

Co-pay rates

Co-pay have been set in accordance with legislative budgets. Co-pay rates are based on the income and size of the family. (See table on page 2 for current co-pay rates.) Recent changes to co-pays:

- On October 1, 2010, the income eligibility limit dropped from 200% federal poverty level (FPL) to 175% FPL, which resulted in copayment changes.
- On April 1, 2011, copayments increased from \$50 per month to \$65 per month for families with countable income between 82% FPL and 137.5% FPL. The formula used to calculate the co-pay for families with countable income between 137.5% FPL and 200% FPL was also changed: \$65 was added to the end of the calculation instead of \$50. The co-pay for families with countable income at or below 82% FPL remained at \$15 per month.

Cliff effects of co-pay

Two types of “cliff effects” exist in the current co-pay system: co-pay level changes and program exit.

Co-pay level changes: Income increases can result in a family moving to the next copayment level, \$15 to \$65, \$65 to the calculated amount (as high as \$678 for a family of four). Co-pay level changes can be difficult for families, especially if the family’s income increase is not a significant increase but is still enough to move them to the next co-pay level.

Program exit: The other cliff effect occurs when a family no longer qualifies for the subsidy program because their income is above 200% FPL. The significant difference between paying the required copayment and paying privately for child care can result in a family using substandard care, such as unlicensed care, or leaving an older child home alone.

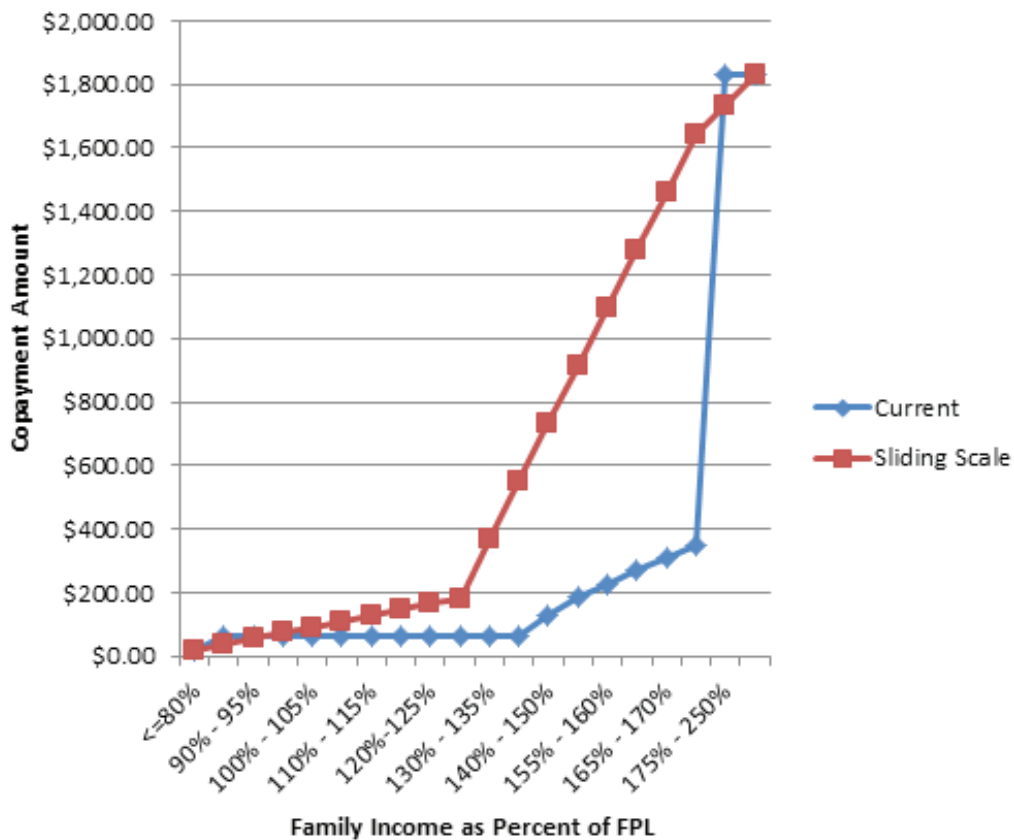
In addition, starting about when a family has countable income at 165% FPL, the copayment amount is over 10% of the family’s countable income. The accepted best practice is to limit the copayment to no more than 10% of the family’s income.

The following tables show current co-pay structure and a proposed alternative for discussion:

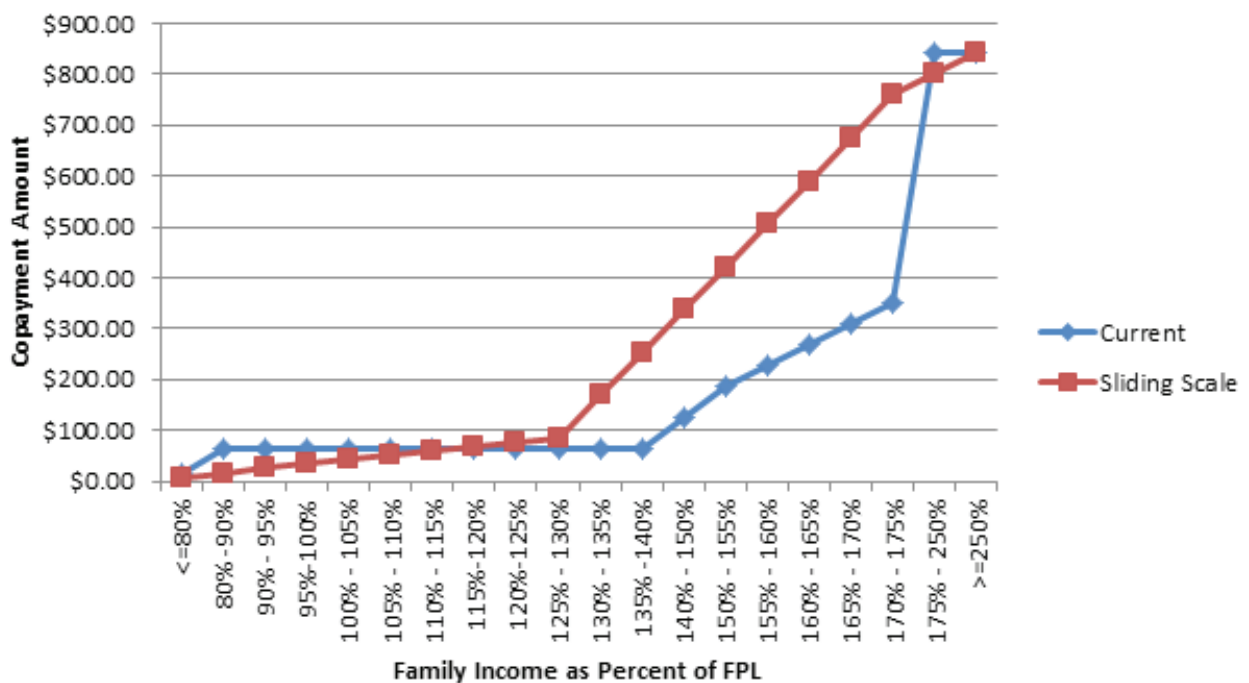
Current co-pay structure	
If a consumer's income is:	Then the consumer's co-pay is:
At or below 82% of the federal poverty level (FPL)	\$15
Above 82% up to 137.5%	\$65
Above 137.5% through 200%	The dollar amount equal to subtracting 137.5% of FPL from countable income, multiplying by 50%, then adding \$65
Above 200% of the FPL	Consumer is not eligible for WCCC

Potential co-pay structure: Update exit at 250% FPL and create sliding scale		
If a consumer's income is:	The state pays the following percentage of the provider's private pay rate or the state rate, whichever rate is lower:	The consumer's co-pay is the following percentage of the provider's private pay rate or the state rate, whichever is lower
At or below 80% federal poverty level (FPL)	99%	1%
Above 80% FPL up to 90% FPL	98%	2%
Above 90% up to 95%	97%	3%
Above 95% up to 100%	96%	4%
Above 100% up to 105%	95%	5%
Above 105% up to 110%	94%	6%
Above 110% up to 115%	93%	7%
Above 115% up to 120%	92%	8%
Above 120% up to 125%	91%	9%
Above 125% up to 130%	90%	10%
Above 130% up to 135%	80%	20%
Above 135% up to 140%	70%	30%
Above 140% up to 150%	60%	40%
Above 150% up to 155%	50%	50%
Above 155% up to 160%	40%	60%
Above 160% up to 165%	30%	70%
Above 165% up to 170%	20%	80%
Above 170% through 175%	10%	90%
Above 175% through 250%	5%	95%
Above 250%: Not eligible for WCCC benefits	-	-

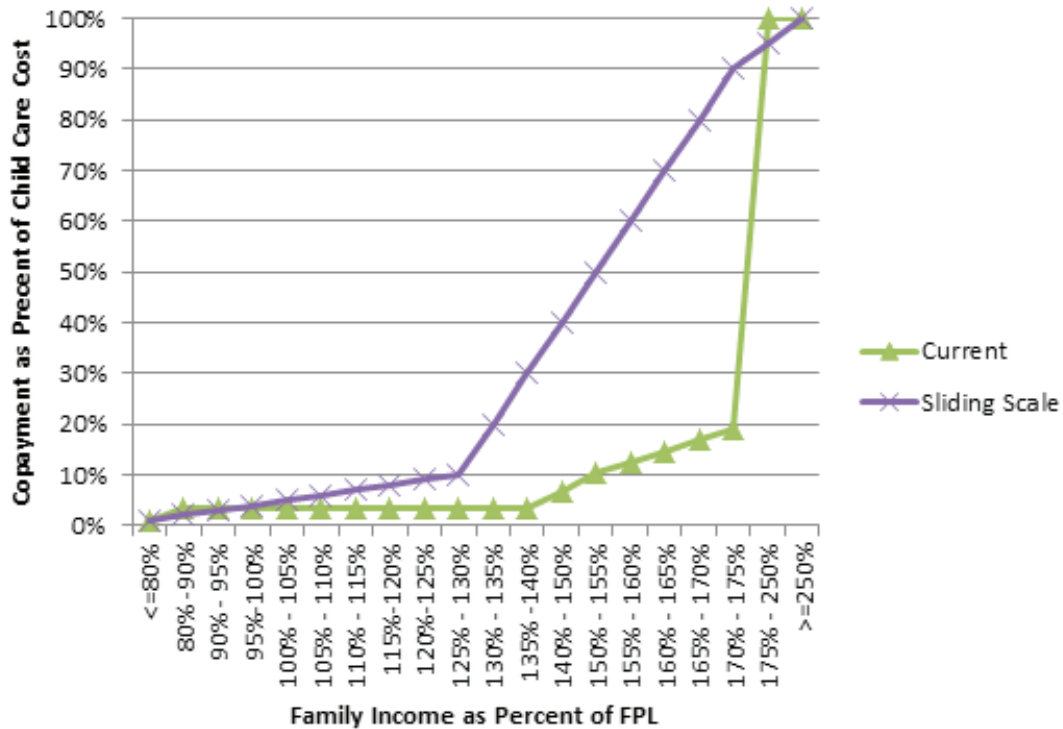
Comparison of Copayment Structures (highest full day rate for two children)



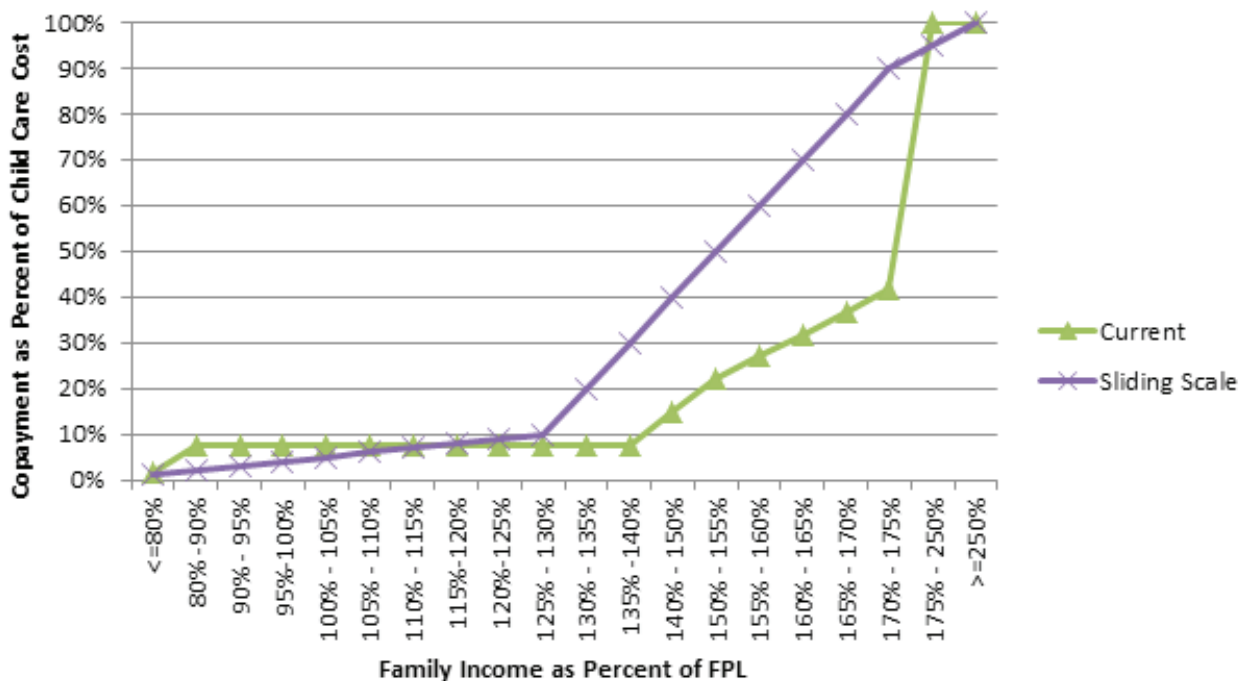
Comparison of Copayment Structures (lowest full day rate for two children)



Comparison of Copayment Structures (highest full day rate for two children)



Comparison of Copayment Structures (lowest full day rate for two children)



COPAY CALCULATION TABLE for 200% FPL – EFFECTIVE September 1, 2013									
	COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6			
If Countable Income is:									
If Family size is	100% FPL	Above 200% FPL	0 to 82% FPL		More than 82 to 137.5%		More than 137.5 to 200%		137.5% FPL
1	\$958	\$1916	\$0	\$786	\$787	\$1317	\$1318	\$1916	\$1317
2	\$1293	\$2586	\$0	\$1060	\$1061	\$1778	\$1779	\$2586	\$1778
3	\$1628	\$3256	\$0	\$1335	\$1336	\$2239	\$2240	\$3256	\$2239
4	\$1963	\$3926	\$0	\$1610	\$1611	\$2699	\$2700	\$3926	\$2699
5	\$2298	\$4596	\$0	\$1884	\$1885	\$3160	\$3161	\$4596	\$3160
6	\$2633	\$5266	\$0	\$2159	\$2160	\$3620	\$3621	\$5266	\$3620
7	\$2968	\$5936	\$0	\$2434	\$2435	\$4081	\$4082	\$5936	\$4081
8	\$3303	\$6606	\$0	\$2708	\$2709	\$4542	\$4543	\$6606	\$4542
9	\$3638	\$7276	\$0	\$2983	\$2984	\$5002	\$5003	\$7276	\$5002
10	\$3973	\$7946	\$0	\$3258	\$3259	\$5463	\$5464	\$7946	\$5463
		Not Eligible	\$15 COPAY		\$65 COPAY		Subtract 137.5% FPL From Countable Income, then Multiply by .50 and Add \$65		
STEPS TO CALCULATE WCCC ELIGIBILITY AND COPAYMENT:									
1. Determine TOTAL income. This is the sum of all gross earned and unearned income.									
2. Determine COUNTABLE income. This is TOTAL income minus any child support PAID OUT.									
3. Compare COUNTABLE income to Column 2. If amount is greater, client is not eligible. If COUNTABLE income is below column 2 then check column 3, 4 or 5 for correct income range and copayment.									

WASHINGTON STATE CHILD CARE SUBSIDY ELIGIBILITY CHART
 (Working Connections Child Care and Seasonal Child Care)
 Effective September 1, 2013

Family Size	Maximum Countable Income (200% FPG)
1 (child only case)	\$1916
2	\$2586
3	\$3256
4	\$3926
5	\$4596
6	\$5266
7	\$5936
8	\$6606
9	\$7276
10	\$7946