



CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: *KENTUCKY*

- **Income eligibility limit:** In 2018, a family of three in Kentucky could qualify for child care assistance with an annual income up to \$32,676 (157 percent of poverty, 55 percent of state median income).¹
- **Waiting list:** Kentucky had no waiting list for child care assistance as of February 2018.
- **Parent copayments:** In 2018, a family of three with an income at 100 percent of poverty (\$20,780 a year) receiving child care assistance in Kentucky paid \$152 per month, or 9 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$31,170 a year) receiving child care assistance paid \$281 per month, or 11 percent of its income, in copayments.²
- **Payment rates:** In 2018, Kentucky'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.³
 - Kentucky's monthly payment rate for center care for a four-year-old in the Central Region was \$487,⁴ which was \$188 (28 percent) below the 75th percentile of current market rates for this type of care.
 - Kentucky's monthly payment rate for center care for a one-year-old in the Central Region was \$553,⁵ which was \$205 (27 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2018, Kentucky had higher payment rates for higher-quality care.⁶
 - The payment 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.
 - The payment 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 2018, Kentucky allowed parents to initially qualify for and begin receiving child care assistance, and allowed parents already receiving child care assistance to continue receiving it, for up to 3 months while searching for a job.⁷

Source: Karen Schulman, *Overdue for Investment: State Child Care Assistance Policies 2018* (Washington, DC: National Women's Law Center, 2018). These data reflect policies as of February 2018, unless otherwise indicated.



- 1 In February 2018, families already receiving assistance could continue doing so until their income reached \$33,696. As of April 2018, the income limit to qualify for assistance was increased to \$33,256 (160 percent of poverty), and the exit eligibility limit was increased to \$34,287 (165 percent of poverty), to adjust for the 2018 federal poverty level.
- 2 Families with incomes at or below \$899 per month (\$10,788 a year), regardless of family size, were exempt from copayments in 2018.
- 3 This analysis is based on payment rates in effect in February 2018. The state increased its base payment rates to at least the 40th percentile of market rates as of December 2018.
- 4 The state has higher rates for higher-quality care; this is the most common rate level (the level representing the greatest number of providers).
- 5 This is the most common rate level.
- 6 This analysis is based on tiered payment rates in effect in February 2018. At that time, the amount of the bonus above the base rate at each star level of the state's quality rating and improvement system (which had four levels and was mandatory for all providers serving children receiving child care assistance)—for center care 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—depended on the percentage of children served by the provider receiving child care assistance. (One-star providers did not receive a bonus above the base rate.) A licensed or certified provider that was accredited could receive, to the extent funds were available, an additional \$2 per day. This analysis assumes that the provider at the highest quality tier received the maximum allowable bonus at the four-star level and was accredited. As of April 2018, the state adopted a new quality rating and improvement system with five levels and higher bonuses than available under the previous system. For example, under the new system, for care for four-year-olds, the amount of the bonus above the base rate is \$23 per month for three-star licensed centers, \$33 per month for four-star licensed centers, and \$43 per month for five-star licensed centers. (One- and two-star providers do not receive a bonus above the base rate.) Accredited providers can still receive an additional \$2 per day on top of their quality bonus.
- 7 Parents can continue receiving child care assistance while searching for a job for up to 3 calendar months or until the end of their eligibility period, whichever comes first.

