



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

December 3, 2021

Dear Licensed and License Exempt Child Care Provider,

We are pleased to announce that thanks to the recent state budget passed by the Legislature and signed by Governor Whitmer, the state is raising provider subsidy rates and temporarily waiving family contributions (FC) for all families.

Starting October 10, 2021 (pay period 122), provider subsidy rates will be **increased by 30%**. These new ongoing rates will be updated in accordance with the Fiscal Year 2022 State of Michigan budget bill. A supplemental payment will be issued back to pay period 122 and providers will receive a Statement of Payment when the supplement is issued.

The state is also **temporarily raising rates for child care providers in addition to the 30% increase**. Let your families know if these rate increases will affect their bill. **For your reference, the new rates are included on the back of this page.**

Parents/guardians who use a **license exempt** provider will receive a supplemental payment on behalf of their provider. This payment should be distributed to the license exempt provider who provided care for dates of October 10, 2021 through the date indicated when the supplement is issued.

Starting November 7, 2021 (pay period 124), through September 24, 2022 (pay period 220), **FC amounts will be temporarily waived** for all children, regardless of their provider assignment.

If you have questions, please visit our website for updated information at: www.michigan.gov/childcare or call MDE-CDC program at 866-990-3227.

Thank you,

Lisa Brewer-Walraven, Director
Child Development and Care Program
Office of Great Start
Michigan Department of Education

Para ubicar esta carta en español, visite la sección para padres del sitio web www.michigan.gov/childcare. La carta se llama "Ayuda financiera para padres y guardianes que utilizan proveedores de cuidado infantil con licencia y exentos de licencia".

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STEP ONE:

**Provider Hourly Reimbursement Rates: pay period 122-208 (October 10, 2021– April 9, 2022)
Temporarily Increased an Additional 50%**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$8.40	\$6.00	\$5.80
	1 Star	\$8.40	\$6.00	\$5.80
	2 Star	\$8.95	\$6.45	\$6.30
	3 Star	\$9.90	\$7.45	\$7.30
	4 Star	\$10.35	\$7.95	\$7.75
	5 Star	\$11.35	\$8.95	\$8.70
Group and Family Homes	Base Rate (Blank Star)	\$6.75	\$5.80	\$5.65
	1 Star	\$6.75	\$5.80	\$5.65
	2 Star	\$7.30	\$6.30	\$6.10
	3 Star	\$8.25	\$7.30	\$7.05
	4 Star	\$8.70	\$7.75	\$7.60
	5 Star	\$9.70	\$8.70	\$8.55
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.45	\$3.45	\$3.45
	Level 2	\$5.85	\$5.20	\$5.20

STEP TWO:

**Provider Hourly Reimbursement Rates: pay period 209-221 (April 10, 2022 – October 8, 2022)
Temporarily Increased an Additional 40%**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$7.85	\$5.60	\$5.40
	1 Star	\$7.85	\$5.60	\$5.40
	2 Star	\$8.35	\$6.05	\$5.90
	3 Star	\$9.25	\$6.95	\$6.80
	4 Star	\$9.70	\$7.45	\$7.25
	5 Star	\$10.60	\$8.35	\$8.15
Group and Family Homes	Base Rate (Blank Star)	\$6.30	\$5.40	\$5.25
	1 Star	\$6.30	\$5.40	\$5.25
	2 Star	\$6.80	\$5.90	\$5.70
	3 Star	\$7.70	\$6.80	\$6.60
	4 Star	\$8.15	\$7.25	\$7.10
	5 Star	\$9.05	\$8.15	\$8.00
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.25	\$3.25	\$3.25
	Level 2	\$5.50	\$4.85	\$4.85

STEP THREE:

**Provider Hourly Reimbursement Rates: pay period 222 - 307 (October 9, 2022 – April 8, 2023)
Temporarily Increased an Additional 30%**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$7.30	\$5.20	\$5.05
	1 Star	\$7.30	\$5.20	\$5.05
	2 Star	\$7.75	\$5.60	\$5.50
	3 Star	\$8.60	\$6.45	\$6.35
	4 Star	\$9.00	\$6.90	\$6.70
	5 Star	\$9.85	\$7.75	\$7.55
Group and Family Homes	Base Rate (Blank Star)	\$5.85	\$5.05	\$4.90
	1 Star	\$5.85	\$5.05	\$4.90
	2 Star	\$6.35	\$5.50	\$5.30
	3 Star	\$7.15	\$6.35	\$6.15
	4 Star	\$7.55	\$6.70	\$6.60
	5 Star	\$8.40	\$7.55	\$7.45
License Exempt Related and Unrelated	Base Rate (Level 1)	\$3.00	\$3.00	\$3.00
	Level 2	\$5.10	\$4.50	\$4.50

STEP FOUR:

**Provider Hourly Reimbursement Rates: pay period 308 - ongoing (April 9, 2023)
New Provider Rates Based on original 30% Increase.**

Provider Type	Star Rating	Infant/ Toddler (Birth up to Age 2 ½)	Preschool (Age 2 ½ up to Age 5)	School Age (Age 5 and Over)
Child Care Center	Base Rate (Blank Star)	\$5.60	\$4.00	\$3.85
	1 Star	\$5.60	\$4.00	\$3.85
	2 Star	\$5.95	\$4.30	\$4.20
	3 Star	\$6.60	\$4.95	\$4.85
	4 Star	\$6.90	\$5.30	\$5.15
	5 Star	\$7.55	\$5.95	\$5.80
Group and Family Homes	Base Rate (Blank Star)	\$4.50	\$3.85	\$3.75
	1 Star	\$4.50	\$3.85	\$3.75
	2 Star	\$4.85	\$4.20	\$4.05
	3 Star	\$5.50	\$4.85	\$4.70
	4 Star	\$5.80	\$5.15	\$5.05
	5 Star	\$6.45	\$5.80	\$5.70
License Exempt Related and Unrelated	Base Rate (Level 1)	\$2.30	\$2.30	\$2.30
	Level 2	\$3.90	\$3.45	\$3.45