

CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: *INDIANA*

- **Income eligibility limit:** In 2017, a family of three in Indiana could qualify for child care assistance with an annual income up to \$25,608 (125 percent of poverty, 42 percent of state median income).¹
- **Waiting list:** Indiana had 5,658 children on a waiting list for child care assistance as of February 2017.²
- **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 Indiana paid \$85 per month, or 5 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 \$231 per month, or 9 percent of its income, in copayments.³
- **Payment rates:** In 2017, Indiana's payment 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.
 - Indiana's monthly payment rate for center care for a four-year-old in Marion County (Indianapolis) was \$1,065, which was \$96 (8 percent) below the 75th percentile of current market rates for this type of care.⁴
 - Indiana's monthly payment rate for center care for a one-year-old in Marion County (Indianapolis) was \$1,269, which was \$325 (20 percent) below the 75th percentile of current market rates for this type of care.⁵
- **Tiered payment rates:** In 2017, Indiana had higher payment rates for higher-quality care.
 - The payment rate for center care for a four-year-old in Marion County (Indianapolis) at the highest quality tier was 40 percent higher than the rate at the lowest quality tier.
 - The payment rate for center care for a four-year-old in Marion County (Indianapolis) at the highest quality tier was still below the 75th percentile of current market rates.⁶
- **Eligibility for parents searching for a job:** In 2017, Indiana allowed parents already receiving child care assistance to continue receiving it for up to 13 weeks while searching for a job.⁷ However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.⁸

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 February 2017, families already receiving assistance could continue doing so until their income reached \$51,624. As of April 2017, the income limit to qualify for assistance was increased to \$25,932 (127 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to \$52,416 (85 percent of state median income) to adjust for the updated state median income estimate.
- 2 Families receiving Temporary Assistance for Needy Families (TANF) and with parents participating in the state's employment and training program are served without being placed on the waiting list.
- 3 Copayments vary depending on how long the family has been receiving child care assistance, with families paying a higher percentage of income the longer they receive assistance. These copayments assume it is the first year the family is receiving assistance. Also note that families with incomes at or below 100 percent of the 2016 federal poverty level (\$20,160 a year for a family of three) were exempt from copayments in 2017.
- 4 The state has higher rates for higher-quality care. The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level. The most common payment rate level (the level representing the greatest number of providers) is compared here to the 75th percentile for providers at that same quality level.
- 5 The most common payment rate level (the level representing the greatest number of providers) is compared here to the 75th percentile for providers at that same quality level.
- 6 The payment rate at the highest quality level is compared here to the 75th percentile for providers at that same quality level.
- 7 Parents receiving child care assistance can continue to receive it while searching for a job for up to 13 cumulative weeks per 12-month period beginning one day after the loss of a job. Parents can continue receiving child care assistance while searching for a job for up to 13 weeks even if they reach the end of their eligibility period for child care assistance before the end of that 13-week period. Parents are authorized for assistance for the same number of hours of child care during their job search as they had for their prior documented activity.
- 8 Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and participating in the state's employment and training program.

