

# Family ECE Contribution as a Percentage of Family Income Under the Current CCFAP Structure

Senate Health and Welfare Committee

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March 1, 2023



# How does a family's contribution change as income relative to the Federal Poverty Level changes?

- Vermont's Child Care Financial Assistance Program (CCFAP) expects families with income above 150% of the Federal Poverty Level (FPL) to pay some or all Early Care and Education (ECE) tuition
- Families with income up to 150% of FPL now have no co-pay
  - Families with income just above 150% FPL up to 175% FPL pay \$25/week
  - Families with income just above 175% FPL up to 200% FPL pay \$50/week
  - And so on
- The CCFAP subsidy currently ends at 350% of FPL
- The CCFAP reimbursement rate for 5-star ECE center-based care is capped at \$17,430

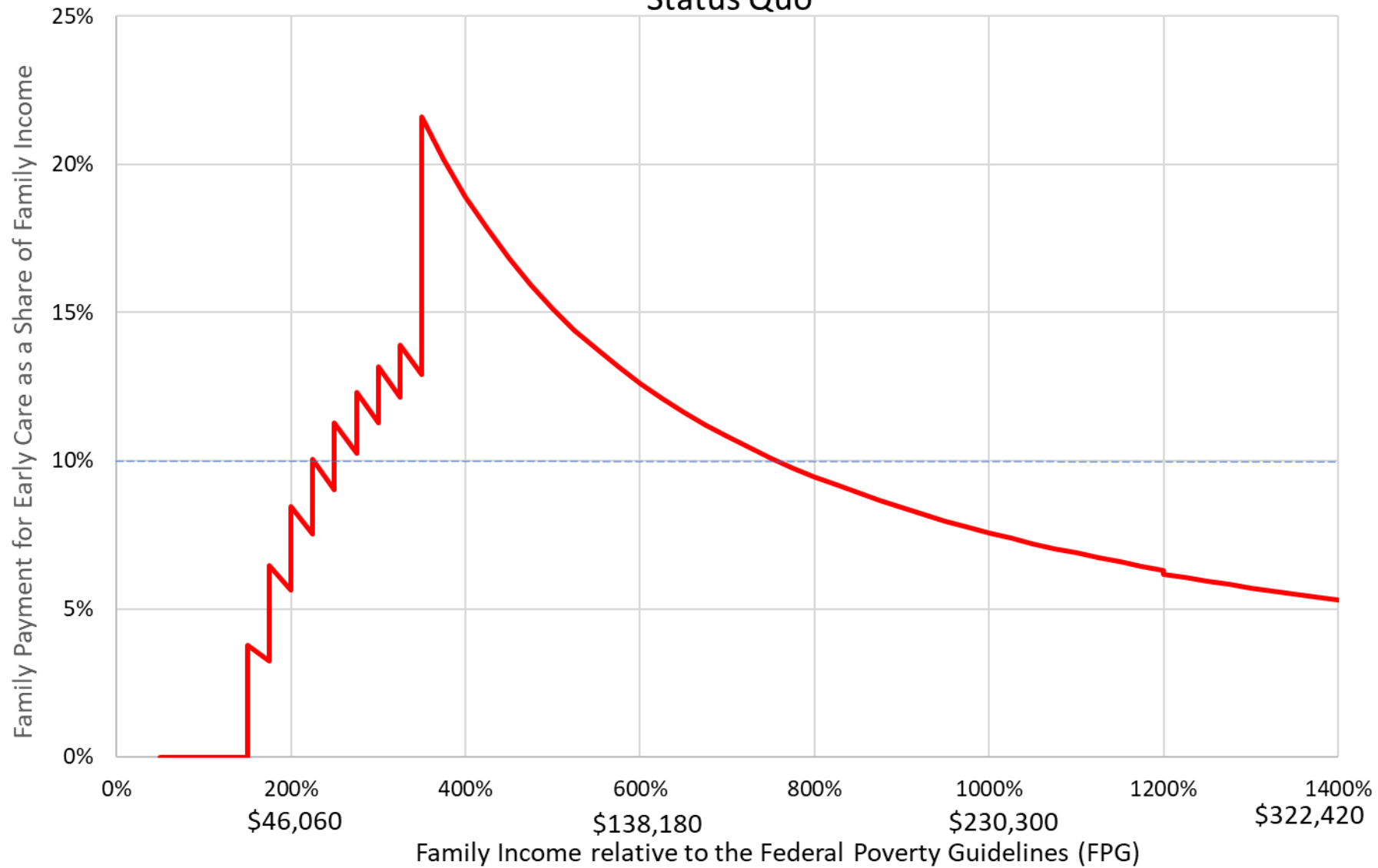


# Share of Family Income for Early Care at \$17,430\*/yr when CCFAP is \$25/wk up to 350%

1

\*CCFAP capped rate at 5-star centers; Family of three, One child in care; 100% FPG = \$23,030

## Status Quo

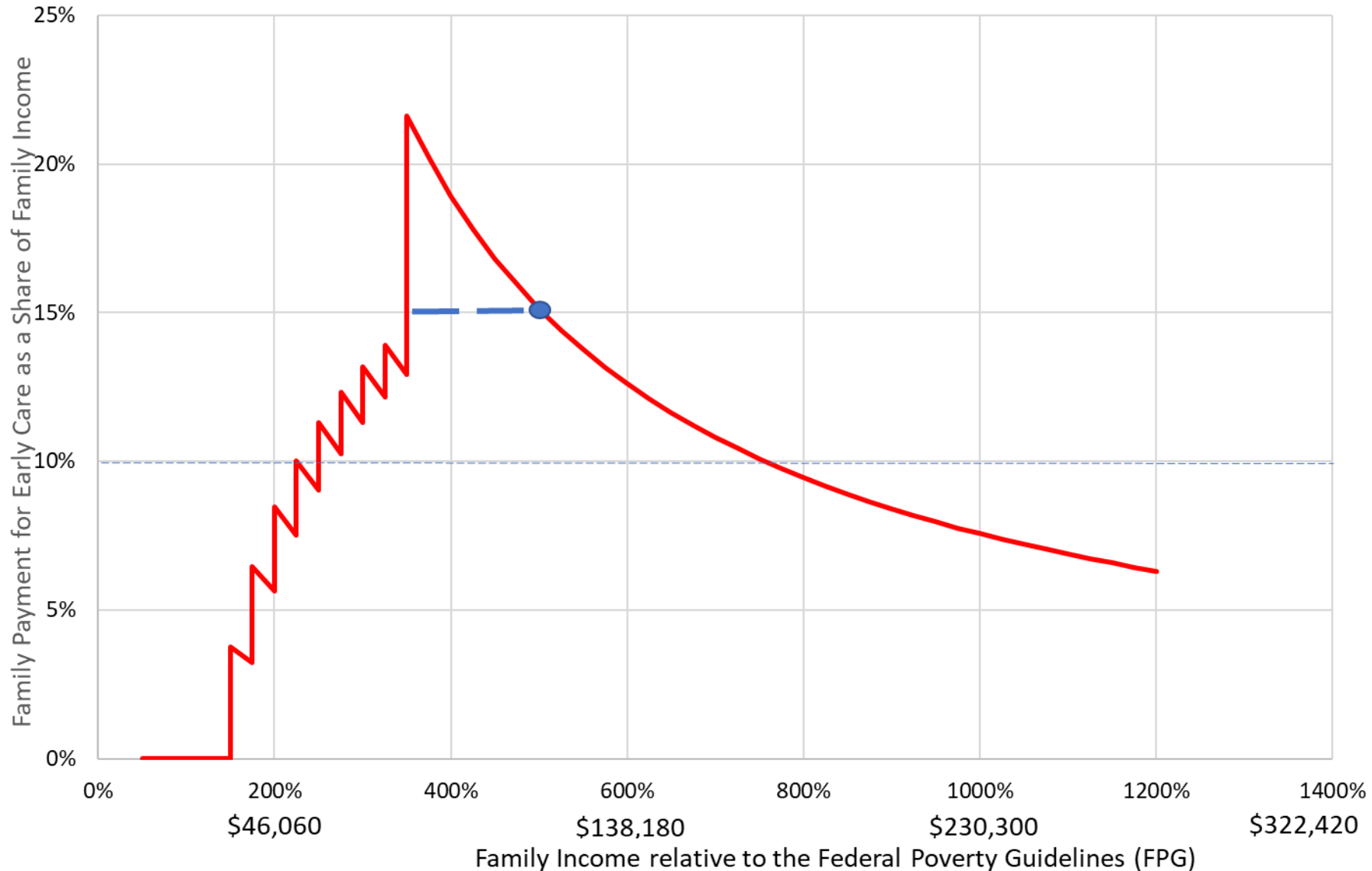


Sources: Federal poverty guidelines, HHS; Vermont Dept. of Children and Families; RAND Report; JFO analysis JFO/jm; Feb. 27, 2023



# Share of Family Income for Early Care at \$17,430\*/yr when CCFAP is \$25/wk up to 350%

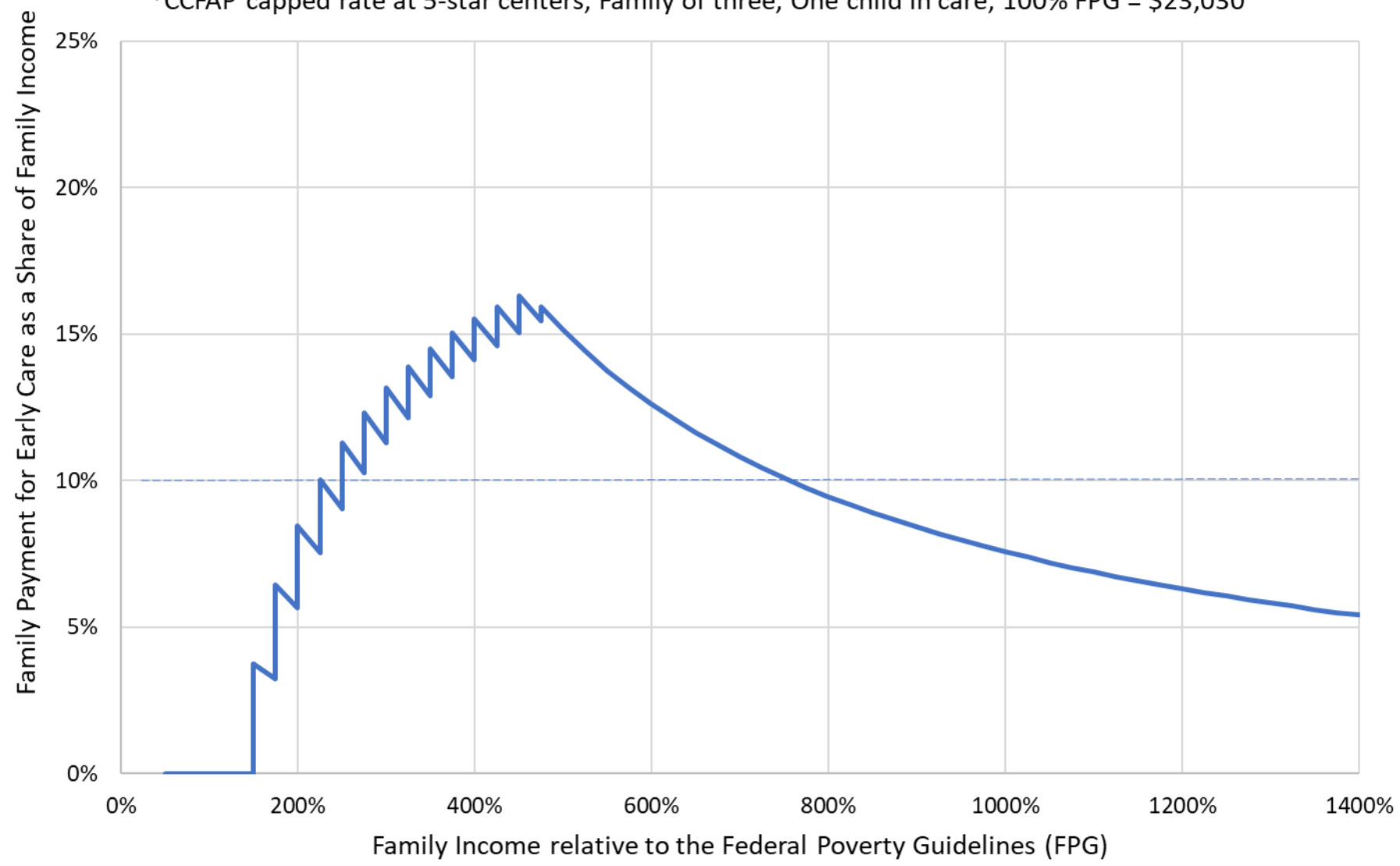
\*CCFAP capped rate at 5-star centers; Family of three, One child in care; 100% FPG = \$23,030



Sources: Federal poverty guidelines, HHS; Vermont Dept. of Children and Families; RAND Report; JFO analysis JFO/jm; Feb. 27, 2023



Share of Family Income for Early Care at \$17,430\*/yr when CCFAP is \$25/wk up to 475%  
\*CCFAP capped rate at 5-star centers; Family of three, One child in care; 100% FPG = \$23,030



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

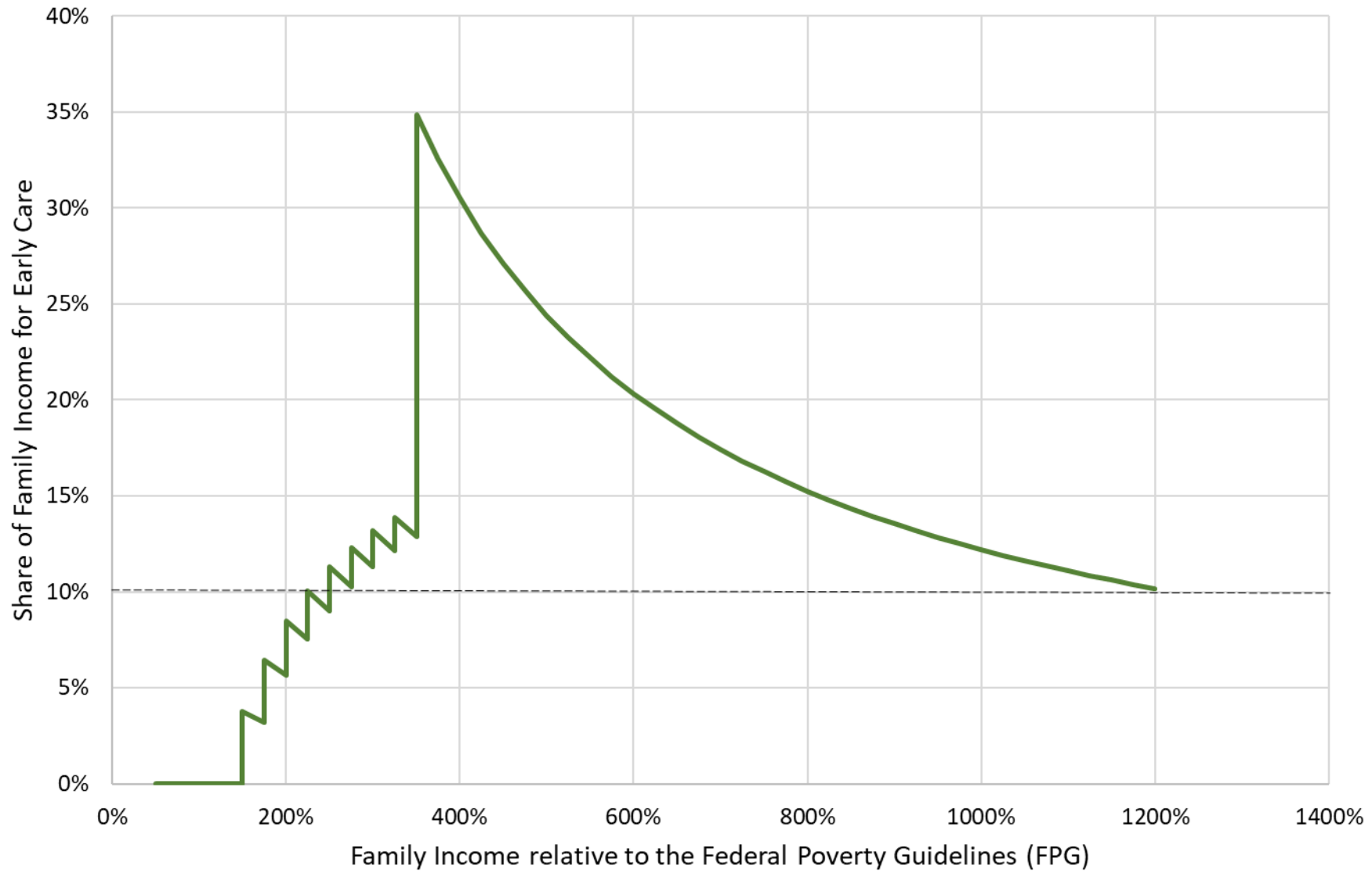
JFO/jm; Feb.28, 2023



# Share of Family Income for Early Care at \$28,100\*/yr when CCFAP is \$25/wk up to 350%

4

\*Weighted average, high-quality cost at ECE centers; Family of three, One child in care; 100% FPG = \$23,030



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

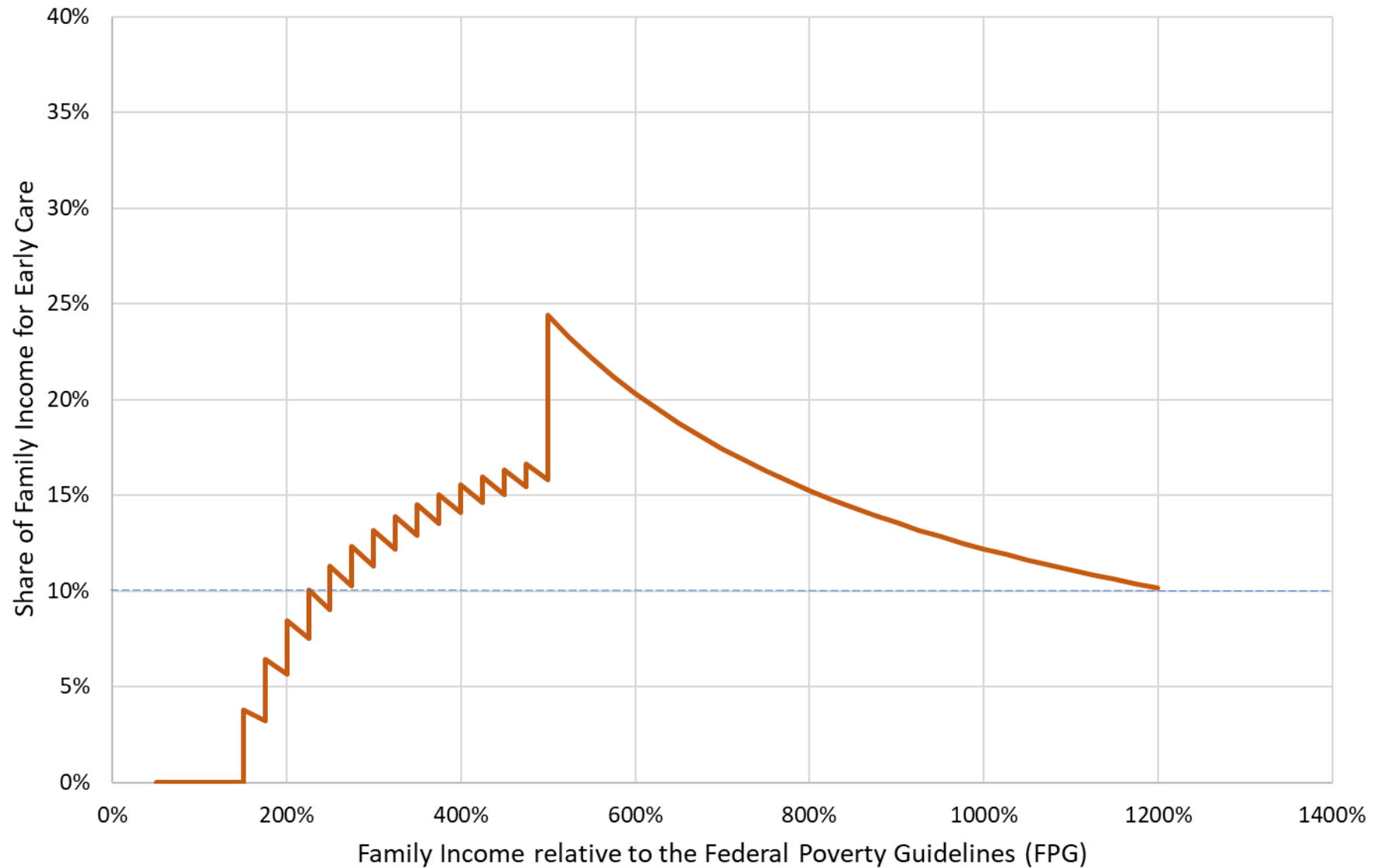
JFO/jm; 20 Feb 2023



# Share of Family Income for Early Care at \$28,100\*/yr when CCFAP is \$25/wk up to 500%

5

\*Weighted average, high-quality cost at ECE centers; Family of three, One child in care; 100% FPG = \$23,030



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

JFO/jm; 21 Feb 2023



## Family Payment for Early Care as a Share of Family Income - Status Quo CCFAP

JFO/jm; Feb 28, 2023

Family Size = 3, one child in care

Average cost of care \$17,430 = CCFAP capped rate at 5-star centers in FY 2023

Panel 1		CCFAP at \$25 per week at multiples of FPL, stop at 350%										
CCFAP multiple		1	3	5	7	9	11	13	15	17	19	
% of PFL	100%	150%	200%	250%	300%	350%	400%	450%	500%	550%	600%	
Fam. Inc.	\$ 23,030	\$ 34,545	\$ 46,060	\$ 57,575	\$ 69,090	\$ 80,605	\$ 92,120	\$103,635	\$115,150	\$126,665	\$138,180	
Fam. Inc. + \$1	\$ 23,031	\$ 34,546	\$ 46,061	\$ 57,576	\$ 69,091	\$ 80,606	\$ 92,121	\$ 103,636	\$ 115,151	\$ 126,666	\$ 138,181	
Fam. Pymt.	\$ -	\$ 1,300	\$ 3,900	\$ 6,500	\$ 9,100	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430	
Fam. Pymt. As												
Share of Inc.	0%	3.8%	8.5%	11.3%	13.2%	<b>21.6%</b>	18.9%	16.8%	15.1%	13.8%	12.6%	

Panel 2		CCFAP at \$25 per week at multiples of FPL, stop at 400%										
	100%	150%	200%	250%	300%	350%	400%	450%	500%	550%	600%	
Fam. Pymt.	\$ -	\$ 1,300	\$ 3,900	\$ 6,500	\$ 9,100	\$ 11,700	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430	
Fam. Pymt. As												
Share of Inc.	0%	3.8%	8.5%	11.3%	13.2%	14.5%	<b>18.9%</b>	16.8%	15.1%	13.8%	12.6%	





## Family Payment for Early Care as a Share of Family Income - Status Quo CCFAP

JFO/jm; Feb 28, 2023

Family Size = 3, one child in care

Average cost of care \$17,430 = CCFAP capped rate at 5-star centers in FY 2023

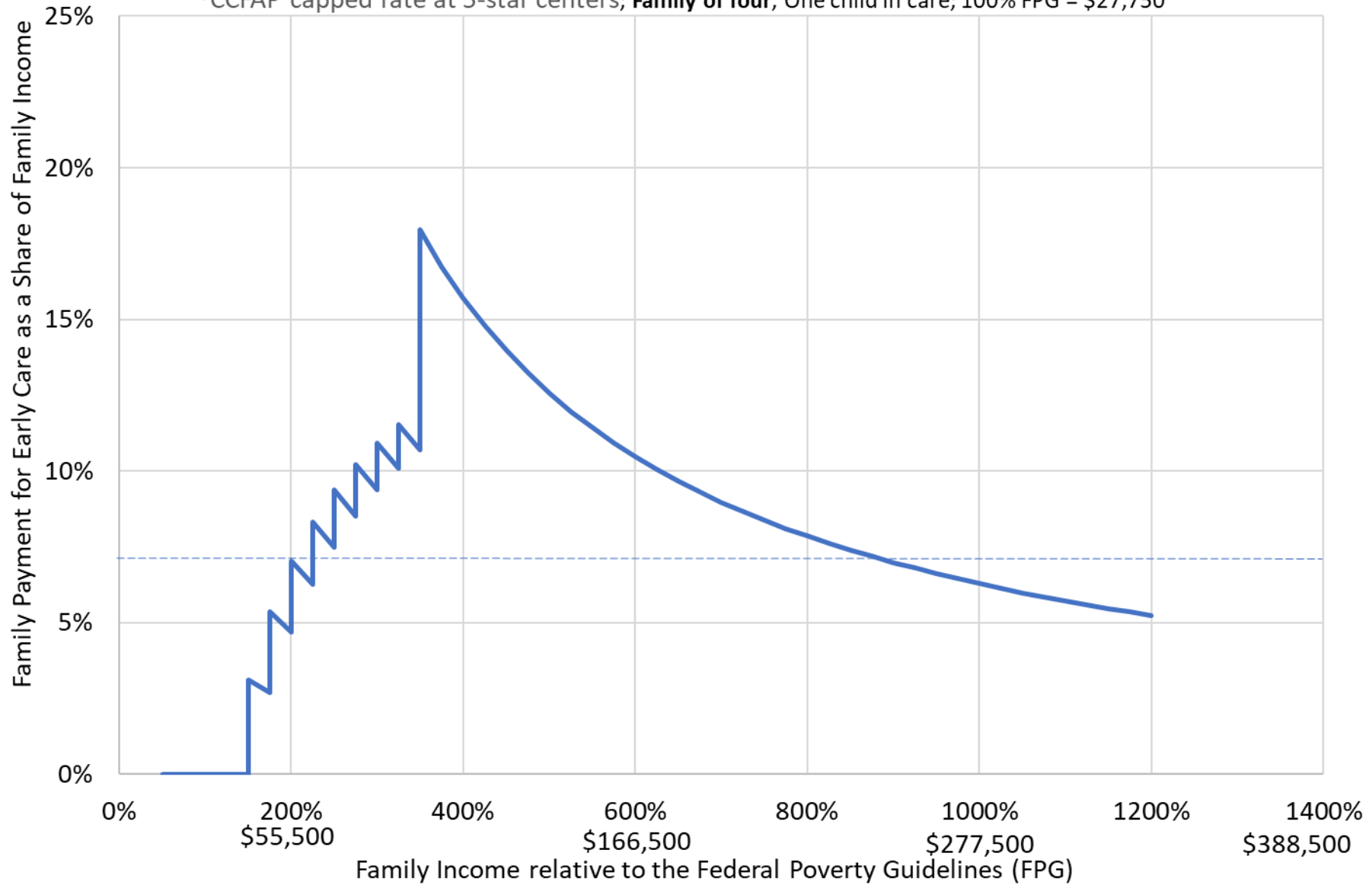
Panel 3		CCFAP at \$25 per week at multiples of FPL, stop at 450%										
		100%	150%	200%	250%	300%	350%	400%	450%	500%	550%	600%
Fam. Pymt.	\$	-	\$ 1,300	\$ 3,900	\$ 6,500	\$ 9,100	\$ 11,700	\$ 14,300	\$ 17,430	\$ 17,430	\$ 17,430	\$ 17,430
Fam. Pymt. As												
Share of Inc.		0%	3.8%	8.5%	11.3%	13.2%	14.5%	15.5%	16.8%	15.1%	13.8%	12.6%
Panel 4		CCFAP at \$25 per week at multiples of FPL, stop at 500%										
		100%	150%	200%	250%	300%	350%	400%	450%	500%	550%	600%
Fam. Pymt.	\$	-	\$ 1,300	\$ 3,900	\$ 6,500	\$ 9,100	\$ 11,700	\$ 14,300	\$ 16,900	\$ 17,430	\$ 17,430	\$ 17,430
Fam. Pymt. As												
Share of Inc.		0%	3.8%	8.5%	11.3%	13.2%	14.5%	15.5%	16.3%	15.1%	13.8%	12.6%



Share of Family Income for Early Care at \$17,430\*/yr when CCFAP is \$25/wk up to 350%

6

\*CCFAP capped rate at 5-star centers; Family of four, One child in care; 100% FPG = \$27,750



Sources: Federal poverty guidelines, HHS; Vermont Department of Children and Families; RAND Report; JFO analysis JFO/jm; Feb.28, 2023



Thank you!

