



CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: **MINNESOTA**

- **Income eligibility limit:** In 2018, a family of three in Minnesota could qualify for child care assistance with an annual income up to \$37,961 (183 percent of poverty, 47 percent of state median income).¹
- **Waiting list:** Minnesota had 2,376 families on a waiting list for child care assistance as of February 2018.²
- **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 Minnesota paid \$50 per month, or 3 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 \$87 per month, or 3 percent of its income, in copayments.³
- **Payment rates:** In 2018, Minnesota'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.
 - Minnesota's monthly payment rate for center care for a four-year-old in Hennepin County was \$870,⁴ which was \$359 (29 percent) below the 75th percentile of current market rates for this type of care.
 - Minnesota's monthly payment rate for center care for a one-year-old in Hennepin County was \$1,160,⁵ which was \$463 (29 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2018, Minnesota had higher payment rates for higher-quality care.
 - The payment rate for center care for a four-year-old in Hennepin County at the highest quality tier was 20 percent higher than the rate at the lowest quality tier.
 - The payment rate for center care for a four-year-old in Hennepin County at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2018, Minnesota allowed parents already receiving child care assistance to continue receiving it while searching for a job for up to 3 months.⁶ The state also allowed parents to initially qualify for and begin receiving child care assistance for up to 240 hours per calendar year 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 \$54,115. As of October 2018, the income limit to qualify for assistance was increased to \$39,455 (47 percent of state median income), and the exit eligibility limit was increased to \$56,244 (67 percent of state median income), to adjust for the updated state median income estimate.
- 2 Families receiving Temporary Assistance for Needy Families (TANF), families transitioning from TANF (for up to one year after their TANF case closes), and parents under 21 years of age pursuing a high school degree or GED (and not receiving TANF) are served without being placed on the waiting list.
- 3 Families with incomes below 75 percent of the 2017 federal poverty level (\$15,315 a year for a family of three) were exempt from copayments in 2018.
- 4 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
- 5 This is the base (lowest) rate, which is the most common rate level.
- 6 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.
- 7 Parents can qualify for child care assistance while searching for a job for up to 240 hours per calendar year, for no more than 20 hours per week.

