



COMMONWEALTH of VIRGINIA  
DEPARTMENT OF SOCIAL SERVICES  
*Office of the Commissioner*

Margaret Ross Schultze  
COMMISSIONER

December 1, 2015

**MEMORANDUM**

**TO:** The Honorable Terence R. McAuliffe  
Governor of Virginia

Members, Virginia General Assembly

**FROM:** Margaret Ross Schultze 

**SUBJECT:** Report on Child Care Subsidy Sliding Fee Scale

I am pleased to submit the Department of Social Services' report on the Child Care Subsidy Program sliding fee scale, pursuant to Item 335 (I) of the 2015 Appropriation Act. If you have questions or need additional information concerning this report, please contact me.

MRS:kc

Attachment

A Report of the  
Department of Social Services  
Commonwealth of Virginia

**ANNUAL REPORT ON  
CHILD CARE SUBSIDY SLIDING FEE SCALE AND  
INCOME ELIGIBILITY CRITERIA**

to the Governor and the  
General Assembly of Virginia

December 2015

## Table of Contents

Annual Report on Child Care Subsidy Sliding Fee Scale and Income Eligibility Criteria .....	1
Report Mandate .....	1
Background.....	1
Year 2015 Update .....	2
Appendix A: State Income Eligibility Scale for Child Care Subsidy.....	A - 1
Appendix B: Child Care Subsidy Program Family Co-Payment Scale.....	B - 1
Appendix C: Metropolitan Statistical Area Groupings .....	C - 1

# **Annual Report on Child Care Subsidy Sliding Fee Scale and Income Eligibility Criteria**

December 2015

## **Report Mandate**

Item 335 (I) of the 2015 Appropriation Act (Act) provides that specified general and federal funds will support subsidized child care assistance in Virginia. It requires that subsidized child care assistance programs be administered on a sliding scale basis to income eligible families:

The sliding scale and eligibility criteria are to be set according to the rules and regulations of the State Board of Social Services, except that the income eligibility thresholds for child care assistance shall account for variations in the local cost of living index by metropolitan statistical areas. The Department of Social Services shall report on the sliding fee scale and eligibility criteria adopted by the Board of Social Services by December 15 of each year.

## **Background**

Item 335 (I) of the Act requires the State Board of Social Services (Board) to establish rules and regulations for the sliding fee scale and eligibility criteria for child care subsidy services in Virginia. These sliding fee scale regulations and eligibility criteria are required to adjust for variations in the local cost of living index by metropolitan statistical areas.

The Board first established rules and regulations governing the income eligibility scale for child care subsidies in October of 1997. Since 1998, local departments of social services have been assigned to one of three assistance groups, based on metropolitan statistical area groupings, in order to reflect statewide cost of living indicators. These three groups, with adjustments for family size, guide the maximum income limits for child care subsidy services. In September 2014, the Board established the sliding co-payment scale. This scale provides for cost sharing by families receiving assistance based on family size and income. Families are assigned a co-payment responsibility of 5% to 10% of their gross monthly income, except that families receiving Temporary Assistance to Needy Families and families receiving Head Start Wrap-Around child care whose income is at or below 100% of the federal poverty guidelines have no co-payment.

The maximum family income limits for child care subsidy services are established using three different percentages of the federal poverty guidelines, based on the area of the state in which a family lives. These percentages are 150%, 160%, and 185%. Two northern Virginia localities, Alexandria and Fairfax, have waivers to set income eligibility limits at 250% of the federal poverty guidelines, capped at 85% of state median income which is the federal eligibility limit for the program. In all localities, the income of an applicant standing *in loco parentis* is measured at 250% of the federal poverty guidelines. This priority group was established to enable families to care for children who may otherwise enter the foster care system.

The Department of Social Services will continue to modify the income eligibility scale and sliding co-payment scale to reflect adjustments to the federal poverty guidelines. This will assist in facilitating continued delivery of subsidized child care assistance to income-eligible families throughout the Commonwealth.

## **2015 Update**

In addition to the financial eligibility criteria outlined in Appendices A-C, families requesting child care assistance must meet the following eligibility criteria:

- The adult family member(s) must be employed or participating in an approved education or training activity, and need child care services in order to continue in that activity.
- The children receiving services must be younger than thirteen (13) years of age, except that children who have special needs and those under court supervision may be eligible to receive services up to eighteen (18) years of age.
- The children receiving services must be citizens of the United States or legal aliens.
- Children and parents must be residents of the Commonwealth and the locality in which they apply.
- Children must meet immunization requirements.

Effective October 1, 2015, the limits for the income eligibility and co-payment scales were adjusted to reflect changes in the federal poverty guidelines and state median income for family size. In September 2014, the Child Care Subsidy Program implemented a new family co-payment scale. The family co-payment scale works in conjunction with the income eligibility scale; both are based on family size and income and adjusted annually according to changes in the state median income and federal poverty guidelines. Prior to July 1, 2015, one locality was approved to use an alternate co-payment scale. As of July 1, 2015, all localities in the state use the Department established co-payment scale.

Appendix A contains the program's income eligibility thresholds effective October 1, 2015. Appendix B contains the family co-payment scale effective October 1, 2015. Appendix C contains the charts defining the metropolitan statistical area groupings.

**Appendix A: State Income Eligibility Scale for Child Care Subsidy**  
**Maximum Monthly Income Level**  
*eff. 10/1/2015*

<b>Family Size</b>	<b>100% of Federal Poverty Guidelines</b>	<b>Group I (150% of Poverty)</b>	<b>Group II (160% of Poverty)</b>	<b>Group III (185% of Poverty)</b>	<b>250% of Poverty*</b>
<b>1</b>	\$981	\$1,472	\$1,570	\$1,815	\$2,453
<b>2</b>	\$1,328	\$1,992	\$2,124	\$2,456	\$3,319
<b>3</b>	\$1,674	\$2,512	\$2,679	\$3,098	\$4,186
<b>4</b>	\$2,021	\$3,032	\$3,234	\$3,739	\$5,053
<b>5</b>	\$2,368	\$3,552	\$3,788	\$4,380	\$5,919
<b>6</b>	\$2,714	\$4,072	\$4,343	\$5,022	\$6,786
<b>7</b>	\$3,061	\$4,592	\$4,898	\$5,663	\$7,653
<b>8</b>	\$3,408	\$5,112	\$5,452	\$6,304	\$8,519
<b>9</b>	\$3,754	\$5,632	\$6,007	\$6,946	\$9,226 <sup>†</sup>
<b>10</b>	\$4,101	\$6,152	\$6,562	\$7,587	\$9,422 <sup>†</sup>

**Notes:**

FFY 2016 State Median Income - Federal Register, Vol. 80, No. 111, Wednesday, June 10, 2015 page 39,958-39,959.

FFY 2016 Poverty Guidelines - Federal Register, Vol. 80, No. 14, Thursday, January 22, 2015, page 3,236-3,237. For a household greater than 8 add \$4,160 for each additional person.

\*Eligibility is set at 250 percent of the Federal Poverty Guidelines for families residing in Fairfax and Alexandria. In all other localities, if the applicant or recipient is acting in loco parentis, eligibility is set at 250 percent of the Federal Poverty Guidelines (capped at 85% of State Median Income (SMI)).

<sup>†</sup>Maximum income levels are capped at 85% of SMI, symbol indicates that the 85% limit has been reached.

**Child Care Subsidy Program Family Co-Payment Scale**  
*eff. 10/1/2015*

Appendix B: Child Care Subsidy Program Family Co-Payment Scale

Percent of Poverty	Number of Household Members														Co-Payment Percent
	2	3	4	5	6	7	8	9 <sup>1</sup>	10 <sup>1</sup>	11 <sup>1</sup>	12 <sup>1</sup>	13 <sup>1</sup>	14 <sup>1</sup>	15 <sup>1,2</sup>	
0 - 100%	\$0 \$1,328	\$0 \$1,674	\$0 \$2,021	\$0 \$2,368	\$0 \$2,714	\$0 \$3,061	\$0 \$3,408	\$0 \$3,754	\$0 \$4,101	\$0 \$4,448	\$0 \$4,794	\$0 \$5,141	\$0 \$5,488	\$0 \$5,834	5.0%
>100% - ≤125%	\$1,329 \$1,660	\$1,675 \$2,093	\$2,022 \$2,527	\$2,369 \$2,960	\$2,715 \$3,393	\$3,062 \$3,827	\$3,409 \$4,260	\$3,755 \$4,693	\$4,102 \$5,127	\$4,449 \$5,560	\$4,795 \$5,993	\$5,142 \$6,427	\$5,489 \$6,860	\$5,835 \$7,293	6.0%
	\$1,661 \$1,992	\$2,094 \$2,512	\$2,528 \$3,032	\$2,961 \$3,552	\$3,394 \$4,072	\$3,828 \$4,592	\$4,261 \$5,112	\$4,694 \$5,632	\$5,128 \$6,152	\$5,561 \$6,672	\$5,994 \$7,192	\$6,428 \$7,712	\$6,861 \$8,232	\$7,294 \$8,752	7.0%
>150% - ≤160%	\$1,993 \$2,124	\$2,513 \$2,679	\$3,033 \$3,234	\$3,553 \$3,788	\$4,073 \$4,343	\$4,593 \$4,898	\$5,113 \$5,452	\$5,633 \$6,007	\$6,153 \$6,562	\$6,673 \$7,116	\$7,193 \$7,671	\$7,713 \$8,226	\$8,233 \$8,780	\$8,753 \$9,335	8.0%
	\$2,125 \$2,456	\$2,680 \$3,098	\$3,235 \$3,739	\$3,789 \$4,380	\$4,344 \$5,022	\$4,899 \$5,663	\$5,453 \$6,304	\$6,008 \$6,946	\$6,563 \$7,587	\$7,117 \$8,228	\$7,672 \$8,870	\$8,227 \$9,511	\$8,781 \$10,152	\$9,336 \$10,404 <sup>†</sup>	9.0%
>185% - ≤250%	\$2,457 \$3,319	\$3,099 \$4,186	\$3,740 \$5,053	\$4,381 \$5,919	\$5,023 \$6,786	\$5,664 \$7,653	\$6,305 \$8,519	\$6,947 \$9,226 <sup>†</sup>	\$7,588 \$9,422 <sup>†</sup>	\$8,229 \$9,619 <sup>†</sup>	\$8,871 \$9,815 <sup>†</sup>	\$9,512 \$10,011 <sup>†</sup>	\$10,153 \$10,208 <sup>†</sup>	\$10,404 <sup>†</sup> \$10,404 <sup>†</sup>	10.0%
	100% of Poverty*	\$1,328	\$1,674	\$2,021	\$2,368	\$2,714	\$3,061	\$3,408	\$3,754	\$4,101	\$4,448	\$4,794	\$5,141	\$5,488	\$5,834
85% of SMI**	\$4,449	\$5,496	\$6,543	\$7,590	\$8,637	\$8,833	\$9,030	\$9,226	\$9,422	\$9,619	\$9,815	\$10,011	\$10,208	\$10,404	

† Income amounts with this symbol are above the income eligibility limits for that household size.  
<sup>1</sup> Income levels are not to exceed 85% of State Median Income (SMI) or 250% of poverty.  
<sup>2</sup> VaCMS is able to calculate copayments for up to a family of 20.  
\*FFY 2016 Poverty Guidelines - Federal Register, Vol. 80, No. 14, Thursday, January 22, 2015, page 3,236-3,237. For a household greater than 8 add \$4,160 for each additional person.  
\*\*FFY 2016 Virginia SMI - Federal Register, Vol. 80, No. 111, Wednesday, June 10, 2015 page 39,958-39,959.

B - 1

**Appendix C: Metropolitan Statistical Area Groupings**

FIPS	LOCALITY	INCOME CAP GROUP
001	Accomack	I
005	Alleghany	I
007	Amelia	I
009	Amherst	I
011	Appomattox	I
015	Augusta	I
017	Bath	I
019	Bedford County/City	I
021	Bland	I
023	Botetourt	I
520	Bristol	I
025	Brunswick	I
027	Buchanan	I
029	Buckingham	I
031	Campbell	I
033	Caroline	I
035	Carroll	I
037	Charlotte	I
580	Covington	I
045	Craig	I
049	Cumberland	I
590	Danville	I
051	Dickenson	I
057	Essex	I
063	Floyd	I
067	Franklin County	I



FIPS	LOCALITY	INCOME CAP GROUP
620	Franklin City	I
069	Frederick County	I
640	Galax	I
071	Giles	I
077	Grayson	I
081	Greensville/Emporia	I
083	Halifax	I
660	Harrisonburg	I
089	Henry	I
091	Highland	I
097	King & Queen	I
101	King William	I
103	Lancaster	I
105	Lee	I
109	Louisa	I
111	Lunenburg	I
680	Lynchburg	I
113	Madison	I
690	Martinsville	I
117	Mecklenburg	I
119	Middlesex	I
121	Montgomery	I
125	Nelson	I
131	Northampton	I
133	Northumberland	I
720	Norton	I
135	Nottoway	I

FIPS	LOCALITY	INCOME CAP GROUP
137	Orange	I
139	Page	I
141	Patrick	I
143	Pittsylvania	I
147	Prince Edward	I
155	Pulaski	I
750	Radford	I
157	Rappahannock	I
159	Richmond County	I
770	Roanoke	I
161	Roanoke County	I
163	Rockbridge/Buena Vista/Lexington	I
165	Rockingham	I
167	Russell	I
169	Scott	I
171	Shenandoah	I
173	Smyth	I
175	Southampton	I
790	Staunton	I
181	Surry	I
183	Sussex	I
185	Tazewell	I
191	Washington	I
820	Waynesboro	I
193	Westmoreland	I
840	Winchester	I
195	Wise	I

FIPS	LOCALITY	INCOME CAP GROUP
197	Wythe	I
003	Albemarle	II
036	Charles City	II
540	Charlottesville	II
041	Chesterfield/Colonial Heights	II
550	Chesapeake	II
053	Dinwiddie	II
065	Fluvanna	II
073	Gloucester	II
075	Goochland	II
079	Greene	II
650	Hampton	II
085	Hanover	II
087	Henrico	II
670	Hopewell	II
093	Isle of Wight	II
095	James City	II
115	Mathews	II
127	New Kent	II
700	Newport News	II
710	Norfolk	II
730	Petersburg	II
740	Portsmouth	II
145	Powhatan	II
149	Prince George	II
760	Richmond City	II
800	Suffolk	II

FIPS	LOCALITY	INCOME CAP GROUP
810	Virginia Beach	II
830	Williamsburg	II
199	York-Poquoson	II
510	*Alexandria	III
013	Arlington	III
043	Clarke	III
047	Culpeper	III
059	*Fairfax City/County	III
061	Fauquier	III
630	Fredericksburg	III
099	King George	III
107	Loudoun	III
683	Manassas City	III
685	Manassas Park	III
153	Prince William	III
177	Spotsylvania	III
179	Stafford	III
187	Warren	III

\*Eligibility is set at 250 percent of the Federal Poverty Guidelines for families residing in Fairfax and Alexandria (capped at 85% of SMI).