Child Development Division’s Child Care Financial Assistance Program (CCFAP) Rate Restructure

LAUNCHING JULY 2022
Objectives

• Review of the purpose of CCFAP
• Discuss the new components of CCFAP
  • Capped rate
  • Family Share
  • Increases to include families with income up to 350% FPL
• Overview of marketing materials components
• Impacts on Families
• Impacts on Providers
What is the Child Care Financial Assistance Program?

• The Child Care Financial Assistance Program (CCFAP) is administered by the Child Development Division (CDD) as part of its mission to improve the well being of Vermont’s children.

• To do so, the program provides some or all the cost for early care, early education, and school age care for eligible families. This helps ensure all children, ages 6 weeks to 13 years (19 years for those with special needs), have access to quality child care.

• The program assists many different types of families whether caregivers are students, looking for work, retired, or working. In fact, a family of 3 with a household income of $75,000 a year qualifies for some assistance.
CCFAP Rates: What has changed and what remains the same?

- Rates were determined based upon using the 2019 Market Rate Survey and set at the 75th percentile.
- The CDD has still set a cap on what the state will pay on behalf of a family.
- If a family uses more than one child care provider, the family share is paid to the provider that cares for the youngest child first.
- Under this new system, the state will pay the capped rate or the provider’s rate, whichever is less.
What Are The Family Share Amounts?
### 2022 Federal Poverty Guidelines (FPG) and Monthly Income

<table>
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<tr>
<th>Family Size</th>
<th>150%</th>
<th>175%</th>
<th>200%</th>
<th>225%</th>
<th>250%</th>
<th>275%</th>
<th>300%</th>
<th>325%</th>
<th>350%</th>
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<tbody>
<tr>
<td>3 or less</td>
<td>$2,879</td>
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<td>$3,838</td>
<td>$4,318</td>
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<td>$5,278</td>
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<td>$6,198</td>
<td>$6,973</td>
<td>$7,748</td>
<td>$8,523</td>
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</table>

| Weekly Family Share | $0 | $25 | $50 | $75 | $100 | $125 | $150 | $175 | $200 |

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**Income Guidelines**
Case Examples
A Fayston family of four with children ages one and four and a household income (HHI) of $72,000. Both children are enrolled 5 days at a local center with a total weekly tuition of $520 ($280/wk infant, $240/wk pre-K).

Based on income and family size, the Greens are eligible for the Child Care Financial Assistance Program and have a weekly Family Share of $125.

The Greens pay their $125 Family Share to the children’s center with the remaining balance covered by the Child Care Financial Assistance Program.
“The Mountains”
A Family With Multiple Providers

A single mother from Barre with children ages one and three and an HHI of $55,000. The three-year old is in a child care center 5 days a week (weekly tuition $250) the infant is at a registered family child care home 1 day a week ($75).

Based on income and family size, the Mountains are eligible for the Child Care Financial Assistance Program and have a weekly Family Share of $100.

This weekly Family Share is paid by the parent to the infant’s facility first ($75). The balance of the Family Share ($25) is paid by the parent to the toddler’s facility. The remaining tuition is covered by the Child Care Financial Assistance Program.
Marketing Materials

CCFAP Brochure

CCFAP Booklet
Why is the CDD not speaking to what a provider charges in the communication to families?

• Child care programs are private businesses, and each program sets its rates based upon their business needs.

• The CDD is not always privy to what a program collects from a family because programs often offer scholarships or discounts. Like now, programs will need to communicate to families any additional amount that the family needs to pay to the program.
Impacts On Families

• Families that already qualify for 100% CCFAP will have little to no impact.

• The majority of CCFAP eligible families will have a positive impact, paying less out of pocket.

• The Family Share is assessed at the youngest child first – no additional amount for more than one child.

• Families that have higher incomes may have an assigned weekly family share that is higher than the provider’s rate. These families will maintain active CCFAP eligibility however they will not have an active certificate as no payment will be made by the state.
Impacts On Providers

• Pay the provider’s reported rate after the family share is assessed, up to a capped rate.

• Family Share is set at the family level and assigned to the youngest child first providing a predictable streamlined program for providers.

• CCFAP will continue to pay the provider’s rate in full for children in protective service custody.

• The subsidy payment for Reach Up clients will be the capped rate or the provider’s rate, whichever is less. This is a change from our current method of payment for Reach Up clients.
More Information

• PDF Version of Slides: https://outside.vermont.gov/dept/DCF/Shared%20Documents/CDD/CCFAP/CCFAP-Rate-Structure-Presentation.pdf
• Subscribe to our email list to receive the latest updates right to your email: https://dcf.vermont.gov/cdd (Scroll to the bottom of the page.)