



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

Date: September 26, 2022

Dear Parents and Providers participating in the Child Development and Care Program,

We are pleased to announce that thanks to the recent state budget passed by the Legislature for Fiscal Year 2023, there are several positive changes to the Child Development and Care (CDC) program that will benefit both parents and providers.

Provider Rate Increase:

Starting October 9, 2022 (pay period 222), provider subsidy rates will receive an increase, in accordance with the FY 2023 budget bill. The updated rates are shown in the Step Three and Step Four charts on page two of this document.

Family Contribution (FC) Amounts will continue to be waived:

November 7, 2021 (pay period 124), through September 23, 2023 (pay period 319), FC amounts will continue to be waived for all children, regardless of their provider assignment.

Note: While it has been extended this is still a **temporary** change, and FC amounts will be restored beginning September 24, 2023 (pay period 320).

Family Homes, Group Homes, Child Care Centers:

The part-time/full-time (block) reimbursements have been adjusted to more accurately reflect how child care is paid for. Beginning October 9, 2022 (pay period 222), billing for 1-30 hours will result in payment for 30 hours, billing for 31-60 hours will result in payment for 60 hours, and billing for 61-90 hours will result in payment for 90 hours. **Note:** Payments are still subject to a child's maximum authorized hours and license exempt-related, and license exempt-unrelated providers are not eligible for block reimbursement.

Parents should not be charged additional amounts if the CDC subsidy payment covers the amount the provider charges the public for the same care.

If you have questions, please visit our website for updated information at:

www.michigan.gov/childcare or call MDE-CDC program at 866-990-3227.

Thank you,

Lisa Brewer-Walraven, Director
Child Development and Care Program
Office of Great Start
Michigan Department of Education

Para ubicar esta carta en español, www.michigan.gov/childcare. La carta se llama "Ayuda financiera para padres y proveedores".

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STEP ONE:

**Provider Hourly Reimbursement Rates: pay period 122-208 (October 10, 2021 – April 9, 2022)
Rates Based on the FY 2022 Budget**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$8.40	\$6.00	\$5.80
	1 Star	\$8.40	\$6.00	\$5.80
	2 Star	\$8.95	\$6.45	\$6.30
	3 Star	\$9.90	\$7.45	\$7.30
	4 Star	\$10.35	\$7.95	\$7.75
	5 Star	\$11.35	\$8.95	\$8.70
Group and Family Homes	Base Rate (Blank Star)	\$6.75	\$5.80	\$5.65
	1 Star	\$6.75	\$5.80	\$5.65
	2 Star	\$7.30	\$6.30	\$6.10
	3 Star	\$8.25	\$7.30	\$7.05
	4 Star	\$8.70	\$7.75	\$7.60
	5 Star	\$9.70	\$8.70	\$8.55
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.45	\$3.45	\$3.45
	Level 2	\$5.85	\$5.20	\$5.20

STEP TWO:

**Provider Hourly Reimbursement Rates: pay period 209-221 (April 10, 2022 – October 8, 2022)
Rates Based on the FY 2022 Budget**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$7.85	\$5.60	\$5.40
	1 Star	\$7.85	\$5.60	\$5.40
	2 Star	\$8.35	\$6.05	\$5.90
	3 Star	\$9.25	\$6.95	\$6.80
	4 Star	\$9.70	\$7.45	\$7.25
	5 Star	\$10.60	\$8.35	\$8.15
Group and Family Homes	Base Rate (Blank Star)	\$6.30	\$5.40	\$5.25
	1 Star	\$6.30	\$5.40	\$5.25
	2 Star	\$6.80	\$5.90	\$5.70
	3 Star	\$7.70	\$6.80	\$6.60
	4 Star	\$8.15	\$7.25	\$7.10
	5 Star	\$9.05	\$8.15	\$8.00
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.25	\$3.25	\$3.25
	Level 2	\$5.50	\$4.85	\$4.85

STEP THREE:

**Provider Hourly Reimbursement Rates: pay period 222-319 (October 9, 2022 – Sept. 23, 2023)
Rates Based on FY 2023 Budget**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$7.90	\$5.60	\$5.45
	1 Star	\$7.90	\$5.60	\$5.45
	2 Star	\$8.35	\$6.05	\$5.95
	3 Star	\$9.30	\$6.95	\$6.85
	4 Star	\$9.70	\$7.45	\$7.25
	5 Star	\$10.65	\$8.35	\$8.15
Group and Family Homes	Base Rate (Blank Star)	\$6.30	\$5.45	\$5.30
	1 Star	\$6.30	\$5.45	\$5.30
	2 Star	\$6.85	\$5.95	\$5.75
	3 Star	\$7.70	\$6.85	\$6.65
	4 Star	\$8.15	\$7.25	\$7.15
	5 Star	\$9.05	\$8.15	\$8.05
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.25	\$3.25	\$3.25
	Level 2	\$5.50	\$4.85	\$4.85

STEP FOUR:

**Provider Hourly Reimbursement Rates: pay period 320 - ongoing (Sept. 24, 2023)
Rates Based on FY 2023 Budget**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$6.20	\$4.40	\$4.25
	1 Star	\$6.20	\$4.40	\$4.25
	2 Star	\$6.55	\$4.75	\$4.65
	3 Star	\$7.30	\$5.45	\$5.35
	4 Star	\$7.60	\$5.85	\$5.70
	5 Star	\$8.35	\$6.55	\$6.40
Group and Family Homes	Base Rate (Blank Star)	\$4.95	\$4.25	\$4.15
	1 Star	\$4.95	\$4.25	\$4.15
	2 Star	\$5.35	\$4.65	\$4.50
	3 Star	\$6.05	\$5.35	\$5.20
	4 Star	\$6.40	\$5.70	\$5.60
	5 Star	\$7.10	\$6.40	\$6.30
License Exempt Related and Unrelated	Base Rate (Level 1)	\$2.55	\$2.55	\$2.55
	Level 2	\$4.30	\$3.80	\$3.80