

# **Frequently Asked Questions**

## **on Updates to the Family Fee Schedule - September 2022**

### *For Providers of State-Funded Child Care Spaces*

This document is intended to support providers in implementing the new family fee schedule. Although the OEC has adjusted family fee contributions, providers should implement these updated fees using policies and practices found in [General Policy B-02](#). For additional questions, or questions pertaining to a specific situation, please reach out to your program manager.

### **Eligibility**

#### **Will the new fee schedule apply to all of the families in my program?**

No. These changes will only apply to families in state-funded School Readiness, Child Day Care, and Smart Start spaces.\*

\*This only applies to Smart Start programs that charge their family fees and do not claim enrolled students for Educational Cost Sharing (ECS).

### **Implementing the New Family Fees**

#### **Will families still be able to pay their fees the same way?**

Yes, providers should continue to charge their families and collect fees as they did under the previous fee schedule.

#### **When will family fees change?**

All families must be given a 30-day notice before any changes take place. At the latest, family fees will change at their next annual fee determination, but you may choose to determine family fees under the new fee schedule sooner, as long as you give families 30 days' notice of the coming change.

The 30-day notice is required once you determine the new fee the family will be charged, whether it increases or decreases. Asking families to provide updated income information does not count as part of the 30-day notice for a fee change.

#### **Can families just continue to pay their current fees?**

No, all families will be charged based on the new schedule by the date of their next annual fee determination, at the latest.

If a family will be paying a fee that is higher than their current fee, but less than the program's published cost of care, and expresses that this will cause a challenge, the provider may choose to implement their hardship policy.

## **Communicating with Families**

### **What language are family/provider handout resources currently available in?**

Family/provider handout resources are currently available in English and Spanish. Please email your program manager if there is another language that would better support families in your program.

## **Determining Family Fees**

### **How much will families need to pay with this new family fee structure?**

Family fees will be determined based on a percentage of the family's income. The specific percentage each family will pay (assuming 52 weeks of care\*) is based on their family size and annual income compared to the state median income. If the family's calculated fee is greater than the provider's published cost of care, then the family will pay the full program price. Providers may not charge more than their published cost of care.

Families and providers will be able to use an online calculator to estimate what families will pay per child. The fee calculator tool can be found at: <https://ecereporter.oec.ct.gov/#InstructionTab>.

\*Families enrolled in programs that do not operate 52 weeks a year will pay a pro-rated percent of their income. See the next question for more details.

### **Do programs that operate less than 52 weeks in a year (such as programs that operate on the school year calendar) still divide the annual family contribution by 52 when calculating new weekly family fees?**

Yes, providers should divide by 52 weeks when calculating all family fees, regardless of how many weeks during the year your program operates. The new fee schedule uses the percent of family income a family would be charged for 52 weeks of care as the basis for calculating weekly fees. Providers must divide that family contribution by 52 to get the weekly fee they charge the family. Providers should charge these weekly fees as they have charged weekly fees in the past (when the fee schedule provided flat weekly fees).

### **Which state subsidies/benefits counts towards a family's total income?**

Please refer to [General Policy B-02](#) (page 3) to see how "income" is defined when calculating the family contribution. Several benefits are "excluded" from income.

## **I have a long waiting list and families' incomes may have changed between the date of application and the date of enrollment. How should I determine a family's fee contribution?**

Please use your income redetermination policies to collect the most up-to-date income information from families, and determine their fees based on that information.

### **Specific Fee Scenarios**

#### **What if a family I serve earns \$0 in income?**

A family earning \$0 in income would pay \$0 in family fees, since any percentage multiplied by zero yields a result of \$0.

#### **How should a family report their income if they do not receive a traditional pay stub or file taxes?**

Programs must have policies that address "how income, family size, TFA status and any other eligibility factors are determined and verified" (GP B-02 II.R.3). In the instance that a family does not file a tax return or receive traditional paycheck/stubs, the program should follow their policies about what they will accept instead. This may be a notarized letter from the employer stating the hours and rate of pay the parent works.

#### **How do I calculate the income of a teen parent?**

If the teen parent is listed as a dependent on their parent/guardian's annual tax return, their household's income will be calculated based on the annual income of their parent/guardian's household. If a teen parent identifies as independent on their tax return, you should use their total annual income to determine their family fee contribution.

#### **What would be the family fee contribution of a household of 1?**

Family contributions for a household size of 1 are calculated based on annual income, as they are for any other household size. However, in almost all cases a household size of 1 indicates a child in foster care and (since they are a child) their household income will almost certainly be \$0, meaning the child/DCF would be responsible for \$0 in family fees.

### **Family Information Verification**

#### **How should I verify a family claiming to earn \$0 in income?**

Programs must have policies that address "how income, family size, TFA status and any other eligibility factors are determined and verified" (GP B-02 II.R.3). In the instance that a family is claiming to earn \$0 in income, the program should follow their policies about what they will accept to document this claim. This may be a notarized letter from the family saying they do not earn any income.

## **How should I verify the size of a family's household?**

You should use the most recent tax return you have collected from a family to verify their household size. If a family does not provide a tax return, you should follow your program's policies for determining family size. In some cases, this information may be requested on enrollment forms.

## **Impacts of the New Fee Schedule**

### **Why are some families paying more for child care?**

OEC is trying to make the fee system more equitable, so the new fee schedule charges most families the same proportion of their income, regardless of how much they earn. If families are paying more under the new system, it means that they were previously paying less of their income than the average family paid.

*For example:* Before the fee schedule changes, a family of 4 earning \$75,000/year would pay a lower percentage of their income towards child care than a family of 4 earning \$30,000/year. Now, both families pay the same proportion of their incomes.

### **It costs almost 10% of a family's income (per child) for full-time Infant/Toddler care. Why is it so high?**

This is close to what many families paid under the old fee schedule, and is less than what many others paid (especially families earning below 50% SMI).

### **Are there any other forms of assistance that can help families pay for child care?**

Families earning below 60% of the state median income (SMI) (Ex. \$76,466 for a family of 4) may be eligible for Care4Kids, which provides additional federal funding for child care. Families can [check their eligibility online](#). *Please note: eligible families and providers are allowed to receive assistance through BOTH state-funded slots and Care4Kids.*

## **Family Fee Calculator**

### **Who can access the family fee calculator?**

The family fee calculator is publicly available. Anyone can access and use the family fee calculator at <https://ecereporter.oec.ct.gov/#InstructionTab>.