

CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: *MICHIGAN*

- **Income eligibility limit:** In 2015, a family of three in Michigan could qualify for child care assistance with an annual income up to \$23,880 (119 percent of poverty, 38 percent of state median income).¹
- **Waiting list:** Michigan had no waiting list for child care assistance as of February 2015.
- **Parent copayments:** In 2015, a family of three with an income at 100 percent of poverty (\$20,090 a year) receiving child care assistance in Michigan paid \$24 per month, or 1 percent of its income, in copayments.²
- **Reimbursement rates:** In 2015, Michigan's reimbursement rates for child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
 - Michigan's monthly reimbursement rate for center care for a four-year-old was \$487,³ which was \$336 (41 percent) below the 75th percentile of current market rates for this type of care.
 - Michigan's monthly reimbursement rate for center care for a one-year-old was \$731,⁴ which was \$488 (40 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2015, Michigan paid higher reimbursement rates for higher-quality care.⁵
 - The reimbursement rate for center care for a four-year-old at the highest quality tier was 30 percent higher than the rate at the lowest quality tier.
 - The reimbursement rate for center care for a four-year-old at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In February 2015, Michigan did not allow parents to receive child care assistance while searching for a job.⁶

Source: Karen Schulman and Helen Blank, Building Blocks: State Child Care Assistance Policies 2015 (Washington, DC: National Women's Law Center, 2015). These data reflect policies as of February 2015, unless otherwise indicated.

- 1 As of June 2015, families already receiving assistance could continue doing so until their income reached \$48,828 (250 percent of the 2013 federal poverty level). The state did not have a separate exit eligibility limit prior to that.
- 2 The state determines copayments based on the cost of care; this copayment was calculated assuming that the family was purchasing care at the state's maximum reimbursement rate for licensed, non-accredited center care for a four-year-old.
- 3 The state has higher rates for higher quality care; this is the base (lowest) rate, which is the most common rate level.
- 4 This is the base (lowest) rate, which is the most common rate level.
- 5 This analysis reflects policies as of February 2015. The state increased reimbursement rates for providers with ratings at the two-star level and higher of the state's quality rating and improvement system as of July 2015.
- 5 Parents receiving child care assistance can continue to receive it until the end of their 12-month eligibility period, including in the event of a job loss, as of July 2015.

