



MI Tri-Share Child Care Program Guidelines

Purpose:

The MI Tri-Share Child Care Program (Tri-Share), in its pilot phase, is an innovative approach to increasing access to high quality, affordable child care for working families, with the cost of child care shared by an employer, the employee and the State of Michigan. The pilot also seeks to increase the labor market by allowing employers to offer a child care subsidy to help retain and attract talent. Coordination is being provided regionally by a Facilitator Hub (Hub).

This pilot aims to learn:

- The level of interest from employers in subsidizing the cost of child care for employees.
- How to structure the program to work best for employees, employers, and the State of Michigan.
- How to structure payments to allow federal Child Care Development Block Grant (CCDBG) funds to be used long term.

This document provides guidance and clarification to the Hubs, employers and child care providers participating in the program and should serve as a guide as the program is implemented.

Background:

MI Tri-Share helps employers retain and attract talent and remove one barrier to employment. The program will operate initially in three regions of the state, including one rural region and one urban or suburban region, to be determined by the Michigan Women's Commission (MWC). Public Act 166 of 2020, the authorizing legislation, requires that one region must be located in a city with a population of between 38,000 and 39,000 and in a county with a population of between 172,000 and 173,000 according to the most recent federal decennial census.

The role of the facilitator hub is to act as an intermediary between employers, families, and child care providers, and provide overall program management. The facilitator hubs must assume fiduciary responsibility and possess the capacity to carry out their responsibilities to coordinate and perform administrative activities, communicate goals, and ensure families have access to personalized support to find child care that meets their needs. Throughout the duration of the grant, the facilitator hubs will work closely with the MWC, as all final decisions about the program's strategic direction and vision will be made by the MWC.

Facilitator Hubs

A. Reimbursement from the State

Each Facilitator Hub should submit an invoice by the fifteenth of each month, beginning June 15, 2021 to the MI Tri-Share program administrator, Courtney Louis, LouisC2@michigan.gov. The invoice must include SIGMA Vendor ID, Hub contact information, "Invoice" written at the top, and separate line items for the cost of child care payments and administration reimbursed for that month.

B. Administrative Fees

Up to 12% (\$36,000) of the state award may be used for administration of the MI Tri-Share Program by the facilitator Hub. As per the grant agreement, the transfer of funds across budget costs categories is permissible without approval, as long as the total cost of administration does not exceed 12% of the total grant amount. It is recommended, but not necessary, that the facilitator hub collect 12% in addition to the actual cost of child care from each the employer and employee.

C. Coordination of Payments

Hubs will create and define payment policies, coordinate, and administer billing and fees between child care providers, employers, employee, and the State of Michigan. This includes defining a process to remove employers or employees from the program if a participant ceases to make financial contributions to the facilitator hub.

D. Reporting Requirements

Hubs shall submit monthly, by the fifteenth of each month beginning June 15, 2021, the MI Tri-Share Child Care Grant Monthly Report, and the MI Tri-Share Monthly Data Collection spreadsheet to Courtney Louis (LouisC2@michigan.gov). Report templates will be provided by the MWC.

E. Monthly Check-In Calls

Hubs shall participate in monthly check-in calls with program administrator.

F. Evaluation of Program

Hubs shall participate in an evaluation and support efforts to assess outcomes and make program improvements.

G. Personalized Support for Employees

Hubs ensure employees have personalized support to select a licensed child care provider that meets their needs. This support can be provided by the Hub directly or by an existing child care resource and referral agency, such as Great Start to Quality Resource Centers.

H. Eligibility for Employees

Hubs will gather income data and determine if the employee is eligible to participate in the pilot. Any exceptions for employee eligibility (requesting that employee above 325% FPL be allowed to participate), will be made by MWC.

Employers

A. Eligible Employees

Employees must have incomes above 200% of the Federal Poverty Level (FPL) and not be eligible for the Child Development and Care Program (commonly called the child care subsidy) and must have income levels at or below 325% FPL. Hubs may request, on behalf of employers, a variance from MWC if higher income eligibility is requested.

Employee eligibility will be determined on employee's family size and household income (total monthly household income is based on the income of all contributing adults who live in the home). *Once an employee is deemed eligible, they are eligible for the remainder of the MI Child Care Tri-Share pilot.* Employees must pay 1/3 the cost of child care.

B. Child Care Slots

Flexibility is given to the employer to decide which family will receive child care slot(s) – examples include basing on first come, first served, employee lottery, or the employee who needs it the most (closest to 200% FPL). Flexibility is also given to the employers to determine how child care slots will be distributed (i.e. one slot per family, or offer multiple slots to one family).

Employers must report to Hub immediately when an employee is no longer using a child care slot. The slot will be held for one month and the provider will receive the state's portion of reimbursement for that month. If the slot remains unfilled by the employer after one month the slot will be offered to the other participating employers in the region.

Child Care Providers

A. Licensed Providers

Employee selects a licensed child care provider that meets their needs. Employees may opt to use their existing child care provider if it is a licensed provider. Employees may have children placed with multiple providers.

Child care providers will not increase rates for families because they participating in the MI Tri-Share pilot. This does not include when child care rates for all families increase (based on annual tuition increase, cost of living, etc.).

Eligible child care providers may reside outside the designated Hub region.

Eligible child care includes, part time or full time care, Before and after school care, and summer care; all are accepted as child care for the purposes of the pilot.