

Early Care and Education Programs in Vermont

House Committee on Ways and Means

Joyce Manchester

April 26, 2023

DM #368025, v.10



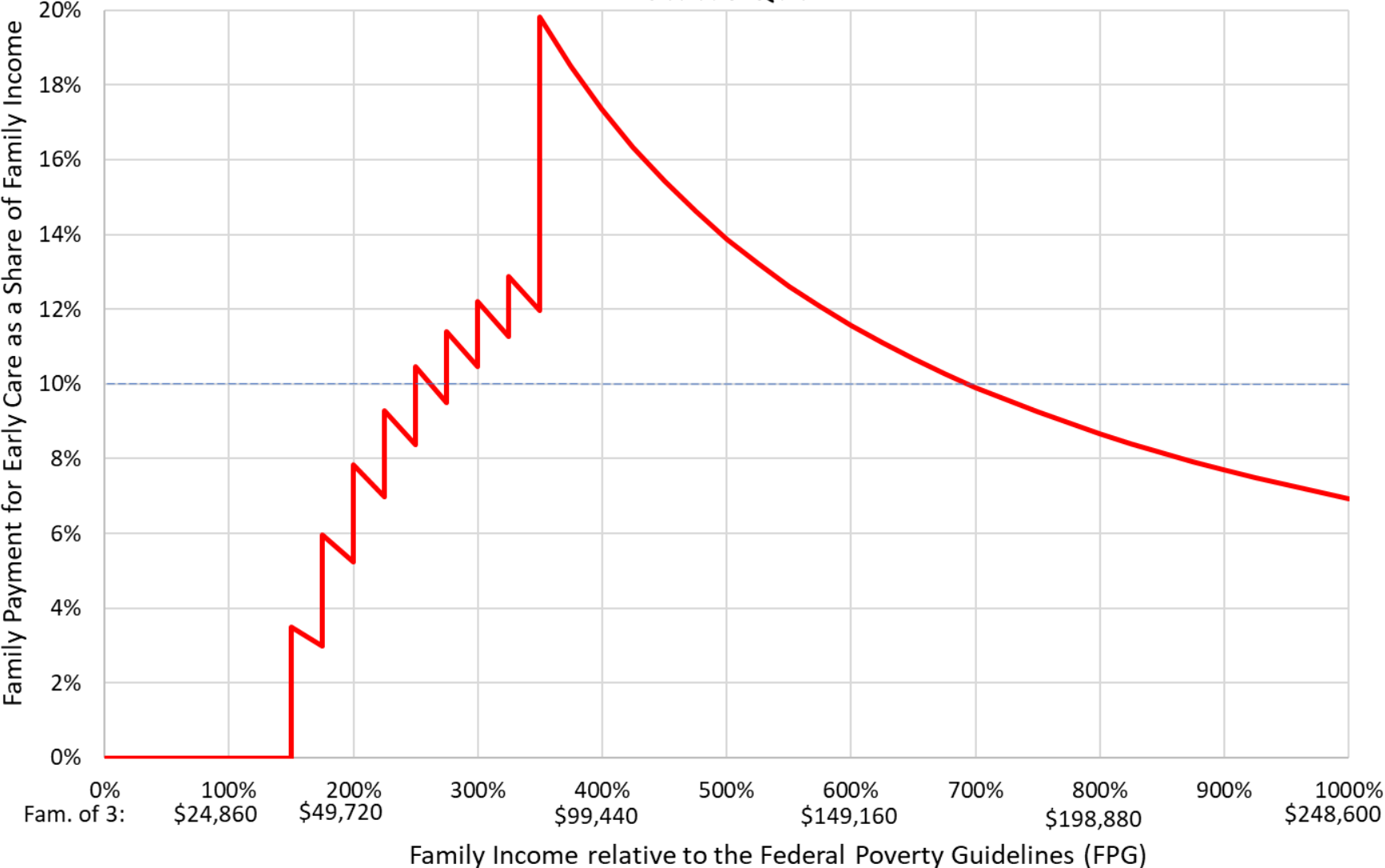
JFO

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Share of Family Income for Early Care at \$17,250*/yr; CCFAP: \$25/wk to 350%

*CCFAP capped rate at 5-star centers; One child in care; 100% FPG = \$24,860, Family of 3 in 2023

Status Quo



Sources: Federal poverty guidelines, HHS; Vermont Dept. of Children and Families; RAND Report; JFO analysis JFO/jm; Apr. 10, 2023

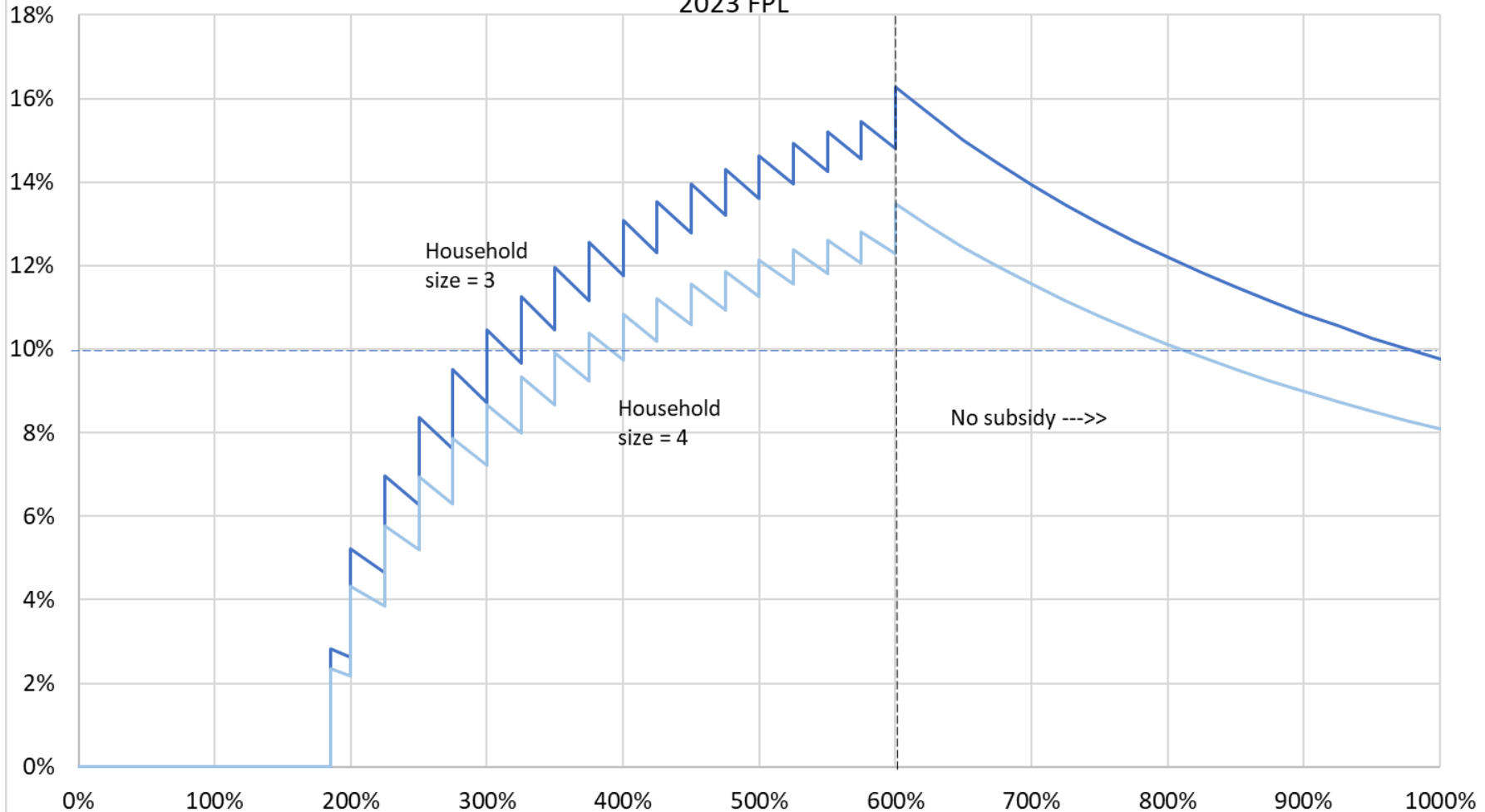


As passed by the Senate, \$25 weekly copay multiples

Family Income Share for Centers' Early Care at \$24,265*/yr; CCFAP subsidy up to 600%

*Middle ground betw status quo and HQ; Start \$25/wk at 185% FPL; One child in care;

2023 FPL



Family of 3:	\$24,860	\$49,720	\$74,580	\$99,440	\$124,300	\$149,160	\$174,020	\$198,880
Family of 4:	\$30,000	\$60,000	\$90,000	\$120,000	\$150,000	\$180,000	\$210,000	\$240,000

Sources: Federal poverty guidelines, HHS; Vermont Department of Children and Families; RAND Report; JFO analysis

JFO/jm; April 10, 2023



The Human Services bill would increase the family weekly copay to \$27 starting Jan.1, 2024

- Maintain 38.5% increase in provider reimbursement
- Start family payments of \$27 per week at 150% FPL up to 175% FPL
- Continue CCFAP reimbursements up to 550% FPL
 - Family of 3: \$142,945; Family of 4: \$172,500
- Maximum family share for early care, size 3, drops from 20% of family income at 350% FPL (status quo) to 17.7% of family income at 550% FPL

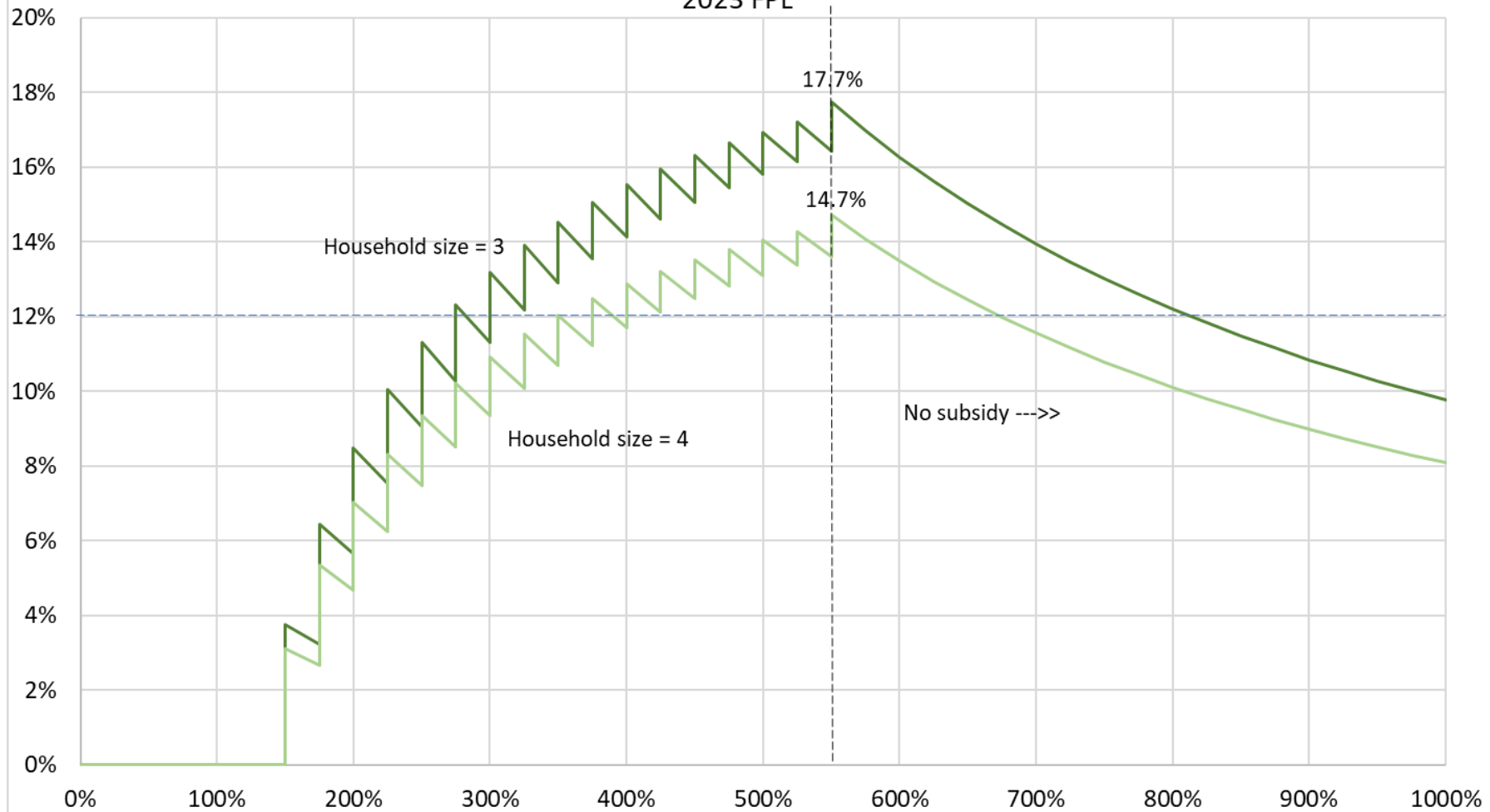


As passed by
Human Services,
\$27 weekly
copay multiples

Family Income Share for Centers' Early Care at \$24,265*/yr; CCFAP subsidy up to 550%

*Middle ground betw status quo and HQ; Start \$27/wk at 150% FPL; One child in care;

2023 FPL



Family of 3:	\$24,860	\$49,720	\$74,580	\$99,440	\$124,300	\$149,160	\$174,020	\$198,880
Family of 4:	\$30,000	\$60,000	\$90,000	\$120,000	\$150,000	\$180,000	\$210,000	\$240,000

Sources: Federal poverty guidelines, HHS; Vermont Department of Children and Families; RAND Report; JFO analysis

JFO/jm; April 17, 2023



The Human Services bill would also reduce the size of the reimbursement gap between home-based providers and center-based providers by 50%

- As an example, consider the reimbursement rate for toddlers

5-star CCFAP reimbursement rate, Toddlers, per week			
Close gap by 50%			
	2022-2023	Increase 38.5%	Close gap by 50%
Home-based	\$211	\$292	\$373
Center-based	\$328	\$454	\$454



Child Care Financial Assistance State's Capped Rates

Effective July 3, 2022

The State's capped rates are the maximum amount the State will pay to a child care provider on behalf of a family receiving child care financial assistance. The State will pay the lesser of the two: up to the provider's rate or the State's capped rate. To receive the maximum amount the State pays, a child care provider may need to increase their rates. For more detailed information about payments, which includes examples, please see our [fact sheet](#).

Licensed Care		1 STAR	2 STARS	3 STARS	4 STARS	5 STARS
Infant	Full-Time	\$290	\$297	\$300	\$314	\$349
	Part-Time	\$159	\$163	\$165	\$172	\$191
	Extended Time	\$394	\$403	\$408	\$427	\$474
Toddler	Full-Time	\$280	\$281	\$289	\$306	\$328
	Part-Time	\$154	\$156	\$159	\$168	\$180
	Extended Time	\$380	\$382	\$393	\$416	\$446
Preschool	Full-Time	\$275	\$280	\$288	\$300	\$325
	Part-Time	\$151	\$154	\$158	\$165	\$178
	Extended Time	\$374	\$380	\$391	\$408	\$442
School Age	Full-Time	\$225	\$231	\$245	\$250	\$275
	Part-Time	\$123	\$127	\$134	\$137	\$151
	Extended Time	\$306	\$314	\$333	\$340	\$374

Registered Home		1 STAR	2 STARS	3 STARS	4 STARS	5 STARS
Infant	Full-Time	\$200	\$203	\$207	\$210	\$225
	Part-Time	\$110	\$111	\$113	\$115	\$123
	Extended Time	\$272	\$276	\$281	\$288	\$306
Toddler	Full-Time	\$198	\$200	\$204	\$208	\$211
	Part-Time	\$108	\$110	\$112	\$114	\$116
	Extended Time	\$269	\$272	\$277	\$285	\$286
Preschool	Full-Time	\$190	\$195	\$200	\$205	\$210
	Part-Time	\$104	\$107	\$110	\$112	\$115
	Extended Time	\$258	\$265	\$272	\$278	\$285
School Age	Full-Time	\$185	\$190	\$195	\$198	\$200
	Part-Time	\$101	\$104	\$107	\$108	\$110
	Extended Time	\$251	\$258	\$265	\$267	\$272

Important Definitions

Authorized Hours of Care:

- Full-Time Weekly – 26 to 50 hours a week
- Part-Time Weekly – 1 to 25 hours a week
- Extended Time – more than 50 hours a week

Child's Age

- Infant – birth up to 24 months old
- Toddler – 2 up to 3 years old
- Preschool – 3 up to 5 years old
- School Age – 5 up to 12 years old (19 if child has special needs)



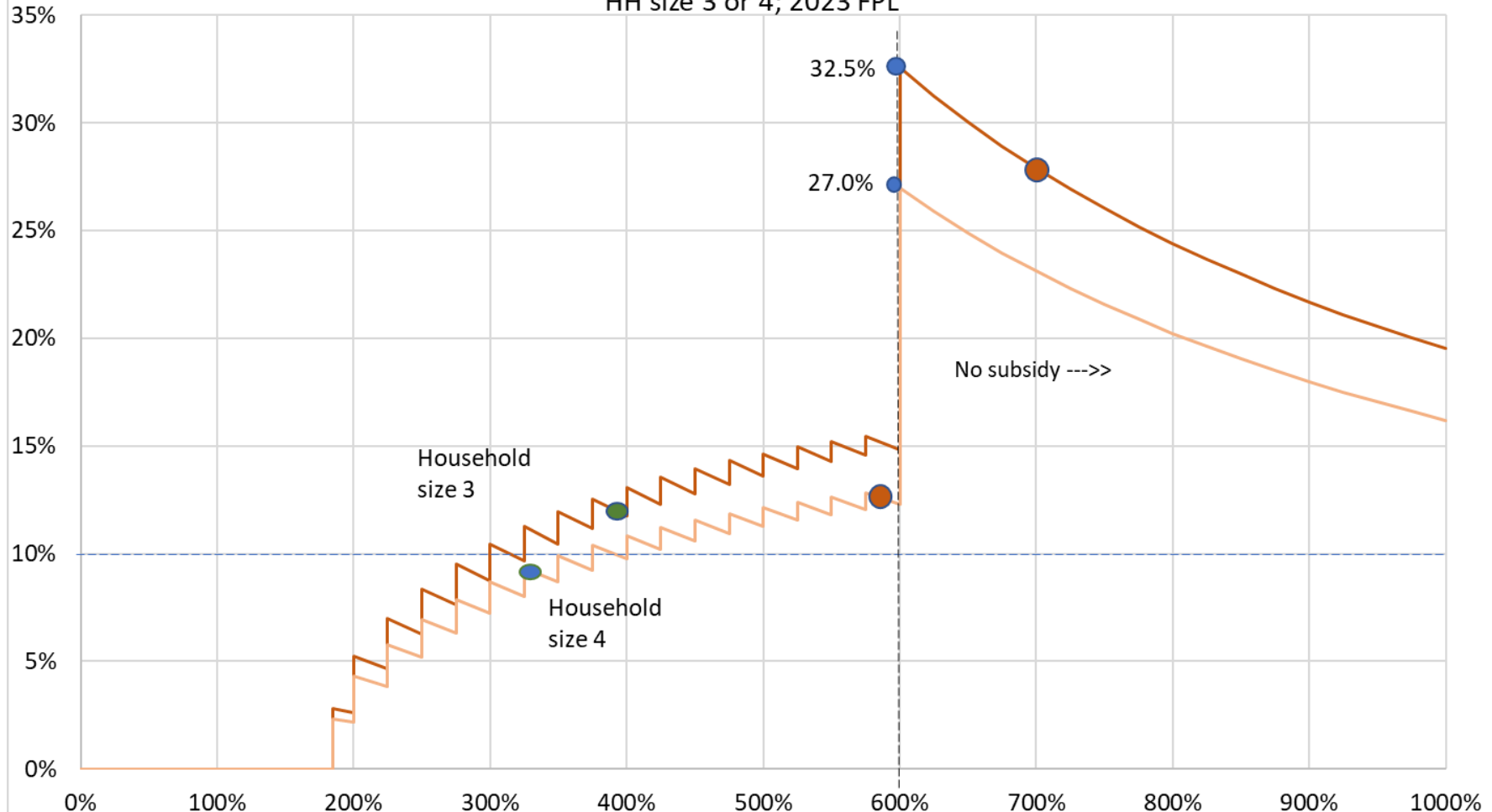
The issue of siblings enrolled in CCFAP

- Based on current CCFAP policy, a family pays the same weekly copay based on their FPL whether they have one child, two children, or more enrolled in CCFAP
- A family remits their weekly copay to the provider of the youngest child
 - CCFAP pays the remainder of the reimbursement amount to that provider as well as the full reimbursement amount to the providers for the older children



Based on \$25
per week copay
multiples

Family Income Share for Centers' Early Care at \$24,265*/yr; CCFAP is \$25/wk up to 600%
*Middle ground betw status quo and HQ; Start \$25/wk at 185% FPL; Two children in CCFAP;
HH size 3 or 4; 2023 FPL



Family of 3:	\$24,860	\$49,720	\$74,580	\$99,440	\$124,300	\$149,160	\$174,020	\$198,880
Family of 4:	\$30,000	\$60,000	\$90,000	\$120,000	\$150,000	\$180,000	\$210,000	\$240,000

Sources: Federal poverty guidelines, HHS; Vermont Department of Children and Families; RAND Report; JFO analysis

JFO/jm; April 10, 2023



Multiples of Family Poverty Level

2023



Household Size	100%	150%	185%	200%	350%	400%	450%	500%	575%	600%	700%	800%
3	\$24,860	\$37,290	\$45,991	\$49,720	\$87,010	\$99,440	\$111,870	\$124,300	\$142,945	\$149,160	\$174,020	\$198,880
4	\$30,000	\$45,000	\$55,500	\$60,000	\$105,000	\$120,000	\$135,000	\$150,000	\$172,500	\$180,000	\$210,000	\$240,000
5	\$35,140	\$52,710	\$65,009	\$70,280	\$122,990	\$140,560	\$158,130	\$175,700	\$202,055	\$210,840	\$245,980	\$281,120
6	\$40,280	\$60,420	\$74,518	\$80,560	\$140,980	\$161,120	\$181,260	\$201,400	\$231,610	\$241,680	\$281,960	\$322,240

<https://aspe.hhs.gov/poverty-guidelines>



Thank you!

