

Expanding Access to Quality, Affordable Child Care for Working Families

In fall 2021, Governor Whitmer signed a historic \$1.4 billion investment to make care low or no cost for 105,000 more children, provide \$700 million in relief funding to child care businesses, and deliver bonuses to over 30,000 child care professionals. This document provides an **update on implementation** and a **preview of what's next**.

Lower costs for working families

Priority	Investment	Duration	Status	Details
Increase income eligibility to 185% of the federal poverty level	\$108 million	Temporary through FY 23	Implemented Nov. 2021	Families can learn more and apply by visiting Michigan.gov/childcare .
Waive parent copays	\$13 million	Temporary through FY 22	Implemented Nov. 2021	Families were sent a letter notifying them of the temporary pause on parent copays and rate increases. This information was also posted at Michigan.gov/childcare .

Keeps current child care providers open

Priority	Investment	Duration	Status	Details
Child Care Stabilization Grants	\$700 million	Two rounds of funding	First round complete. Second round released on Mar. 22.	In January 2022, nearly 6,000 child care providers received grant awards. See the data summary for full details, including a county-level breakdown of awards. The second, and final, round of the grants will be released March 22. Visit Michigan.gov/childcare to learn more and apply.
30% rate increase for providers accepting the child care subsidy	\$158 million	Ongoing	Implemented Dec. 2021	Providers were notified of changes by letter , in the billing system, and at Michigan.gov/childcare . The new rate table is available in the Child

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				Development and Care Handbook . Providers also received a supplemental payment in December because rate increases were retroactive.
Temporary COVID rate increase for providers accepting subsidy	\$222 million	Temporary through FY 23	Implemented Dec. 2021	Providers were notified of changes by letter , in the billing system, and on the state website. The new rate table is available in the Child Development and Care Handbook . Providers also received a supplemental payment in December because rate increases were retroactive. The budget requires continued changes and implementation is on track.
Pay on enrollment instead of attendance	\$117 million	Temporary through FY 23	Implemented Oct. 2021	MDE issued guidance on how to bill under this new policy in Oct. 2021. Updated guidance was issued in Nov. 2021 to clarify common questions.

Open more child care businesses

Priority	Investment	Duration	Status	Details
Start up grant for providers, technical assistance, and facility improvements	\$100 million	Temporary through FY 23	In progress	MDE, in collaboration with LARA, led a cross-sector workgroup to identify priorities and an implementation plan. MDE is finalizing criteria for an RFP process now. Updates are available at Michigan.gov/childcare .
Infant-toddler contracts	\$37 million	Temporary through FY 24	Coming soon	Once start up grants are available, implementation will begin on infant-toddler contracts.

Recruit and retain skilled child care professionals

Priority	Investment	Duration	Status	Details
Bonuses for child care professionals	\$30 million, in addition to the Stabilization Grant Funds	Two rounds of funding	First round complete. Second round released on Mar. 22.	In January 2022, over 38,000 child care professionals received a bonus, and providers received funding to provide over 9,000 hiring bonuses. The second, and final, round of the grants will be released March 2022, including funding for staff bonuses. Visit Michigan.gov/childcare to learn more and apply.
College scholarships for child care professionals	\$5 million	Ongoing	Implemented by MiAEYC	Individuals can apply for scholarships by visiting the MiAEYC website .
Continued access to infant and early childhood mental health consultation	\$3 million for FY 22 and 23	\$1.5 million ongoing	Implemented by MDHHS	Providers can learn more about infant and early childhood mental health consultation by visiting https://michigansec.org/ .