



Department of Human Services • Division of Family Development
New Jersey Child Care Assistance Program
Copayments

Dear Parent/Applicant:

As a family receiving child care assistance through New Jersey’s Department of Human Services, Division of Family Development, we are writing to inform you that your child care provider will now begin collecting copayments from you starting August 1, 2024 (NOTE: the original start date has been postponed from July 1, 2024 to August 1, 2024). Copayments had been temporarily suspended since the onset of, and recovery from, the COVID-19 pandemic due to the availability of additional federal funding. That funding is no longer available, and federal law requires families receiving child care assistance to share in the cost of child care by making copayments, with limited exceptions for families who are eligible for a waiver. For all other cases, parents must pay the co-payment directly to their provider(s) according to the provider’s terms and conditions.

Your copayment amount is calculated based on your first child and second child. There is no copayment for any additional children. However, if your income is at or below 100% of the Federal Poverty Level (FPL), your copayment will be waived. For example, if you are a family of two with an income up to \$20,440, or a family of three with income up to \$25,820, your copayment will be waived – meaning that you will owe no copayment and the State will cover that cost.

Copayment percentages are as follows:

Family Income at or below 100% FPL

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
waived	waived	waived	waived	waived

Family Income of at least 101% and up to 200% of FPL

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
2% of income	3% of income	1% of income	1.5% of income	2.5% of income

Family Income Is 201% of FPL or Greater

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
3% if income	5% of income	1.5% of income	2.5% of income	4% of income

A new Parent/Applicant and Provider Agreement (PAPA) will soon be issued by your County Resource and Referral agency (CCR&R) to show the copayment amount you will need to pay to your provider(s). It is based on the income and family size you provided at your eligibility determination or redetermination. If your income or household size has since changed and you believe it may affect your copayment amount, contact your CCR&R to request a copayment adjustment.

You should discuss the terms and conditions regarding co-payment arrangements, such as the frequency of payment and conditions if not timely paid timely, with your child care provider(s).

Please note that if your provider charges a rate that is higher than the Child Care Assistance Program (CCAP) provider payment rate, you will continue to be responsible for paying that overage amount as well as any other any other costs and fees. This is in addition to your copayment.

Visit www.ChildCareNJ.gov/ChildCareNJ/media/media_library/Copayment_Schedule.pdf to view a copayment schedule with examples of copayment amounts at various income levels. If you have any questions, please contact your CCR&R (www.ChildCareNJ.gov/CCRR).



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New Jersey Child Care Assistance Program Copayment Requirements and Policies Frequently Asked Questions

What is a copayment and why do I have to pay it?

Federal law requires families to share in the cost of child care using a sliding fee scale (meaning cost is adjusted depending on your income). This fee is known as copayment or copay. If a copay is assessed, that amount will be listed on your Parent/Applicant and Provider Agreement (PAPA) issued by your local Child Care Resource and Referral (CCR&R) agency. Copays are separate from other costs and fees that are paid directly to the child care provider. States are allowed to waive copayments for certain groups, such as families with lower income.

What factors are considered when determining the copayment amount?

Copayment amounts are based on the household's income, family size, hours of care (part-time or full-time), and number of children receiving services through the Child Care Assistance Program (CCAP).

What are the copayment percentages?

The copayment percentage ranges from 2% to 5% and is based on three income level thresholds. Copayments are assessed only on the first and second child (there is no copayment for any additional children). The copayment for part-time care is half the amount of full-time care.

Copayments are assessed at three different income thresholds:

1. At or below 100% of the Federal Poverty Level (FPL)
2. Income at 101% up to 200% of the Federal Poverty Level (FPL)
3. At or above 201% of the Federal Poverty Level (FPL)

Family Income at or below 100% FPL

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
waived	waived	waived	waived	waived

Family Income of at least 101% and up to 200% of FPL

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
2% of income	3% of income	1% of income	1.5% of income	2.5% of income

Family Income Is 201% of FPL or Greater

Full-Time		Part-Time		One Full-Time/One Part-Time
One Child	Two or More Children	One Child	Two or More Children	Two or More Children
3% if income	5% of income	1.5% of income	2.5% of income	4% of income

The NJ Child Care Assistance Program is managed by the CCR&R in your county:

How can I calculate my copayment to know the exact amount I have to pay?

There are several ways to help you understand and determine your copayment amount.

- Your copayment amount will be automatically calculated for you and printed on your PAPA issued by your local CCR&R.
- You can contact your local CCR&R.
- You can estimate your copayment by multiplying your monthly income by the above percentage that applies to your situation.

Important Reminder – copayments are based on household income, family size, hours of care (part-time or full-time), and number of children receiving assistance (whether 1 or 2).

Why might I still owe money to my provider after I pay my copayment?

The state has set payment rates for the Child Care Assistance Program. These rates vary depending on several factors including the age of the child and the type of provider (whether you are using a licensed child care center or a registered family child care provider) and whether the provider meets Grow NJ Kids high-quality standards.

The state rate may cover the entire cost of your child's care. However, if your provider charges more than what the state covers, you are responsible for paying the difference. This is called an overage. This overage is separate from the copay and other fees your child care provider charges for specific purposes (e.g., field trips and late fees). You are responsible for paying these fees directly to your provider.

In certain situations, if your child care provider charges more than the state payment rate, they may choose not to charge you the overage or otherwise negotiate a lower rate.

When am I responsible for paying my copayment amount to my provider?

Starting August 1, 2024 – you will have to directly pay your copayment to your provider.

How often do I have to pay a copayment?

You are responsible for paying your copayment for the time period indicated on your PAPA. Please discuss with your provider to determine the frequency at which your copayment is due, such as weekly, monthly, etc.

What happens if I cannot pay a copayment?

It is the responsibility of the providers to determine if they want to waive, reduce, or collect copayments, or terminate service if not paid. Families should discuss the terms and conditions regarding co-payment arrangements, such as frequency and conditions if not timely paid, with their provider(s).

What are some examples of copays and overage amounts?

To give you an example, first, we need to determine the type of setting, for example whether you are using a licensed child care center, registered family child care provider or approved home (in home or family, friends and neighbor) and then locate your income level (view the chart at

www.ChildCareNJ.gov/ChildCareNJ/media/media_library/Income_Eligibility_Schedule.pdf).

Once you've determined the type of child care facility and your income level based on your family size, you can calculate the copayment you'll be required to pay. You can view example copayment amounts at sample income levels on the copayment schedule at

www.ChildCareNJ.gov/ChildCareNJ/media/media_library/Copayment_Schedule.pdf.

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Example One

There is one parent and one child in the family, for a family size of two. Let's assume your family earns an income of \$31,000 a year, or \$2,583 a month (family income between 101% and up to 200% of FPL). The one child is in full-time care, so you'll be required to pay 2% of your annual gross income, which equals a total yearly copayment of \$620. This would be divided monthly, so your monthly copayment to your provider would be \$51.57.

Ages of Children	Provider Monthly Rate	CCAP Payment Rate*	Overage	Monthly Copayment	Total Family Cost
Infant	\$1,700.00	\$1,571.97	\$128.03	\$51.67	\$179.70

Example Two

There are two parents with two children, for a family size of four. Let's assume your family earns a gross income of \$61,000 a year, or \$5,083 a month (family income between 101% and up to 200% of FPL). One child is in full-time care and one is in part-time care. You'll be required to pay 2.5% (2% first child and .5% second child) of your annual gross income, which equals a total yearly copayment of \$1,525. This would be divided monthly, so your monthly copayment to your provider would be \$127.09.

Ages of Children	Provider Monthly Rate	CCAP Payment Rate*	Overage	Monthly Copayment	Total Family Cost
Infant (P/T)	\$900.00	\$785.99	\$114.01	\$127.09	\$297.21
Preschool	\$1,300.00	\$1,243.89	\$56.11		

Example Three

There are two parents with three children, for a family size of five. Let's assume your family earns a gross income of \$91,000 a year, or \$7,583 a month (family income above 200% FPL). Three children are in full-time care, you'll be required to pay 5% (3% first child, 2% second child, 0% third child) of your annual gross income which equals a total yearly copayment of \$4,550. This would be divided monthly, so your monthly copayment to your provider would be \$379.19.

Ages of Children	Provider Monthly Rate	CCAP Payment Rate*	Overage	Monthly Copayment	Total Family Cost
Toddler	\$1,500.00	\$1,392.33	\$107.67	\$379.17	\$599.06
Preschooler 1	\$1,300.00	\$1,243.89	\$56.11		
Preschooler 2	\$1,300.00	\$1,243.89	\$56.11		

**For all three examples, we used the licensed child care provider rate.*

In certain situations, the child care provider may offer discounted rates for siblings and also may waive the overage amount or otherwise negotiate a lower rate. The Child Care Assistance Program does not provide services to negotiate the overage, that is the responsibility of the family and the child care provider.

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