



CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: *KENTUCKY*

- **Income eligibility limit:** In February 2016, a family of three in Kentucky could qualify for child care assistance with an annual income up to \$27,795 (138 percent of poverty, 48 percent of state median income).<sup>1</sup>
- **Waiting list:** Kentucky had no waiting list for child care assistance as of February 2016.
- **Parent copayments:** In 2016, a family of three with an income at 100 percent of poverty (\$20,160 a year) receiving child care assistance in Kentucky paid \$132 per month, or 8 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,240 a year) receiving child care assistance paid \$281 per month, or 11 percent of its income, in copayments.
- **Reimbursement rates:** In 2016, Kentucky'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.
  - Kentucky's monthly reimbursement rate for center care for a four-year-old in the Central Region was \$487,<sup>2</sup> which was \$85 (15 percent) below the 75th percentile of current market rates for this type of care.
  - Kentucky's monthly reimbursement rate for center care for a one-year-old in the Central Region was \$553,<sup>3</sup> which was \$63 (10 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2016, Kentucky paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old in the Central Region at the highest quality tier was 13 percent higher than the rate at the lowest quality tier.<sup>4</sup>
  - The reimbursement rate for center care for a four-year-old in the Central Region at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2016, Kentucky allowed parents to continue receiving child care assistance for up to 4 weeks while searching for a job. However, the state did not allow parents to qualify for child care assistance while searching for a job.<sup>5</sup>

Source: Karen Schulman and Helen Blank, Red Light Green Light: State Child Care Assistance Policies 2016 (Washington, DC: National Women's Law Center, 2016). These data reflect policies as of February 2016, unless otherwise indicated.



- 1 As of September 2016, the income limit to qualify for assistance was increased to \$32,256 (160 percent of poverty). Also note that in February 2016, families already receiving assistance could continue doing so until their income reached \$30,574. As of September 2016, the exit eligibility limit was increased to \$33,264 (165 percent of poverty) to adjust from the 2011 to the 2016 federal poverty level.
- 2 The state has higher rates for higher-quality care; this is the most common rate level (the level representing the greatest number of providers).
- 3 This is the most common rate level.
- 4 The amount of the bonus above the base rate at each star level of the state's quality rating and improvement system—for four-year-olds, \$7 to \$11 per month for two-star providers, \$11 to \$15 per month for three-star providers, and \$14 to \$18 per month for four-star providers—depends on the percentage of children served by the provider who are receiving child care assistance. (All providers serving children receiving child care assistance must participate in the state's quality rating and improvement system. One-star providers do not receive a bonus above the base rate.) For all levels, a licensed or certified provider may receive, to the extent funds are available, \$2 per day beyond the maximum rate if the provider is accredited. The calculation of the highest rate assumes that the provider receives the maximum allowable bonus at the four-star level and is accredited.
- 5 The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days and began allowing parents to qualify for child care assistance while searching for a job as of September 2016.

