State Child Care Assistance Policies: Vermont

December 2013

- **Income eligibility limit**: In 2013, a family of three in Vermont could qualify for child care assistance with an annual income up to $36,600 (187 percent of poverty, 57 percent of state median income).

- **Waiting list**: Vermont had no waiting list for child care assistance as of February 2013.

- **Parent copayments**: In 2013, a family of three with an income at 100 percent of poverty ($19,530 a year) receiving child care assistance in Vermont paid $17 per month, or 1 percent of its income, in copayments. A family of three with an income at 150 percent of poverty ($29,295 a year) receiving child care assistance paid $309 per month, or 13 percent of its income, in copayments.¹

- **Reimbursement rates**: In 2013, Vermont's reimbursement 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.

  - Vermont's monthly reimbursement rate for center care for a four-year-old in February 2013 was $561,² which was $305 (35 percent) below the 75th percentile of current market rates for this type of care.³

  - Vermont's monthly reimbursement rate for center care for a one-year-old in February 2013 was $594,⁴ which was $380 (39 percent) below the 75th percentile of current market rates for this type of care.

- **Tiered reimbursement rates**: In 2013, Vermont paid higher reimbursement rates for higher-quality care.

  - The reimbursement 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 reimbursement 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 2013, Vermont allowed parents to qualify for or continue receiving child care assistance for up to 4 weeks while searching for a job.⁵

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1 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 maximum reimbursement rate for licensed, non-accredited center care for a four-year-old.

2 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.

3 As of November 2013, the state planned to increase rates by 3 percent.

4 This is the base (lowest) rate, which is the most common rate level.

5 Parents can request two 4-week extensions in a 12-month period (in addition to the initial 4 weeks) to receive child care assistance while searching for a job. These extensions may be granted when certain conditions are met, such as a diligent and good faith effort to obtain paid work.