

CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: COLORADO

- **Income eligibility limit:** In 2017, counties in Colorado could set the income limit for a family of three to qualify for child care assistance between \$33,264 per year (163 percent of poverty, 45 percent of state median income) and \$62,781 per year (307 percent of poverty, 85 percent of state median income).<sup>1</sup>
- **Waiting list:** Colorado had 767 children on county waiting lists for child care assistance as of February 2017.<sup>2</sup>
- **Parent copayments:** In 2017, a family of three with an income at 100 percent of poverty (\$20,420 a year) receiving child care assistance in Colorado paid \$34 per month, or 2 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,630 a year) receiving child care assistance paid \$281 per month, or 11 percent of its income, in copayments.<sup>3</sup>
- **Payment rates:** In 2017, payment rates in Colorado 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.<sup>4</sup>
  - The monthly payment rate for center care for a four-year-old in Denver was \$693,<sup>5</sup> which was \$509 (42 percent) below the 75th percentile of current market rates for this type of care.
  - The monthly payment rate for center care for a one-year-old in Denver was \$1,088,<sup>6</sup> which was \$441 (29 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2017, Colorado required counties to have higher payment rates for higher-quality care.<sup>7</sup>
  - The payment rate for center care for a four-year-old in Denver at the highest quality tier was 47 percent higher than the rate at the lowest quality tier.
  - The payment rate for center care for a four-year-old in Denver at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2017, Colorado required counties to allow parents already receiving child care assistance to continue receiving it for up to 13 weeks while searching for a job and counties could choose to allow parents to continue to receive child care assistance while searching for a job for a longer period of time. Counties could choose whether to allow parents to qualify for and begin receiving child care assistance while searching for a job; if counties chose to do so, they had to allow parents to receive child care assistance while searching for a job for up to 13 weeks, or for a longer period of time.

Source: Karen Schulman and Helen Blank, *Persistent Gaps: State Child Care Assistance Policies 2017* (Washington, DC: National Women's Law Center, 2017). These data reflect policies as of February 2017, unless otherwise indicated.

- 1 In Colorado, counties set their income limits within state guidelines. Also note that counties may allow families already receiving assistance to continue doing so up to an exit eligibility limit that is higher than the county's initial eligibility limit. As of October 2017, the maximum level at which counties are allowed to set their income limits was increased to \$63,889 (85 percent of state median income) to adjust for the updated state median income estimate.
- 2 Waiting lists are kept at the county level, rather than at the state level. This waiting list total is the total of reported county waiting lists. Also note that counties have the option to allow certain groups of families to be served without being placed on the waiting list; these groups include households with incomes at or below 130 percent of poverty, teen parents, children with additional care needs, homeless families, and other groups defined by the county based on local needs.
- 3 Families receiving Temporary Assistance for Needy Families (TANF) and with parents enrolled in activities other than paid employment, families receiving child welfare child care, and parents without income are exempt from copayments. In addition, families receiving protective services child care are exempt from copayments unless the child has countable income. Homeless families do not have a copayment during a 60-day stabilization period. Teen parents may have their copayment waived if it produces a hardship.
- 4 In Colorado, counties determine their own payment rates.
- 5 Denver has higher rates for higher-quality care; this is the most common rate level (the level representing the greatest number of providers).
- 6 This is the most common rate level.
- 7 As of September 2016, all counties in Colorado are required to have higher rates for higher-quality care. Prior to that date, counties determined whether to offer tiered rates for higher-quality care (and some counties, including Denver, did offer such rates before it was required to do so). Counties still determine the levels at which to set their tiered rates.

