



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

Date: August 23, 2021

To: Parents/Guardians Using License Exempt-Related and License Exempt-Unrelated Child Care Providers

From: The Michigan Department of Education (MDE), Child Development and Care (CDC) program

Subject: Temporary Provider Rate Increase

We are pleased to announce **temporary financial relief** that will positively impact child care providers and families.

Effective September 27, 2020, through September 25, 2021, provider subsidy rates are being increased by 40%. This temporary increase to the CDC provider rates will be updated in accordance with the Fiscal Year 2021 State of Michigan budget bill.

Note: The actual pay period effective dates include pay period 021 (9/27/20 – 10/9/20) through pay period 120 (9/12/21 – 9/25/21).

Supplemental payments (back payment) will be issued for billings that were submitted and paid at the current hourly rates. It will **not** be necessary for providers to rebill to receive the supplemental payment.

MDE will post an update on the CDC website regarding when the supplemental payment is expected to mail: www.michigan.gov/childcare.

Parents/guardians who used a license exempt provider during the impacted dates will receive the supplemental payment on behalf of their provider.

Important: Parents/guardians should distribute the supplemental payment to the license exempt provider who provided care for the dates indicated in this letter.

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Provider rates 9/27/2020 through 9/25/2021:

License Exempt Providers	Base Rate (Level 1)	\$2.45	\$2.45	\$2.45
	Level 2	\$4.20	\$3.75	\$3.75

If you have questions, please visit our website for updated information:
www.michigan.gov/childcare.

You may also contact the 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 en el sitio web www.michigan.gov/childcare. La carta se llama "Aumento temporal de la tarifa para proveedores exentos de licencia".