State Child Care Assistance Policies: Kentucky

- **Income eligibility limit:** In 2019, a family of three in Kentucky could qualify for child care assistance with an annual income up to $33,252 (156 percent of poverty, 55 percent of state median income).

- **Waiting list:** Kentucky had no waiting list for child care assistance as of February 2019.

- **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 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 ($31,995 a year) receiving child care assistance paid $281 per month, or 11 percent of its income, in copayments.

- **Payment rates:** In 2019, 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.
  - Kentucky’s monthly payment rate for center care for a four-year-old in Jefferson County was $564, which was $111 (16 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 Jefferson County was $631, which was $127 (17 percent) below the 75th percentile of current market rates for this type of care.

- **Tiered payment rates:** In 2019, Kentucky had higher payment rates for higher-quality care.
  - The payment rate for center care for a four-year-old in Jefferson County at the highest quality tier was 16 percent higher than the rate at the lowest quality tier.
  - The payment rate for center care for a four-year-old in Jefferson County at the highest quality tier was still below the 75th percentile of current market rates.

- **Eligibility for parents searching for a job:** In 2019, Kentucky allowed parents to initially qualify for and begin receiving child care assistance while searching for a job, and allowed parents already receiving child care assistance to continue receiving it while searching for a job, for up to 3 months.
In 2019, families already receiving assistance could continue doing so until their income reached $41,556 (200 percent of the 2018 federal poverty level).

Families needing child care for reasons of child protection or permanent placement are exempt from copayments. In addition, families with incomes at or below $899 per month ($10,788 a year), regardless of family size, were exempt from copayments in 2019.

The state has higher rates for higher-quality care; this is the most common rate level (the level representing the greatest number of providers).

This is the most common rate level.

The state pays higher rates to providers with three-, four-, or five-star ratings under the state’s quality rating and improvement system. Accredited providers can also receive an additional $2 per day on top of their quality bonus. This analysis assumes that the provider at the highest quality tier has a five-star rating and is accredited.

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. Parents can qualify for child care assistance while searching for a job if they document at least 10 potential employer contacts.