



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 Licensed 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 will be updated in accordance with the Fiscal Year 2021 State of Michigan budget bill.

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

A one-time supplemental payment (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 supplemental payment.

MDE will post an update on the CDC website regarding when the supplemental payment is expected to issue: [www.michigan.gov/childcare](http://www.michigan.gov/childcare).

The benefit of this temporary financial relief for CDC families is that the supplemental amount (back payment) and the increased rates through 9/25/21 could pay down an existing balance owed to your provider or contribute towards a credit (positive) balance for future care charges.

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608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909  
[www.michigan.gov/mde](http://www.michigan.gov/mde) • 833-633-5788

**Provider Hourly Reimbursement Rates: 9/27/2020 through 9/25/2021**

<b>Provider Type</b>	<b>Star Rating</b>	<b>Infant/ Toddler (Birth to Age 2 ½)</b>	<b>Preschool (Over 2 ½ to Age 5)</b>	<b>School Age (Over Age 5)</b>
<b>Child Care Center</b>	Base Rate (Blank Star)	\$6.05	\$4.30	\$4.15
	1 Star	\$6.05	\$4.30	\$4.15
	2 Star	\$6.40	\$4.65	\$4.50
	3 Star	\$7.10	\$5.35	\$5.20
	4 Star	\$7.45	\$5.70	\$5.55
<b>Group and Family Homes</b>	Base Rate (Blank Star)	\$4.85	\$4.15	\$4.00
	1 Star	\$4.85	\$4.15	\$4.00
	2 Star	\$5.20	\$4.50	\$4.35
	3 Star	\$5.90	\$5.20	\$5.05
	4 Star	\$6.25	\$5.55	\$5.40
<b>License Exempt Providers</b>	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](http://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](http://www.michigan.gov/childcare). La carta se llama "Aumento temporal de la tarifa para  
 proveedores exentos de licencia".