



STATE OF MICHIGAN
DEPARTMENT OF
LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

LANSING

GRETCHEN WHITMER
GOVERNOR

BEVERLY WALKER-GRIFFEA
DIRECTOR

Date: September 09, 2024

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

We are contacting you with updates regarding your child care subsidy, now called “child care scholarship”. These updates are based on the recent state budget passed into law for Fiscal Year (FY) 2025.

Maintaining Expanded Eligibility to Child Care Scholarship and Family Contributions:

In FY25, the approved state budget instructs the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) to maintain initial eligibility at 200% of the federal poverty level (FPL). Effective September 22, 2024, the income eligibility chart is updated using the most current FPL and State Median Income (SMI) data, as shown on the chart below:

Family Size	Maximum Monthly Gross Income						
		Entry					Exit
1	\$1,255	\$2,510	\$2,831	\$3,152	\$3,472	\$3,793	\$4,114
2	\$1,703	\$3,406	\$3,801	\$4,196	\$4,590	\$4,985	\$5,380
3	\$2,152	\$4,304	\$4,772	\$5,241	\$5,709	\$6,178	\$6,646
4	\$2,600	\$5,200	\$5,742	\$6,285	\$6,827	\$7,370	\$7,912
5	\$3,048	\$6,096	\$6,712	\$7,329	\$7,945	\$8,562	\$9,178
6	\$3,497	\$6,994	\$7,684	\$8,374	\$9,064	\$9,754	\$10,444
7	\$3,945	\$7,890	\$8,448	\$9,006	\$9,565	\$10,123	\$10,681
8	\$4,393	\$8,786	\$9,213	\$9,639	\$10,066	\$10,492	\$10,919
9	\$4,842	\$9,684	\$9,978	\$10,273	\$10,567	\$10,862	\$11,156
10	\$5,290	\$10,580	\$10,743	\$10,905	\$11,068	\$11,230	\$11,393
FC (Per child per pay period)	\$0	\$15	\$30	\$45	\$60	\$69	\$78
FC Limit (per family per pay period)	N/A	\$45	\$83	\$121	\$143	\$164	\$186

Please note:

- Family Contribution amounts are per child, per two-week pay period. The amount is withheld from the provider’s child care scholarship payment.
- If the child care scholarship payment exceeds the tuition amount the provider should waive Family Contribution for the family.



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Provider Rate Increase:

Starting September 22, 2024 (pay period 420), provider scholarship rates will increase by 15%. The updated rates are shown below:

Child Care Centers		Child Care Fee limit of \$65 and absence hour limit of 360 per fiscal year (10/1-9/30)					
Child Type	Number of Hours Billed	Base Rate Maintaining Health & Safety (Formerly Blank Star)	Maintaining Health & Safety (Formerly 1 Star)	Reflecting on Quality (Formerly 2 Star)	Enhancing Quality (Formerly 3 Star)	Enhancing Quality- Validated (Formerly 4 Star)	Demonstrating Quality (Formerly 5 Star)
Infant / Toddler (Birth up to age 2 ½)	(hourly rates)	\$7.15	\$7.15	\$7.55	\$8.40	\$8.75	\$9.60
	1-30 hours	\$214.50	\$214.50	\$226.50	\$252.00	\$262.50	\$288.00
	31-60 hours	\$429.00	\$429.00	\$453.00	\$504.00	\$525.00	\$576.00
	61+ hours	\$643.50	\$643.50	\$679.50	\$756.00	\$787.50	\$864.00
Preschool (Age 2 ½ up to Age 5)	(hourly rates)	\$5.05	\$5.05	\$5.45	\$6.30	\$6.75	\$7.55
	1-30 hours	\$151.50	\$151.50	\$163.50	\$189.00	\$202.50	\$226.50
	31-60 hours	\$303.00	\$303.00	\$327.00	\$378.00	\$405.00	\$453.00
	61+ hours	\$454.50	\$454.50	\$490.50	\$567.00	\$607.50	\$679.50
School Age (Age 5 and older)	(hourly rates)	\$4.90	\$4.90	\$5.35	\$6.15	\$6.55	\$7.35
	1-30 hours	\$147.00	\$147.00	\$160.50	\$184.50	\$196.50	\$220.50
	31-60 hours	\$294.00	\$294.00	\$321.00	\$369.00	\$393.00	\$441.00
	61+ hours	\$441.00	\$441.00	\$481.50	\$553.50	\$589.50	\$661.50



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Group and Family Homes		Child Care Fee limit of \$40 and absence hour limit of 360 per fiscal year (10/1-9/30)					
Child Type	Number of Hours Billed	Base Rate Maintaining Health & Safety	Maintaining Health & Safety	Reflecting on Quality	Enhancing Quality	Enhancing Quality-Validated	Demonstrating Quality
		(Formerly Blank Star)	(Formerly 1 Star)	(Formerly 2 Star)	(Formerly 3 Star)	(Formerly 4 Star)	(Formerly 5 Star)
Infant / Toddler (Birth up to age 2 ½)	(hourly rates)	\$5.70	\$5.70	\$6.15	\$7.00	\$7.35	\$8.20
	1-30 hours	\$171.00	\$171.00	\$184.50	\$210.00	\$220.50	\$246.00
	31-60 hours	\$342.00	\$342.00	\$369.00	\$420.00	\$441.00	\$492.00
	61+ hours	\$513.00	\$513.00	\$553.50	\$630.00	\$661.50	\$738.00
Preschool (Age 2 ½ up to Age 5)	(hourly rates)	\$4.90	\$4.90	\$5.35	\$6.15	\$6.55	\$7.35
	1-30 hours	\$147.00	\$147.00	\$160.50	\$184.50	\$196.50	\$220.50
	31-60 hours	\$294.00	\$294.00	\$321.00	\$369.00	\$393.00	\$441.00
	61+ hours	\$441.00	\$441.00	\$481.50	\$553.50	\$589.50	\$661.50
School Age (Age 5 and older)	(hourly rates)	\$4.80	\$4.80	\$5.20	\$6.00	\$6.45	\$7.25
	1-30 hours	\$144.00	\$144.00	\$156.00	\$180.00	\$193.50	\$217.50
	31-60 hours	\$288.00	\$288.00	\$312.00	\$360.00	\$387.00	\$435.00
	61+ hours	\$432.00	\$432.00	\$468.00	\$540.00	\$580.50	\$652.50



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License Exempt-Related and License-Exempt Unrelated Providers

Child Type	Level 1 - Base Rate	Level 2
Infant/Toddler (Birth up to age 2 ½)	Hours billed X \$2.95	Hours billed X \$4.95
Preschool (Age 2 ½ up to Age 5)	Hours billed X \$2.95	Hours billed X \$4.40
School Age (Age 5 and older)	Hours billed X \$2.95	Hours billed X \$4.40

Child Care Billing for FY 2025:

Providers are instructed to bill for the CDC scholarship based on the following:

- Licensed providers should continue to bill based on a child’s enrollment, per an enrollment agreement which includes all required information and parent signature.
- License exempt related and unrelated providers should continue to bill based on a child’s attendance.

The updated Provider Billing Guidance Page link can be found on the www.Michigan.gov/childcare website.

If you have questions call the CDC program office at (866) 990-3227.

Thank you,

Lisa Brewer Walraven

Lisa Brewer-Walraven, Director
Child Development and Care
Office of Early Childhood Education
Michigan Department of Lifelong Education, Advancement and Potential

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