

CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: VERMONT

- **Income eligibility limit:** In 2018, a family of three in Vermont could qualify for child care assistance with an annual income up to \$61,260 (295 percent of poverty, 85 percent of state median income).<sup>1</sup>
- **Waiting list:** Vermont 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 Vermont paid \$6 per month, or less than 1 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 \$260 per month, or 10 percent of its income, in copayments.<sup>2</sup>
- **Payment rates:** In 2018, Vermont'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.<sup>3</sup>
  - Vermont's monthly payment rate for center care for a four-year-old was \$809,<sup>4</sup> which was \$273 (25 percent) below the 75th percentile of current market rates for this type of care.
  - Vermont's monthly payment rate for center care for a one-year-old was \$912,<sup>5</sup> which was \$214 (19 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2018, Vermont had higher payment rates for higher-quality care.<sup>6</sup>
  - The payment rate for center care for a four-year-old 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 at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2018, Vermont 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.<sup>7</sup>

Source: Karen Schulman, *Overdue for Investments: 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 whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional 12 months after their recertification, if their income did not exceed \$62,676. As of July 2018, the income limit to qualify for assistance was increased to \$62,340 (300 percent of poverty) to adjust for the 2018 federal poverty level.
- 2 The state determines copayments based on the cost of care; these copayments were calculated assuming that the family was purchasing care at the state's base payment rate for center care for a four-year-old. Also note that children who are in protective custody may be exempted from copayments if requested by their social worker.
- 3 This analysis reflects payment rates as of February 2018. The state increased base payment rates for care for infants and toddlers as of July 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 reflects tiered payment rates as of February 2018. The state increased tiered rates for care for infants and toddlers as of July 2018.
- 7 Parents receiving child care assistance can continue to receive it while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period.

