

Income Eligibility Limits and Parent Co-Pay Fees Fiscal Year 2023-2024

Parents and guardians who participate in the Tennessee Child Care Payment Assistance Program, also known as the Child Care Certificate Program may be required to contribute towards their child care expenses. This contribution is as a weekly co-pay that each parent or guardian pays directly to their child care provider. Besides the co-pay, the parent/guardian could be responsible for additional costs such as late pickup fees, mat fees, field trips, activity fees, supply fees, and other specific charges set by the child care provider.

There may be additional fees for the parent or guardian, if the amount the provider charges is more than the state pays the provider. This would be called an overage or cost difference and will be paid directly by the parent or guardian to the provider. The difference should be clearly communicated by the provider and documented in writing when the child is enrolled.

The co-pay is determined by calculating 5% of the total countable monthly gross household income, then dividing that figure by 4.3 to establish a weekly payment. This amount is then divided equally among all eligible children in the family. If the calculated co-pay includes cents, it is rounded down to the nearest whole dollar. Families with no income are not required to pay a co-pay.

For school-age children, co-pay rates are adjusted at the start of summer and the school year to accurately reflect the required full or part-time payment based on the child's care schedule. School-age children are identified as those between 5-13 years old, or 13-17 years old with special needs.

Co-pays are waived for families earning at or below 150% of the federal poverty level (FPL). Eligibility for the program is determined based on a family's income compared to the State Median Income (SMI) for Tennessee; families must have a countable monthly gross household income below 85% of the SMI to qualify.

The provided chart helps families identify their household size and monthly income to determine their potential co-pay or program eligibility. For example, a family of four, two employed parents and two children, earning \$3,900 per month qualifies for assistance with no co-pay due to their income falling below the 150th of the FPL.

Assess the amount of the copay by determining the gross monthly income according to family size. Use the chart below as follows:

1. Move across the monthly income table to the column headed by the household size that was used in determining eligibility.
2. Move down that column for household size and over to the row with the amount of the family gross monthly income.
 - a. If your income is less than the 85th percentile (SMI), you would be income eligible for services.
 - b. If your income at or lower than the 150th percentile (FPL), your copay will be waived.
 - c. If your income falls within the 60th or 85th percentiles (SMI), your copay will be 5% of your gross monthly income.

Tennessee Child Care Certificate Program

Household Size	Monthly Income Eligibility Limits		
	150th Percentile (FPL)	60th Percentile (SMI)	85th Percentile (SMI)
2	\$2,555.00	\$3,066.70	\$4,344.49
3	\$3,227.50	\$3,788.27	\$5,366.72
4	\$3,900.00	\$4,509.85	\$6,388.95
5	\$4,572.50	\$5,231.43	\$7,411.19
6	\$5,245.00	\$5,953.00	\$8,433.42
7	\$5,917.50	\$6,088.30	\$8,625.09
8	\$6,590.00	\$6,223.59	\$8,816.76
9	\$7,262.50	\$6,358.89	\$9,008.43
10	\$7,935.00	\$6,494.18	\$9,200.09
11	\$8,607.50	\$6,629.48	\$9,391.76
12	\$9,280.00	\$6,764.78	\$9,583.43
Co-Pay Fee	No Fee	5% of income	
<p>*Co-Pay fees will be waived for incomes at or below the 150th percentile of Federal Poverty Level (FPL)</p> <p>**Weekly Parent Co-Pay Fee = monthly countable income x .05 (5%), divided by 4.3, rounded down to whole dollar amount. Resulting co-pay fee will be evenly divided among all children in care. <i>Example: \$1895 X 0.05=\$94.75 rounded down to \$94 /4.3=21.86 rounded down to \$21/2 children =\$10.50</i></p>			

Income ranges are determined as follows:

State Median Income (SMI) Monthly figures for FY 2023-24.

Based on 2024 poverty guidelines issued by the U.S. Department of Health and Human Services