

Understanding the Child Care Subsidy: A Guide for Families

Highlights

The Child Care and Development Fund (CCDF) and related federal and state programs are the primary ways the U.S. government helps families cover the cost of child care. Financial assistance is only available for eligible families using approved child care providers.

The amount of support you may receive depends on your household income, family size, employment or education status, and the age of your child.

Subsidy payments are usually made directly to the child care provider, reducing the amount families must pay out of pocket.

Families facing special circumstances may qualify for additional assistance or priority access to child care support programs.

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Overview of Child Care Assistance in the United States

In the United States, child care assistance is primarily provided through federal and state programs, most notably the Child Care and Development Fund (CCDF).

These programs are designed to:

Reduce child care costs for working families. Support low- and moderate-income households. Help parents maintain employment, education, or job training.

Child care assistance programs are administered by individual states, meaning specific rules and benefits may vary depending on where you live.

Approved Uses for Child Care Subsidies

Child care subsidies may only be used for approved child care providers, which typically include:

Center-Based Child Care - Licensed child care centers and preschools. Family Child Care - Care provided in a licensed home-based setting. School-Age Child Care - Before-school, after-school, and vacation programs. In-Home Care - Care provided in the child's home under limited and approved circumstances.

Subsidy payments are generally sent directly to the provider, lowering the cost families are required to pay.

Eligibility Requirements

You may be eligible for child care assistance if:

Your child is generally under age 13, or under age 19 if they have a disability or special needs. Your household income falls below state-specific income limits. You are working, attending school, participating in job training, or meeting other approved activity requirements. You are responsible for paying child care expenses. You meet citizenship or eligible immigration status requirements, as defined by federal and state law.

Eligibility rules may differ slightly depending on the state and the specific program.

How Subsidy Amounts Are Determined

The amount of child care assistance you receive is based on several factors, including:

Your household income and family size. The number of hours you work or participate in approved activities each week. The type of approved child care used. Your child's age and specific care needs. The number of children in care.

States also set maximum reimbursement rates, which may affect how much assistance is provided.

Additional Support for Families in Special Circumstances

Some families may qualify for additional support or priority access to child care assistance, including those who are:

Experiencing financial hardship or homelessness. Transitioning from public assistance to employment. Caring for a child with disabilities or special needs. Involved with child welfare services or caring for a child at risk of abuse or neglect. Grandparents or relatives acting as primary caregivers.

Availability and criteria for these supports vary by state.

Tools and Assistance

For detailed information about eligibility and applications, visit your state child care assistance agency or official government website.

You can also search for licensed child care providers through state or national child care directories.