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## UNDERSTANDING YOUR FAMILY CO-PAY

### **What is a co-pay?**

Families who are determined eligible for participation in the Child Care Assistance Program, (CCA) must also contribute toward the cost of their child care. This contribution is commonly referred to as co-pay.

### **How is my co-pay calculated?**

During the eligibility determination the gross (before taxes) countable monthly income which includes earned (from work) and unearned (other) income, is determined for each applying family. Unlike some other programs, the CCA does not consider other household expenses, and likewise doesn't include assets the family may have. Verification of the parent's gross pay and pay frequency and all unearned income received by any member of the family are required for your countable monthly income to be calculated based on an anticipation of what you will receive in future months.

Conversion factors are used depending on the pay frequency of each parent in the family. Ex: if paid weekly the conversion factor is 4.3, every other week = 2.15, twice a month = 2 and monthly= 1.

Using the countable monthly income **and** the number of people in the family the family's co-pay is found on the *Family Income and Contribution Schedule*. The co-pay amount is a percentage of the monthly countable income graduating up to a maximum of 10%.

### **When do I pay my co-pay and to whom?**

**You are responsible to pay your authorized provider your family co-pay every month.** Many child care providers collect the family co-pay at the beginning of the month. Ask your provider when it is expected to be paid and a receipt for payment. The co-pay amount may not be "waived" by the provider for any reason.

There may be circumstances based on your income, schedule and/or child care needs that causes your co-pay to be more than the actual cost of child care. In these situations you are required to pay the cost of care, not your co-pay. You may or may not receive an authorization from CCA depending on your situation.

## **Why is my provider asking for more money than my co-pay?**

Many child care providers have charges that are different than the State's established rate. If your provider's charges are higher than the state's rate it is your responsibility to pay your provider any difference between what they charge and what the CCA pays on your behalf in addition to your monthly co-pay. Provider's will often add the difference in the rates to your co-pay and refer to this total as your co-pay. You will owe this total amount to your provider. You are responsible for knowing what your provider charges.

## **The child my family co-pay is assigned to didn't attend child care, now what?**

Your family's co-pay is most typically assigned to the youngest child in your family however it is a family co-pay not a child co-pay. So if that child doesn't attend child care for some reason but other children in your family do, you still owe your provider your co-pay amount. If none of the children in your family attend care in an authorized month no payment will be made by the CCA on your behalf. You may owe your provider for the month depending on their policies.

