



State Family Fee Instructions

Once a family's income reaches a certain dollar amount, program regulations require the family to pay a State Family Fee as a share of cost for subsidized child care services. If a State Family Fee has been assessed, payment of the fee is required and may not be waived by the provider.

Parents are responsible to pay the State Family Fees directly to the child care provider.

The amount of the State Family Fee will be listed on the Child Care Certificate for the child authorized for the most hours of care, in each family. If the Child Care Certificate does not accurately reflect the hours of service the family needs, the parent may contact Early Care and Education (ECE) to review and update the need for services.

Calculating the State Family Fee for Each Month: State Family Fees are calculated monthly and are based upon the hours authorized on the Child Care Certificate for the month - not the actual hours of service utilized. If the provider has a day of closure, those hours are not included in the calculation to assess the monthly State Family Fee owed. Each month will consist of a Full-Time (130 hours or more authorized for the month) or Part-Time (less than 130 hours authorized for the month) monthly fee rate, as indicated on the Child Care Certificate.

- If the total authorized hours for the month are 130 hours, or more, the family owes the full-time monthly fee listed on the Child Care Certificate.
- If the authorized hours for the month are less than 130 hours, the family owes the part-time monthly fee listed on the Child Care Certificate.

Payment and Reporting of the State Family Fee: Parents will pay the State Family Fee to providers, in advance, in accordance with provider payment policies for child care services. There is a Family Fee Receipt on each Daily Sign-In/Sign-Out Record (DSSR). The fee receipt must be completed on the DSSR of the child to whom the fees are assigned before the DSSR is submitted to ECE for reimbursement. DSSRs received without a completed Family Fee Receipt will be delayed in processing. The provider reimbursement issued by ECE is calculated based upon deducting the State Family Fee from the family benefit-level listed on the Child Care Certificate or the provider rate/billing, whichever is less. The provider receives a full reimbursement, with a portion paid by the parent through the State Family Fee and the balance paid by ECE.

A parent/guardian may not change providers unless all State Family Fees owed have been paid to the current provider. A parent/guardian who refuses to pay fees must be reported to the ECE immediately. Failure to pay fees will result in termination of the family from the program. If a family is terminated for failure to pay fees, the provider should still submit the DSSR.

Please note: State Family Fees are not the same as a co-payment!

State Family Fees are based upon the family size and income, and state regulations require the family to pay the State Family Fees. A co-payment is the result of a provider's rate exceeding the reimbursement amount set by the State Regional Market Ceiling (RMC). The co-payment is the difference between the provider's rate and the amount that ECE is allowed to reimburse (RMC), based upon the family need and benefit-level. Co-payments are paid by the parent to the provider and are collected at the provider's discretion; they are not monitored by ECE.

Since the State Family Fee is based on the income level of the family, and a co-payment is based on the provider's rate, it is possible for a parent/guardian to owe the provider both a State Family Fee and a co-payment. Only payment of the State Family Fee should be reported on the DSSR.