

State Child Care Assistance Policies: North Carolina

- **Income eligibility limit:** In 2011, a family of three in North Carolina could qualify for child care assistance with an annual income up to \$37,476 (202 percent of poverty, 66 percent of state median income).¹
- **Waiting list:** North Carolina had 46,749 children on a waiting list for child care assistance as of February 2011, and expected the waiting list to increase.
- **Parent copayments:** In 2011, a family of three with an income at 100 percent of poverty (\$18,530 a year) receiving child care assistance paid \$154 per month, or 10 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$27,795 a year) receiving child care assistance paid \$232 per month, or 10 percent of its income, in copayments.
- **Reimbursement rates:** In 2011, North Carolina's reimbursement rates for child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
 - North Carolina's monthly reimbursement rate for center care for a four-year-old in Mecklenburg County was \$702, which was \$151 (18 percent) below the 75th percentile of current market rates for this type of care.²
 - North Carolina's monthly reimbursement rate for center care for a one-year-old in Mecklenburg County was \$737, which was \$251 (25 percent) below the 75th percentile of current market rates for this type of care.³
- **Tiered reimbursement rates:** In 2011, North Carolina paid higher reimbursement rates for higher-quality care.
 - The reimbursement rate for center care for a four-year-old in Mecklenburg County at the highest quality tier was 47 percent higher than the rate at the lowest quality tier.
 - The reimbursement rate for center care for a four-year-old in Mecklenburg County at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2011, North Carolina allowed parents to continue receiving child care assistance for up to 30 days while searching for a job. However, North Carolina did not allow parents to qualify for child care assistance while searching for a job.⁴

Source: Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times* (Washington, DC: National Women's Law Center, 2011). These data reflect policies as of February 2011, unless otherwise indicated.

1 As of August 2011, the income limit was increased to \$42,816 (75 percent of state median income) to adjust for the 2011 state median income estimate.

2 The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level. The reimbursement rate for the most common rate level (the level representing the greatest number of providers) is compared here to the 75th percentile for that same quality level.

3 The reimbursement rate for the most common rate level is compared here to the 75th percentile for that same quality level.

4 From July 1, 2009 until June 30, 2010, parents could qualify or continue to receive child care assistance while searching for a job for up to 6 months. As of July 1, 2010, this policy ended for all new applicants and the state reverted to its previous policy. Under this policy, currently in effect, parents receiving child care assistance can continue to receive it while searching for a job for up to 30 days, and can request a 30-day extension; parents cannot qualify for child care assistance while searching for a job.