



**NATIONAL  
WOMEN'S  
LAW CENTER**

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**CHILD CARE & EARLY LEARNING**

## State Child Care Assistance Policies: Indiana

- **Income eligibility limit:** In 2019, a family of three in Indiana could qualify for child care assistance with an annual income up to \$26,388 (124 percent of poverty, 41 percent of state median income).<sup>1</sup>
- **Waiting list:** Indiana had 6,290 children on a waiting list for child care assistance as of February 2019.<sup>2</sup>
- **Parent copayments:** In 2019, a family of three with an income at 100 percent of poverty (\$21,330 a year) receiving child care assistance in Indiana paid \$89 per month, or 5 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$31,995 a year) receiving child care assistance paid \$241 per month, or 9 percent of its income, in copayments.<sup>3</sup>
- **Payment rates:** In 2019, Indiana's payment rates for child care providers serving families receiving child care assistance were at 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—for some categories of care, but below the recommended level for other categories of care.
  - Indiana's monthly payment rate for center care for a four-year-old in Marion County (Indianapolis) was \$1,065,<sup>4</sup> which was \$91 (9 percent) above the 75th percentile of current market rates for this type of care.
  - Indiana's monthly payment rate for center care for a one-year-old in Marion County (Indianapolis) was \$1,269,<sup>5</sup> which was \$165 (15 percent) above the 75th percentile of current market rates for this type of care.
- **Tiered payment rates:** In 2019, 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 above the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2019, Indiana allowed parents already receiving child care assistance to continue receiving it for up to 16 weeks while searching for a job.<sup>6</sup> However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.<sup>7</sup>

Source: Karen Schulman, Early Progress: State Child Care Assistance Policies 2019 (Washington, DC: National Women’s Law Center, 2019). These data reflect policies as of February 2019, unless otherwise indicated.

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- 1 In February 2019, families already receiving assistance could continue doing so until their income reached \$54,312 (85 percent of state median income). As of March 2019, the income limit to qualify for assistance was increased to \$27,084 (127 percent of poverty) to adjust for the 2019 federal poverty level.
  - 2 Families receiving Temporary Assistance for Needy Families (TANF) and with parents participating in the state’s employment and training program or searching for a job 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 2018 federal poverty level (\$20,780 a year for a family of three) were exempt from copayments in 2019.
  - 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 Parents receiving child care assistance are allowed a time-limited absence to care for a family member, to recover from illness, when not working between regular industry work seasons, for holidays or breaks in employment or education, due to a reduction in work or education hours, or due to any other cessation of work or an education program for a period not to exceed 16 weeks, beginning one day after their loss of employment.
  - 7 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, and have a referral from their caseworker.