51% |
| **Illinois** | $3,440 | $1,818 | 45% | $3,948.00 | $1,818.00 | 39% |
| **Indiana** | $3,149 | $2,161 | 58% | $3,289.40 | $2,207.00 | 57% |
| **Iowa** | $3,081 | $1,793 | 49% | $3,455.00 | $1,890.00 | 47% |
| **Kansas** | $3,114 | | 85% | $3,874.00 | $2,255.00 | 49% |
| **Kentucky** | $2,739 | $1,851 | 57% | $3,105.00 | $2,012.00 | 55% |
| **Louisiana** | $2,742 | $2,420 | 75% | $2,942.00 | $2,077.00 | 60% |
| **Maine** | $2,871 | | 85% | $3,038.01 | | 85% |
| **Maryland** | $3,957 | $1,870 | 40% | $4,451.00 | $2,095.00 | 40% |
| **Massachusetts**[3] | $3,869 | | 85% | $4,104.00 | | 50% |
| **Michigan** | $3,342 | $2,172 | 55% | | | |
| **Minnesota** | $3,604 | $3,181 | 75% | $3,967.00 | $3,501.00 | 75% |

| TABLE 3.3. INCOME ELIGIBILITY THRESHOLDS AND STATE MEDIAN INCOME (SMI), FAMILY OF THREE | | | | | | |
|---|---|---|---|---|---|---|
| | 2000-2001 State Plans | | | 2002-2003 State Plans | | |
| State | 85% of Monthly State Median Income (SMI)[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI | 85% of Monthly State Median Income[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI |
| **Mississippi** | $2,333 | | 85% | $2,513.00 | | 85% |
| **Missouri** | $2,772 | $1,482 | 45% | $3,010.00 | $1,482.00 | 42% |
| **Montana** | $2,592 | $1,735 | 57% | $3,032.00 | $1,829.00 | 51% |
| **Nebraska** | $2,707 | $2,105 | 66% | $3,373.00 | $2,104.99 | 53% |
| **Nevada** | $3,171 | $2,798 | 75% | $3,539.00 | $3,123.00 | 75% |
| **New Hampshire** | | | | $3,630.00 | $2,648.00 | 62% |
| **New Jersey** | $3,959 | $1,735 | 37% | $4,223.50 | $3,047.92 | 61% |
| **New Mexico** | $2,382 | $2,313 | 83% | $2,658.00 | $2,438.00 | 78% |
| **New York** | $3,326 | $2,338 | 60% | $3,400.00 | $2,438.00 | 61% |
| **North Carolina** | $3,082 | $2,719 | 75% | $3,232.00 | $2,852.00 | 75% |
| **North Dakota** | $2,445 | | 85% | $3,035.00 | $2,463.00 | 69% |
| **Ohio** | $3,084 | $2,105 | 58% | $3,346.00 | $2,255.00 | 57% |
| **Oklahoma** | $2,635 | $1,936 | 62% | $3,110.00 | $1,936.00 | 53% |
| **Oregon** | $3,226 | $2,088 | 55% | $3,208.00 | $2,255.00 | 60% |
| **Pennsylvania** | $3,201 | $2,139 | 57% | $3,543.00 | $2,438.00 | 58% |
| **Puerto Rico** | $1,279 | | 85% | $1,279.00 | | 85% |
| **Rhode Island** | $3,067 | $2,603 | 72% | $3,844.50 | $2,743.17 | 61% |
| **South Carolina** | $2,954 | $1,446 | 42% | $3,330.00 | $1,829.00 | 47% |
| **South Dakota** | $2,786 | $2,140 | 65% | $3,504.00 | $1,829.00 | 44% |
| **Tennessee** | $2,871 | $2,027 | 60% | $3,093.00 | $2,027.00 | 56% |
| **Texas**[2] | $2,856 | $1,735 | 52% | $3,171.00 | | 85% |
| **Utah** | $2,724 | $1,794 | 56% | $3,406.00 | $2,244.00 | 56% |
| **Vermont** | $2,664 | $2,586 | 83% | $2,867.33 | $2,586.00 | 77% |
| **Virginia**[4] | $3,394 | | 85% | $3,829.00 | $1,950.00 | 43% |
| **Washington** | $3,194 | $2,024 | 54% | $3,670.00 | $2,743.00 | 64% |

| TABLE 3.3. INCOME ELIGIBILITY THRESHOLDS AND STATE MEDIAN INCOME (SMI), FAMILY OF THREE | | | | | | |
|---|---|---|---|---|---|---|
| | 2000-2001 State Plans | | | 2002-2003 State Plans | | |
| State | 85% of Monthly State Median Income (SMI)[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI | 85% of Monthly State Median Income[1] | Monthly Income Eligibility Level Lower Than 85% of SMI *if* Used to Limit Eligibility | Monthly Income Eligibility Level as a Percentage of SMI |
| **West Virginia** | $2,457 | $1,735 | 60% | $2,689.00 | $2,358.00 | 75% |
| **Wisconsin**[5] | | $1,909 | | $3,774.00 | $2,255.00 | 51% |
| **Wyoming** | $2,881 | $1,539 | 45% | $3,310.00 | $2,255.00 | 58% |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

[1]Monthly State Median Income is derived based on information provided in the State Plans (which does not necessarily coincide with most recent year SMI). In 2001, the Federal Poverty Level (FPL) for a family of three for the 48 contiguous States and the District of Columbia was $14,630. The FPL for Alaska was $18,290 and the FPL for Hawaii was $16,830. See *Federal Register*, Vol. 66, No. 33, February 16, 2001, pp. 10695-10697.

[2]Colorado and Texas permit sub-State jurisdictions to set different income eligibility limits. See the discussion of Section 3.3.3 on page 86.

[3]Massachusetts did not report an income eligibility level lower than 85% of SMI. However, for a family that does not currently have an income eligible contracted slot or voucher, the family's income must be at or below 50% of SMI (calculated at $2,414.00) in order to access the subsidized child care system. Once a family has a subsidy, a family will remain eligible until its income reaches 85% of SMI.

[4]Income levels in Virginia (income eligibility lower than 85% of SMI) differ by locality and are based on the FPL.

[5]Wisconsin did not provide the SMI for a family of three in its 2000-2001 State Plan.

- Five States (GA, ME, MS, PR, TX) reported that they set their income eligibility ceilings at 85 percent of SMI, the Federal limit for receipt of CCDF child care assistance. In the 2000-2001 Plans, nine States (AK, GA, KS, ME, MA, MS, ND, PR, VA) reported establishing income eligibility ceilings at 85 percent of SMI.

- Twenty-three States (AL, AK, AZ, DE, ID, IL, IN, IA, KS, KY, LA, MO, MT, NE, NM, ND, OH, OK, RI, SD, TN, VT, VA) reported income eligibility ceilings expressed as a percentage SMI that are *lower* than those reported in the 2000-2001 Plan Period.

- Twelve States (CO, DC, HI, NJ, NY, OR, PA, SC, TX, WA, WV, WY) reported income eligibility ceilings expressed as a percentage of SMI that are *higher* than those reported in the 2000-2001 Plan Period.

- Eleven States (AR, CA, GA, ME, MD, MN, MS, NV, NC, PR, UT) reported income eligibility ceilings expressed as a percentage SMI that are *unchanged* from those reported in the 2000-2001 Plan Period.

## Section 3.3.2 – Income Definitions for Eligibility Determination

*How does the Lead Agency define "income" for the purposes of eligibility? Is any income deducted or excluded from total family income, for instance, work or medical expenses; child support paid to, or received from, other households; Supplemental Security Income (SSI) payments? Is the income of all family members included, or is the income of certain family members living in the household excluded? (§§98.16(g)(5), 98.20(b))*

Most Lead Agencies use gross income, usually expressed in monthly terms, when they determine if a family is eligible to receive child care assistance. However, many States exclude or exempt certain income, or allow deductions to income for certain expenses. States differ regarding whose income they elect to count, but many count the income of "all family members" for the purpose of eligibility determination.

- Twenty-two Lead Agencies (AL, AR, AZ, CT, HI, IL, IN, IA, ME, MD, MN, MT, NH, NY, ND, OR, TN, TX, UT, VA, WA, WV) cast a broad net, reporting that the income of "all family members" or "all household members" counts toward a family's income eligibility status.

- Ten States (DE, DC, LA, MS, MO, NJ, NC, PR, RI, WY) specified that only the income of the parent (or legal guardian acting in *loco parentis*) and/or child(ren) needing child care assistance counts when determining eligibility.

- **Ohio** counts the income of all of the employed individuals in the family.

- In **Pennsylvania**, the incomes of members of the TANF budget group, as defined in TANF rules, are counted when determining eligibility for child care assistance.

- Forty States (AL, AK, AZ, AR, CA, DE, DC, GA, HI, ID, IL, KS, KY, ME, MD, MA, MN, MS, MO, MT, NV, NH, NM, NY, NC, ND, OH, OK, PA, PR, RI, SC, SD, TX, VT, VA, WA, WV, WI, WY) reported permitting some kind of exclusion, exemption or deduction from income when determining eligibility.

- Most commonly, States exclude or exempt income received from some public assistance programs, including income from TANF assistance, SSI, VISTA and AmeriCorps, the food stamp program, the Child and Adult Care Food Program, the school lunch program, energy assistance benefits and housing allotments, among others. Thirty-two States (AL, AK, AZ, AR, GA, HI, ID, IL, KS, KY, ME, MD, MA, MS, MO, MT, NV, NH, NM, NY, NC, ND, OH, PA, RI, SC, SD, TX, VT, VA, WA, WY) reported that they do not count income from one or more such public assistance programs.

- Twenty-eight Lead Agencies (AL, AK, AZ, AR, DE, DC, GA, HI, ID, KS, KY, ME, MD, MA, MN, MT, NV, NM, NY, NC, ND, PA, RI, SC, VT, WA, WV, WY) exempt or exclude income from scholarships, educational loans, grants and/or income from work study programs.

- Adoption subsidies, foster care payments, or both are exempted or excluded from income subject to eligibility determination in 22 States (AL, AK, AZ, GA, ID, IL, KS, ME, MD, MA, MO, MT, NH, NC, ND, OH, PA, RI, SC, VT, WV, WY).

- Seventeen States (AK, AZ, AR, HI, ID, ME, MN, MO, MT, NV, NC, OH, PA, RI, SD, VT, WA) exclude Earned Income Tax Credit (EITC) funds from their income definition.

- In 14 States (AL, AK, ID, IL, ME, MD, OH, OK, PA, PR, SD, VT, WA, WI), child support paid to, or received from, another household is excluded or deducted from the income definition for child care assistance.

- Certain medical expenses, such as insurance premiums, are deducted from gross income when eligibility is determined in seven States (AK, GA, ME, MN, MO, PA, PR).

  **Missouri** deducts the medical, dental and vision premiums from an applicant's gross income.

  A medical expense not reimbursed through insurance, which exceeds 10 percent of the family gross monthly income, does not count toward a family's income in **Pennsylvania**.

- Three States (AL, AK, PR) exclude unemployment insurance or worker's compensation payments. **Alabama** exempts both.

## Section 3.3.3 – Additional Eligibility Conditions

*Has the Lead Agency established additional eligibility conditions or priority rules, for example, income limits that vary in different parts of the State, special eligibility for families receiving TANF, or eligibility that differs for families that include a child with special needs? (658E(c)(3)(B), §98.16(g)(5), §98.20(b))*

- Twenty-eight States (AL, AZ, AR, CA, CT, DC, GA, HI, ID, IL, IN, KS, ME, MS, MO, MT, NE, NV, NM, NC, OH, OR, PR, SD, VT, WA, WV, WY) reported that they *do not* establish additional eligibility conditions or priority rules nor do these rules vary in different parts of the State.

- Twenty-one States (AK, CO, DE, IA, KY, LA, MD, MA, NH, NJ, NY, ND, OK, PA, RI, SC, TN, TX, UT, VA, WI) reported that they *do* establish additional eligibility conditions or priority rules and/or have rules that vary in different parts of the State.

  **Colorado's** Consolidated Child Care Services pilot program permits counties to receive waivers of the income eligibility ceilings established by the State.

  **Maryland** allows families receiving child care services whose children are attending a Head Start program to remain eligible for a subsidy until the end of the Head Start year, regardless of any change in the family's situation. Additionally, families applying for child care assistance must pursue the establishment and enforcement of child support obligations on behalf of the child.

  **Massachusetts'** income eligibility ceiling for families who have a child with a disability is 85 percent of the State Median Income (SMI), and these families may continue to receive a subsidy until their income exceeds 100 percent of the SMI. (The income ceiling for all other families, at the time they apply for subsidy, is 50 percent of the SMI and these families may continue to receive subsidies until their income exceeds 85 percent of the SMI.)

  **Texas** allows each local Workforce Development Board to establish its own eligibility policies regarding income ceilings, services for children with disabilities, and services for parents in education or training.

## Sections 3.3.4 - 3.3.8 – Special Eligibility Considerations

Many Lead Agencies exercise discretion when designing the child care assistance program, taking into consideration the service needs of special populations. Table 3.3.4–3.3.8 on pages 89-91 summarizes special eligibility considerations States use to assure that target populations have access to child care services.

*Section 3.3.4 – Has the Lead Agency elected to waive, on a case-by-case basis, the fee and income eligibility requirements for cases in which children receive, or need to receive, protective services? (658E(c)(3)(B), 658P(3)(C)(ii), §98.20(a)(3)(ii)(A))*

- Thirty-two States (AL, AK, AZ, CA, DE, DC, GA, HI, IN, IA, KS, KY, LA, ME, MA, MS, MO, MT, NE, NV, NH, NJ, NY, OK, PR, SC, SD, TX, VT, WA, WV, WI) reported that they have elected to waive, on a case-by-case basis, the child care copayment and income eligibility requirements for children who are in need of protective services.

- Five States (CT, ID, MD, PA, VA) reported that they *do not* waive child care copayments and income eligibility requirements for children who are in need of protective services.

- Ten States (MN, NM, NC, ND, OH, OR, RI, TN, UT, WY) reported that the question was not applicable, since they *do not* use CCDF funds to pay for child care for children in need of protective services.

*Section 3.3.5 – Does the Lead Agency allow child care for children age 13 and above who are physically and/or mentally incapable of self-care? (Physical and mental incapacity must be defined in Appendix 2.) (658E(c)(3)(B), 658P(3), §98.20(a)(1)(ii))*

- Forty-seven States (AL, AK, AR, CA, CO, DE, DC, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY) offer child care subsidies to eligible families with children who are physically and/or mentally incapable of self-care and are younger than 19 years of age.

- Two States (AZ and OH) reported that they *do not* allow child care for children with disabilities age 13 and above.

*Section 3.3.6 – Does the Lead Agency allow child care for children age 13 and above who are under court supervision? (658P(3), 658E(c)(3)(B), §98.20(a)(1)(ii))*

- Two States (LA and NC) make child care assistance available to children who are 17 years of age or younger if they are under court supervision.

- Eighteen States (AK, DE, GA, HI, IL, IN, KS, MS, MT, NE, NJ, OK, PR, TX, UT, VA, WV, WY) make child care assistance available to children who are 18 years of age or younger if they are under court supervision.

- Twelve States (CT, ID, KY, MO, NV, NY [8], ND, SC, SD, TN, VT, WA) make child care assistance available to children who are 19 years of age or younger if they are under court supervision.

- **New Hampshire** makes child care assistance available to children who are 21 years of age or younger if they are under court supervision.

- Seventeen States (AL, AZ, AR, CA, CO, DC, IA, ME, MD, MA, MN, NM, OH, OR, PA, RI, WI) *do not* allow care for children age 13 and above who are under court supervision.

### *Section 3.3.7 – Does the State choose to provide CCDF-funded child care to children in foster care whose foster care parents are not working, or who are not in education/training activities? (§§98.20(a)(3)(ii), 98.16(f)(7))*

- Fifteen States (AZ, DE, KY, LA, ME, MA, MS, MO, MT, NE, NV, NJ, SD, VT, WI) choose to provide child care assistance to children in foster care, even if their foster parents are not employed or in an approved training or education program.

- Thirty-five States (AL, AK, AR, CA, CO, CT, DC, GA, HI, ID, IL, IN, IA, KS, MD, MN, NH, NM, NY, NC, ND, OH, OK, OR, PA, PR, RI, SC, TN, TX, UT, VA, WA, WV, WY) reported that they *do not* provide child care assistance to children in foster care, if their foster parents are not employed or in an approved training or education program.

### *Section 3.3.8 – Does the State choose to provide respite child care to children in protective services? (§§98.16(f)(7), 98.20(a)(3)(ii)(A) &(B))*

- Twenty-two States (AL, CA, DE, IN, KY, LA, ME, MA, MO, MT, NE, NV, NH, OR, PR, RI, SC, SD, TX, WA, WV, WI) choose to offer respite child care to children who are in protective services.

- Twenty-five States (AK, AZ, AR, CO, CT, DC, GA, HI, ID, IL, IA, KS, MD, MN, NJ, NM, NY, NC, ND, OH, OK, TN, UT, VT, WY) reported that they *do not* offer respite child care to children who are in protective services.

[8] Assistance is available if the child is in school.

| TABLE 3.3.4-3.3.8 – SPECIAL ELIGIBILITY CONSIDERATIONS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| State | Establishes Additional Eligibility Conditions or Priority Rules | | Allows Child Care for Children Age 13 and Older Who Are Incapable of Self-Care | | Allows Child Care for Children Age 13 and Older Who Are Under Court Supervision | | Provides Child Care for Children in Foster Care Whose Foster Parent Is Not Working or in an Education/Training Program | | Provides Respite Care to Children in Protective Services | |
| Plan Year | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 |
| Alabama | | ✓ | ✓ | ✓ | | | | | ✓ | ✓ |
| Alaska | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ [2] | ✓ | | ✓ | |
| Arizona | | ✓ | ✓ | | | | ✓ | ✓ | | |
| Arkansas | ✓ | | | ✓ | | | | | | |
| California | ✓ | ✓ | ✓ | ✓ | | | | | ✓ | ✓ |
| Colorado | ✓ | | ✓ | ✓ | | | | | | |
| Connecticut | | | | ✓ | | ✓ [3] | | | | |
| Delaware | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | ✓ | ✓ | ✓ | ✓ |
| District of Columbia | | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ | |
| Florida | ✓ | | ✓ | | | | ✓ | | | |
| Georgia | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Hawaii | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Idaho | | | ✓ | ✓ | ✓ | ✓ [3] | | | | |
| Illinois | ✓ | | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Indiana | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | ✓ | ✓ |
| Iowa | | ✓ | ✓ | ✓ | | | | | | |
| Kansas | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Kentucky | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ [3] | ✓ | ✓ | ✓ | ✓ |
| Louisiana | | ✓ | ✓ | ✓ | ✓ | ✓ [1] | ✓ | ✓ | ✓ | ✓ |
| Maine | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ |
| Maryland | ✓ | | ✓ | ✓ | | | | | | |

| TABLE 3.3.4-3.3.8 – SPECIAL ELIGIBILITY CONSIDERATIONS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| State | Establishes Additional Eligibility Conditions or Priority Rules | | Allows Child Care for Children Age 13 and Older Who Are Incapable of Self-Care | | Allows Child Care for Children Age 13 and Older Who Are Under Court Supervision | | Provides Child Care for Children in Foster Care Whose Foster Parent Is Not Working or in an Education/Training Program | | Provides Respite Care to Children in Protective Services | |
| Plan Year | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 |
| Massachusetts | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | | ✓ |
| Michigan | ✓ | | ✓ | | ✓ | | | | | |
| Minnesota | | | ✓ | ✓ | | | | | ✓ | |
| Mississippi | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | ✓ | | |
| Missouri | | ✓ | ✓ | ✓ | ✓ | ✓ [3] | ✓ | ✓ | ✓ | ✓ |
| Montana | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | ✓ | ✓ | ✓ | ✓ |
| Nebraska | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | ✓ | ✓ | ✓ | ✓ |
| Nevada | | | ✓ | ✓ | ✓ | ✓ [3] | | ✓ | ✓ | ✓ |
| New Hampshire | | ✓ | | ✓ | | ✓ [4] | | | | ✓ |
| New Jersey | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | ✓ | ✓ | | |
| New Mexico | | | ✓ | ✓ | ✓ | | | | | |
| New York | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ [3] | | | ✓ | |
| North Carolina | | | ✓ | ✓ | ✓ | ✓ [1] | | | | |
| North Dakota | | | ✓ | ✓ | ✓ | ✓ [3] | | | | |
| Ohio | | | | | | | | | | |
| Oklahoma | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Oregon | | | ✓ | ✓ | | | | | ✓ | ✓ |
| Pennsylvania | | | ✓ | ✓ | | | | | | |
| Puerto Rico | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | ✓ | ✓ |
| Rhode Island | | | ✓ | ✓ | ✓ | | | | | ✓ |
| South Carolina | | ✓ | ✓ | ✓ | | ✓ [3] | | | | ✓ |
| South Dakota | | ✓ | ✓ | ✓ | ✓ | ✓ [3] | ✓ | ✓ | ✓ | ✓ |

| TABLE 3.3.4-3.3.8 – SPECIAL ELIGIBILITY CONSIDERATIONS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| State | Establishes Additional Eligibility Conditions or Priority Rules | | Allows Child Care for Children Age 13 and Older Who Are Incapable of Self-Care | | Allows Child Care for Children Age 13 and Older Who Are Under Court Supervision | | Provides Child Care for Children in Foster Care Whose Foster Parent Is Not Working or in an Education/Training Program | | Provides Respite Care to Children in Protective Services | |
| Plan Year | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 | 2000-2001 | 2002-2003 |
| Tennessee | ✓ | | ✓ | ✓ | ✓ | ✓ [3] | | | | |
| Texas | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | ✓ | ✓ |
| Utah | ✓ | | ✓ | ✓ | ✓ | ✓ [2] | | | | |
| Vermont | | ✓ | ✓ | ✓ | ✓ | ✓ [3] | ✓ | ✓ | | |
| Virginia | ✓ | | ✓ | ✓ | ✓ | ✓ [2] | | | ✓ | |
| Washington | | ✓ | ✓ | ✓ | ✓ | ✓ [3] | | | | ✓ |
| West Virginia | | ✓ | ✓ | ✓ | ✓ | ✓ [2] | | | ✓ | ✓ |
| Wisconsin | ✓ | ✓ | | ✓ | | | | ✓ | | ✓ |
| Wyoming | | | ✓ | ✓ | ✓ | ✓ [2] | | | | |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

[1] These States make child care assistance available to children who are 17 years of age or younger if they are under court supervision.

[2] These States make child care assistance available to children who are 18 years of age or younger if they are under court supervision.

[3] These States make child care assistance available to children who are 19 years of age or younger if they are under court supervision. In New York, assistance is available if the child is in school.

[4] These States makes child care assistance available to children who are 21 years of age or younger if they are under court supervision.

## Section 3.4 – Priorities for Children

*The following describes the priorities for serving CCDF-eligible children including how statutorily required priority is given to children of families with very low family income and children with special needs. (Terms must be defined in Appendix 2)(658E(c)(3)(B))*

Given limited resources and statutory requirements, States must prioritize which families and children needing child care assistance they will serve. More detailed information is included below. The eligibility and priority terminology submitted as part of each State's CCDF Plan is available from the National Child Care Information Center at 800-616-2242 and on the Web at *http://nccic.org*.

- Twenty-four States (AL, AK, AZ, DE, GA, ID, IN, IA, KS, LA, MD, MA, MS, MT, NJ, NM, NY, OH, PA, SC, TN, TX, VT, WI) reported that they give families participating in **TANF** first priority for child care assistance.

- Eleven States (AK, AR, KY, MO, NE, NV, NH, SD, UT, WA, WY) reported that they give **children with special needs** first priority for child care assistance.

- Four States (DC, IL, ME, ND) give first priority to **families with very low incomes**.

- Three States (CT, OR, WV) give first priority to **teen parents**.

- Two States (CA and HI) give **children who are receiving protective services** first priority for child care assistance.

- **North Carolina** allows counties to establish their own priorities.

**More States Make TANF Recipients a Top Priority for Child Care Assistance**

Fourteen States reported that they do not currently have waiting lists for child care assistance. However, anticipating that waiting lists may soon be needed (as a result of State budget shortfalls), an increasing number of States reported that they have established policies that give TANF recipients top priority for child care assistance. Twenty-four States made TANF families their first service priority; in the 2000-2001 Plan Period, 18 States served TANF families first.

- Eleven of the States mentioned above (DE, ID, IL, KS, NE, ND, VT, WA, WV, WI, WY) reported that they currently do not have waiting lists. Thus, the priority information included in this section would apply only if a waiting list was established.

- Three States (CO, OK, RI) reported that they have not established priorities because they currently serve all eligible families.

*The following describes how CCDF funds will be used to meet the needs of families who are receiving Temporary Assistance for Needy Families (TANF), families who are attempting through work activities to transition off of TANF, and families that are at risk of becoming dependent on TANF. (658E(c)(2)(H), Section418(b)(2) of the Social Security Act, §§98.50(e), 98.16(g)(4))*

- Forty-one States (AL, AK, AR, CA, CT, DE, DC, GA, HI, ID, IL, IN, IA, KS, LA, ME, MA, MN, MS, MT, NE, NV, NJ, NM, NY, ND, OH, OK, OR, PR, RI, SC, SD, TN, TX, UT, VT, VA, WV, WI, WY) appear to guarantee child care assistance to TANF families.

- Nine States (AZ, CO, KY, MD, MO, NH, NC, PA, WA) appear to *not* guarantee child care assistance to families in receipt of TANF. While these families are typically given priority, they could be placed on a waiting list if funds were not available to serve them.

- Thirty-eight States (AL, AK, AR, CA, CT, DE, DC, GA, ID, IL, IA, KS, LA[9], ME, MA, MN, MS, NE, NV, NJ, NM, NY, ND, OH, OK, OR, PR, RI, SC, SD, TN, TX, UT, VT, VA, WV, WI, WY) appear to guarantee child care assistance to families who are transitioning from TANF to the workforce.

- Twelve States (AZ, CO, HI, IN, KY, MD, MO, MT, NH, NC, PA, WA) appear to *not* guarantee child care assistance to families who are transitioning from TANF to the workforce. While these families are typically given priority, they could be placed on a waiting list if funds are not available to serve them.

- Six States (IL, RI, UT, VT, WV[10], WI) appear to guarantee child care assistance to families who are at risk of becoming dependent on TANF.

- Forty-four States (AL, AK, AZ, AR, CA, CO, CT, DE, DC, GA, HI, ID, IN, IA, KS, KY, LA, ME, MD, MA, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, PR, SC, SD, TN, TX, VA, WA, WY) reported that families who are at risk of dependence on TANF are served when funds are available.

## Section 3.5 – Sliding Fee Scale

*A sliding fee scale, which is used to determine each family's contribution to the cost of child care, must vary based on income and the size of the family.*

*Will the Lead Agency use additional factors to determine each family's contribution to the cost of child care? (658E(c)(3)(B), §98.42(b))*

[9] Louisiana guarantees child care assistance to families transitioning off TANF only for three months.
[10] West Virginia guarantees child care assistance to *very low income* families at risk of becoming dependent on TANF.

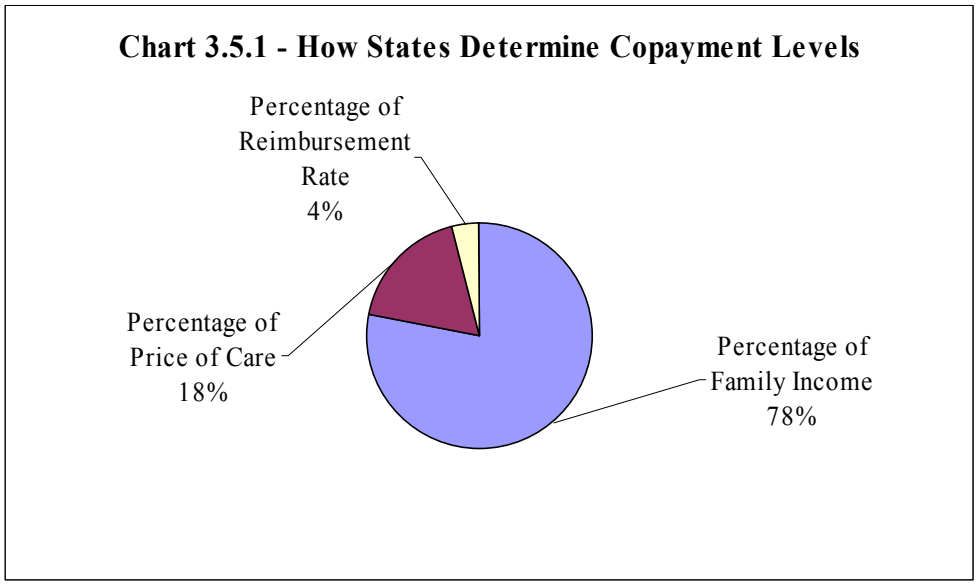
Table 3.5 on pages 95-98 identifies the monthly income level at which the full family fee is required, whether the Lead Agency requires the fee for families at or below poverty, and the minimum and maximum copayments required by the Lead Agency, as described in each State's CCDF Plan.

States use a variety of methods to establish copayments, but most typically peg the level of family contribution to a percentage of income, a percentage of the price of care or a percentage of the State reimbursement rate ceiling. In the 2002-2003 Plans, as in the 2000-2001 Plan Period, approximately 75 percent of States opted to establish copayments as a percentage of family income. Chart 3.5.1 below illustrates how States determine copayment levels as reported in 2002-2003 Plans.

- Thirty-nine States (AL, CA, CO, CT, DC, GA, IL, IN, IA, KS, KY, ME, MD, MA, MN, MS, MO, MT, NE, NJ, NM, NY, NC, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VA, WA, WV, WI, WY) have established copayments based on a percentage of the family income.

- Nine States (AK, AZ, AR, DE, ID, LA, NV, NH, ND) have established copayments based on a percentage of the price of care. **New Hampshire** and **North Dakota** establish copayments based on a percentage of the price of the care, adjusted by the family income.

- Two States (HI and VT) establish copayments based on a percentage of the State's child care reimbursement rate ceiling.




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

| TABLE 3.5 – COPAYMENT POLICIES, BASED ON FAMILY OF 3[1] | | | | | | |
|---|---|---|---|---|---|---|
| **State** | **Monthly Upper Income Level at Which Maximum Fee is Required[2]** | **Are Families at or Below Poverty Required to Pay a Fee?** | **Minimum Family Fee (full-time rate)** | **Maximum Family Fee (full-time rate)** | **Is the Same Sliding Fee Scale Used in All Parts of the State?** | **Does the State Prohibit Providers from Charging Families Any Subsidized Portion of Providers' Normal Fees?** |
| **Alabama** | $2,438 | Some | $5.00 (weekly) | $72.50 (weekly) | Yes | No |
| **Alaska[3]** | $3,244 | All | 3% of cost of care | 100% of cost of care | Yes | No |
| **Arizona** | $2,013 | Some | $1.00 (daily) + $0.50, 2nd child | $10.00 (daily) + $5.00, 2nd child | Yes | No |
| **Arkansas** | $2,333 | None | 0% of fee | 100% of fee | Yes | Yes |
| **California** | $2,925 | None | $2.00 (daily) | $10.50 (daily) | Yes | No |
| **Colorado** | $2,743 | Some | $6.00 (monthly) | $385.00 (monthly) + $20.00 each additional child | Yes | Yes |
| **Connecticut** | $3,966 | All | 2% of gross income | 10% of gross income | Yes | No |
| **Delaware** | $2,440 | None | 1% of cost of care | 80% of cost of care | Yes | Yes[9] |
| **District of Columbia** | $3,470 | Some | $0.00 | $19.44 (daily) | Yes | Yes |
| **Florida** | | | | | | |
| **Georgia** | $2,344 | Some | $5.00 (weekly) + $3.00 each additional child | $52.00 (weekly) + $26.00 each additional child | Yes | No |
| **Hawaii** | $3,069 | None | 0% of Lead Agency reimbursement rate | 20% of Lead Agency reimbursement rate | Yes | No |
| **Idaho** | $1,900 | Some | 1% of cost of care | 100% of cost of care | Yes | No |
| **Illinois** | $1,818 | All | $4.33 (one child) (monthly)<br>$8.67 (two children) (monthly) | $134.32 (one child) (monthly)<br>$233.98 (two children) (monthly) | Yes | Yes[9] |

| TABLE 3.5 – COPAYMENT POLICIES, BASED ON FAMILY OF 3[1] | | | | | | |
|---|---|---|---|---|---|---|
| **State** | **Monthly Upper Income Level at Which Maximum Fee is Required[2]** | **Are Families at or Below Poverty Required to Pay a Fee?** | **Minimum Family Fee (full-time rate)** | **Maximum Family Fee (full-time rate)** | **Is the Same Sliding Fee Scale Used in All Parts of the State?** | **Does the State Prohibit Providers from Charging Families Any Subsidized Portion of Providers' Normal Fees?** |
| **Indiana[4]** | | None | | | Yes | No |
| **Iowa** | $2,220 | None | $0.00 | $6.00 (half-day) | Yes | Yes |
| **Kansas** | $2,255 | Some | $0.00 | $243 (monthly) | Yes | Yes |
| **Kentucky** | $3,199 | Some | $0.00 | $13.25 (one child)<br>$14.75 (two or more children) | Yes | No |
| **Louisiana** | $2,077 | Some | 15% of cost of care | 75% of cost of care | Yes | Yes |
| **Maine** | $3,038 | Some | 2% of income | 10% of income | Yes | No |
| **Maryland[3]** | $2,095 | Some | $4.00 + $4.00 each additional child (monthly) | $169.00 + $130.00 each additional child (monthly) | Yes | No |
| **Massachusetts** | $4,104 | None | $0.00 | $24.00 (daily) | Yes | Yes |
| **Michigan** | | | | | | |
| **Minnesota** | $3,501 | Some | $5 (monthly) | $700.00 (monthly) | Yes | No |
| **Mississippi** | $2,583 | Some | $10.00 (one child); $20.00 (two children) (monthly) | $180.00 (one child) and $190.00 (two children) (monthly) | Yes | No |
| **Missouri** | $1,482 | Some | $1.00 per year | $4.00 per child (daily) | Yes | Yes[9] |
| **Montana** | $1,820 | Some | $5.00 | $250.00 (monthly) | Yes | No |
| **Nebraska** | $2,255 | Some | $48.00 | $214.00 (one child); $428.00 (two children) (monthly) | Yes | No |
| **Nevada** | $3,123 | None | 0% of cost of care | 85% of cost of care | Yes | No |
| **New Hampshire** | $2,241 | Some | $0.00 | $0.50 per week[5] | Yes | No |
| **New Jersey** | $3,048 | Some | $0.00 | $294.90 (monthly) + $221.20, 2nd child | Yes | No |

| TABLE 3.5 – COPAYMENT POLICIES, BASED ON FAMILY OF 3[1] | | | | | | |
|---|---|---|---|---|---|---|
| **State** | **Monthly Upper Income Level at Which Maximum Fee is Required[2]** | **Are Families at or Below Poverty Required to Pay a Fee?** | **Minimum Family Fee (full-time rate)** | **Maximum Family Fee (full-time rate)** | **Is the Same Sliding Fee Scale Used in All Parts of the State?** | **Does the State Prohibit Providers from Charging Families Any Subsidized Portion of Providers' Normal Fees?** |
| **New Mexico** | $2,950 | Some | $0.00 | $247.00 | Yes | Yes |
| **New York[6]** | Varies by locality. | Some | | | No | No |
| **North Carolina** | $2,852 | Some | 8% of countable monthly income | 10% of countable monthly income | Yes | No |
| **North Dakota** | $2,463 | Some | 10% of the price of the care or $27, whichever is lower (monthly) | 70% of the price of care or $345 (monthly), whichever is lower | Yes | No |
| **Ohio** | $3,055 | Some | $0.00 | $150.00 per child (monthly) | Yes | Yes |
| **Oklahoma** | $1,936[7] | Some | $0.00 | $249.00 (monthly) | Yes | Yes |
| **Oregon** | $2,255 | Some | $25.00 (minimum) | $668.00 (monthly) | Yes | No |
| **Pennsylvania** | $2,865 | Some | $5.00 | $65.00 (weekly) | Yes | No |
| **Puerto Rico** | $1,279 | None | $5.00 (monthly) | $48.00 (monthly) | Yes | No |
| **Rhode Island** | $2,743 | None | $0.00 | $50.00 (monthly) | Yes | Yes |
| **South Carolina** | $2,134 | All | $3.00 (weekly) | $11.00 (weekly) | No | No |
| **South Dakota** | $2,255 | None | $10.00 (monthly minimum) | 20% of family income | Yes | No |
| **Tennessee** | $2,533 | Some | $5.00 (one child); $9.00 (two children) (weekly) | $35.00 (one child); $61.00 (two children) (weekly) | Yes | No |
| **Texas** | Varies by locality. | Some | Varies by locality; 9% of gross monthly income (one child) and 11% (two or more children) is lowest in State. | Varies by locality; 11% of gross monthly income (one child) and 13% for two or more children is highest in State. | No | No |
| **Utah[8]** | | Some | $10.00 (one child); $15.00 (two children) | $255.00 (one child); $281.00 (two children) | Yes | No |
| **Vermont** | $2,586 | None | $0.00 | 90% of subsidy rate (monthly) | Yes | No |

| TABLE 3.5 – COPAYMENT POLICIES, BASED ON FAMILY OF 3[1] | | | | | | |
|---|---|---|---|---|---|---|
| **State** | **Monthly Upper Income Level at Which Maximum Fee is Required[2]** | **Are Families at or Below Poverty Required to Pay a Fee?** | **Minimum Family Fee (full-time rate)** | **Maximum Family Fee (full-time rate)** | **Is the Same Sliding Fee Scale Used in All Parts of the State?** | **Does the State Prohibit Providers from Charging Families Any Subsidized Portion of Providers' Normal Fees?** |
| **Virginia** | $2,255 | Some | 10% of gross monthly income | 10% of gross monthly income | No | No |
| **Washington** | $2,743 | Some | $10.00 | $318.32 (calculated based on formula) | No | Yes |
| **West Virginia** | $2,358 | Some | $0.00 | $4.00 per child | Yes | Yes |
| **Wisconsin** | $2,438 | Some | $11.00 (licensed care); $8.00 (certified care) (weekly) | $77.00 (licensed care); $54.00 (certified care) (weekly) | Yes | No |
| **Wyoming** | $2,255 | All | $0.05 per hour per child | $0.50 per hour per child | Yes | No |

*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

[1] Information reported is based on a family of three (including one or two children) with no infants or children with special needs. Some States provide different fee scales for families with infants and/or children with special needs.

[2] Where the Lead Agency provided information on an annual income, income was divided by 12 and reported as "monthly." Where the Lead Agency reported information on a weekly income, it was multiplied by four and reported as "monthly." All monthly income levels were rounded to the nearest dollar.

[3] Where the Lead Agency provided different sliding fee scales for different localities, the locality used is the same as that used to report reimbursement rates in Table 3.2.2 on pages 50-54.

[4] Indiana did not report minimum or maximum family fee nor the income level at which the maximum fee is required.

[5] Although this is the State's required copayment, most providers require the parent to pay the difference between the State reimbursement rate and the full price of the care.

[6] Each Social Service District selects its own fee percentage. The Lead Agency did not report data for any Social Service District.

[7] This is the eligibility ceiling after Oklahoma's 20% earned income deduction.

[8] Utah did not include in its CCDF Plan information on the monthly upper income at which the maximum required fee applies.

[9] Delaware, Illinois, and Missouri prohibit *some* providers from charging fees in addition to copayments established by the State.

*The Lead Agency may waive contributions from families whose incomes are at or below the poverty level for a family of the same size (§98.42(c)).*

States reported little change in their policies regarding waiving copayments for families at or below the poverty level. Chart 3.5.2 below summarizes Lead Agencies responses, more detail about which follows.

- Five States (AK, CT, IL, SC, WY) require *all* families to pay a fee. In the 2000-2001 Plan Period, seven States (FL, IL, NJ, OH, SC, WI, WY) required all families to pay a fee.

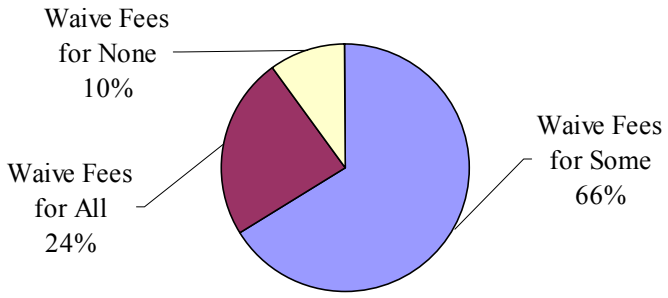
- Twelve States (AR, CA, DE, HI, IN, IA, MA, NV, PR, RI, SD, VT) waive fees for *all* families with incomes at or below the poverty level.

- Thirty-three States (AL, AZ, CO, DC, GA, ID, KS, KY, LA, ME, MD, MN, MS, MO, MT, NE, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, TN, TX, UT, VA, WA, WV, WI) waive fees for *some* families with incomes at or below the poverty level.

- Fourteen of these States (AZ, LA, MD, MS, NH, NJ, NM, NY, ND, OK, OR, TX, UT, VA) waive fees for families with open TANF cases.

- Four of these States (MO, MT, NH, NM) waive fees for families receiving protective or preventive services.

**Chart 3.5.2 - State Copayment Waiver Policies for Families at/below Poverty Level**




*Source:* Information compiled from State CCDF Plans, FFY 2002-2003.

**Colorado** has issued several waivers to local Child Care Pilots that exclude families under 100 percent of poverty from copayments.

**Maryland** has two pilot programs—one in an urban area and another in a suburban area—that waive the first year's copayment for families with incomes below the poverty level who are transitioning from TANF to work.

**New Mexico** waives the copayment for income-eligible grandparents who have taken custody or guardianship of their grandchildren due to the health or permanent incapacity of the child's parent.

*Does the Lead Agency have a policy which prohibits child care providers from charging families any unsubsidized portion of the providers' normal fees (in addition to the contributions discussed in Section 3.5.1)?(§98.43(b)(3))*

- Fourteen States (AR, CO, DC, IL, IA, KS, LA, MA, NM, OH, OK, RI, WA, WV) reported that they prohibit child care providers from charging fees in addition to the copayments established by the State. However, many of these States made it clear that providers could charge late fees or additional fees for registration, transportation, field trips, and so forth.

  **Iowa's** Lead Agency requires a subsidized child care assistance provider to sign a Child Care Certificate. By signing the Child Care Certificate, the provider accepts payment through the Department's payment system, and cannot request additional payment from parents, except for the fees from the sliding fee scale. However, the cost of care provided beyond the approved units of service is the responsibility of the parent.

  **Ohio** has included the following language in its child care purchase or services contracts: "The provider agrees that publicly funded child care recipients shall not be required to pay fees other than the fee set by the Department to the provider as a condition for delivery of services under this contact." This same language is mandated in all child care Vouchers and/or Certificates of Authorized Payment generated by all county departments of job and family services.

- Three States (DE, IL, MO) reported that they prohibit some—but not all—providers from charging fees in addition to the copayments established by the State.

  **Delaware** requires that providers who have a contract with the Department of Social Services agree that they will charge no additional fees for service other than field trip fees and late fees. However, providers with no contracts are free to charge additional fees.

  **Illinois** child care providers who have a contract with the Lead Agency must submit a copy of their published rates with their contract and may not charge over the State's maximum rate. Providers who participate in the certificate program are not prohibited from collecting additional reimbursement from the parents.

  **Missouri** prohibits providers from charging an additional amount for care of children in Protective Services, Alternative Care, or Adoptive Placements throughout the Division of Family Services.

## Section 3.6 – Certificate Payment System

*A child care certificate means a certificate, check, or other disbursement that is issued by the Lead Agency directly to a parent who may use it to pay for child care services from a variety of providers (including center-based, group home,*

*family and in-home child care), or, if required, as a deposit for services. (658E(c)(2)(A)), §§98.2, 98.16(k), 98.30(c)(3) & (e)(1))*

*Included below is a description of the form of the certificate; (§98.26(k))*

*A description of how the certificate program permits parents to choose from a variety of child care settings by explaining how a parent moves from receipt of the certificate to the choice of provider; (658E(c)(2)(A)(iii), 658P(2), §§98.2, 98.30(c)(4) &(e)(1) & (2))*

*If the Lead Agency is also providing child care services through grants and contracts, explain how it ensures that parents offered child care services are given the option of receiving a child care certificate. (§98.30(a) & (b))*

A child care certificate may be a computer-generated or handwritten voucher, a letter, a check, or other form of disbursement, so long as it is regarded as assistance to the child rather than the provider. The certificate must be flexible enough to follow the child to whatever child care program or provider is selected by the parent.

Most Lead Agencies describe their certificate as a "service authorization" or "notice of eligibility" for child care assistance. The certificate is typically used as a paper trail to officially inform both the parent and the child care provider that the child is eligible for subsidy. In most cases the certificate also contains information on the approved reimbursement rate and the total number of hours of child care that are authorized. **Iowa's** description of its certificate is fairly typical:

> The Child Care Assistance Certificate form is the agreement between the eligible parent, the child care provider and the Department. The form lists family information, including the children needing care, the units of service needed, the type of care and the projected number of hours to be provided, any applicable parent fee, the allowable payment, provider information and effective dates. Signatures on the form indicate agreement by all parties to the terms.

A few States describe their child care certificate as something other than a payment authorization. A few examples follow:

> **California** does not have a single, Statewide certificate form. Local child care subsidy administrative agencies are allowed to establish their own certificate forms as long as the certificates are: provided directly to the parent; allow broad parental choice including sectarian and in-home providers; carry the value of the care selected by the parent (up to the applicable payment ceilings); can be used as flexibly as cash between the parent and the provider; and the program ensures prompt issuance of the certificate and timely and accurate reimbursement to either the parent or the provider of child care services while discouraging fraud and abuse.

In the **District of Columbia**, parents first receive an Admission Form, which is generated electronically by the Lead Agency. The form contains the following: child's full name and social security number; the date services are expected to be rendered; the provider's name; eligibility category; the full name and social security number of the parent/guardian; signature of the social service representative; and the date signed. The lower portion of the form contains an Acknowledgement of Action section. This section has space for the provider's signature, the date the child was admitted to the program, and the date the provider completed the Form.

The **Idaho** Lead Agency pays for child care subsidies by a State check process. A State check is written with a co-endorsement to the parent and provider. Unless other arrangements are made, the check is mailed to the parent.

In **Minnesota**, the letter indicating approval of a child care assistance application serves as the child care certificate. Upon approval, the family may choose any licensed or registered nonlicensed child care provider in Minnesota to care for their children.

**South Dakota** has developed a coupon system for families with immediate short-term child care needs, such as TANF families who are participating in job search, job club or job readiness activities. The coupons are supplied to TANF caseworkers to be used as needed.

Most States have established policies that require intake staff to explain, verbally and in writing, that parents may select the type of child care that is most appropriate for their family and child. Many Lead Agencies contract or coordinate with child care resource and referral agencies to help parents select appropriate child care. Procedures vary from State to State. A few examples follow:

In **Arkansas**, eligible parents who have not selected a provider are given a listing of vendors that will include those accepting certificates and those with Specialized Child Care (i.e., direct service) Grants. The listing is also available on the Division's Web site. If the parent has selected a licensed or registered provider who is not a participant in the Child Care System, the agreement is sent to the provider. If the provider chooses to participate, they can be enrolled in the program within a week to 10 days. If the parent chooses a relative provider who has not yet enrolled in the program, a pre-application form will be given to the provider. If the pre-application is completed and returned within 10 days, a minimum of information will be gathered that will allow services and payment to begin immediately. The full payment must be completed within 60 days after the child begins receiving care. The full application requires a health card, criminal records check, a child abuse central registry check, and a checklist that verifies the health and safety of the child care site.

All types of child care providers participate in the Child Care System—child care centers, licensed child care family homes, registered homes and relative/in-home care are available to the family in each county. Providers may enroll in the program at any time.

When parents are enrolled by a certificate program in **California**, they are asked if they have selected a child care provider. If they have not selected a child care provider, they are referred to the local child care resource and referral agency (CCR&R). (In many counties, the certificate program and the CCR&R program are operated by the same agency.) The CCR&R agency provides counseling on how to select a child care provider that best meets the family's needs and a list of providers that meet these needs where the parent can visit. Once the parent has identified a provider, the certificate program staff compares the provider's fee with the appropriate market rate ceiling to determine if the parent will need to pay an amount to cover any cost above the regional market rate ceiling. The provider is informed about the certificate program's policies and procedures for receiving invoices and processing payments. The provider is required to provide the certificate program with evidence of licensure or, if the provider is license-exempt, s/he must submit a TrustLine Application with fingerprints and a Health and Safety Self-Certification that is signed by both the parent and the provider.

In the **District of Columbia,** a parent or guardian is interviewed by a Social Service Representative who informs the parent that the following types of services are available:

- Care in a child development center;
- Care in a family child care home, through the satellite system or an independent provider;
- Care by a relative;
- Care in the child's own home; and
- Private, nonsubsidized care.

The parent or guardian is then provided information orally and in writing on criteria for selecting child care options, is given the opportunity to ask questions, and is allowed to select from a variety of child care services available. The Lead Agency has developed a videotape titled, "Caring Choices," which outlines child care options. Copies have been given to all Level II centers, Office of Early Childhood Development intake, and all TANF centers, TANF vendors, and public libraries. Level II centers and Office of Early Childhood Development are required to show the video to parents during the intake process.

Most Lead Agencies reported that the bulk of their CCDF service dollars were administered via certificates and that grants and contracts were used only in special circumstances, such as in targeted programs for children with special needs, teen parents, or homeless families. However, a few States maintain large contract systems. These States typically require intake staff to inform parents about both contracts and certificates. Some examples follow:

**Connecticut** child care centers who have a contract with the Lead Agency are required, as a condition of funding, to advise all parents with whom the program has contact about the availability of child care certificates.

**District of Columbia** intake staff inform parents of all options, including those paid by contract and certificate. To ensure choice, approximately 50 percent of the services are available through grants and contracts and 50 percent through certificates.

**Massachusetts** has found that a system based on both contract and vouchers provides stability for providers while maintaining flexibility for parents. Information for parents on voucher programs is readily available at one of the local CCR&Rs, and through providers and family child care systems. The Office of Child Care Services has created a voucher manual for providers that explains how the voucher system works, and the role and responsibilities of providers who accept vouchers.

**New Jersey** has established specific admissions criteria for contracted child care agencies to ensure that subsidized child care services are provided to eligible children in greatest need of service. Eligible families who are placed on a waiting list in contracted centers are advised of the certificate program and where to get additional information. Staff in the certificate management agency assist the family in completing the application after the referral is made. Parents are also given the option under a special Waiting List Reduction Initiative to take a voucher and use it in a Contracted Center in a noncontracted slot as a method of moving off the waiting list. (Child Protective Services funds may only be used to provide voucher subsidy assistance for services provided in contracted child care centers after all available contracted slots are utilized. This child then becomes eligible for the next available contracted slot.)

In **Vermont,** all families receive a child care certificate—even if they are served through a contracted arrangement. This allows the family to easily move between providers and to have more than one provider if their schedules require more than one child care arrangement. Child care providers who elect to serve subsidized children are also required to sign a letter of agreement that contains information defining the differences between the voucher and contract systems of payment.