



Office of Human Services Innovation

Ohio Department of Job and Family Services

John R. Kasich, Governor
Cynthia C. Dungey, Director

Removing Barriers: Encouraging Self-Sufficiency

Gov. Kasich’s budget recognizes that the lack of access to affordable and quality child care remains one of the key barriers to employment. This budget not only expands access to child care for working poor Ohioans, but also provides a path to personal responsibility and self-sufficiency by gradually increasing a family’s copayment as its income rises.

This budget:

- Waives child care copays for families with incomes at or below 100 percent of the federal poverty level (FPL) to align with Ohio Department of Education’s early childhood education program.
- Raises the income limit for initial child care eligibility from the current 125 percent FPL to 130 percent FPL, aligning child care eligibility with food assistance.
- Allows families to keep child care assistance from the current cap of 200 percent FPL until their incomes reach 300 percent FPL.

Why address the child care benefit cliff?

The publicly funded child care program provides access to high-quality child care for parents who are working or going to school. However, the loss of subsidized child care once a family reaches an income above 200 percent FPL represents one of the biggest benefit cliffs for the working poor and often is a deterrent for individuals to take better paying jobs. The extended eligibility to 300 percent FPL increases the amount families contribute to the cost of child care as their incomes grow. This will help them more easily transition off public assistance as their economic situations improve.

Child Care – New copays by percentage of family income

Family Earnings	0-100 % FPL	100-200% FPL	200-300% FPL
Family copays, based on income	0%	Begin at 7% End at 8.7%	Begin at 8.7% End at 27%

Who pays?

The child care program is funded primarily through the federal Child Care Development Block Grant, state General Revenue Funds and the federal Temporary Assistance for Needy Families program. The Ohio Department of Job and Family Services makes subsidized child care payments to licensed providers. Families are responsible for paying all copays directly to their child care providers.

Child Care – Proposed funding increases

Source	SFY 2016	SFY 2017	Total
TANF			
Increase intake from 125% to 130% FPL	\$2.6 million	\$3.2 million	\$5.8 million
Remove copayment from 0-100% FPL	\$7.0 million	\$7.0 million	\$14.0 million
GRF			
Increase outtake from 200% to 300% FPL	\$4.0 million	\$3.8 million	\$7.8 million
Total	\$13.6 million	\$14.0 million	\$27.6 million