

State Child Care Assistance Policies: Tennessee

- **Income eligibility limit:** In 2011, a family of three in Tennessee could qualify for child care assistance with an annual income up to \$32,352 (175 percent of poverty, 60 percent of state median income).¹
- **Waiting list:** Tennessee had frozen intake—turned away families without adding their names to a waiting list—for child care assistance as of February 2011.²
- **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 \$108 per month, or 7 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 \$160 per month, or 7 percent of its income, in copayments.
- **Reimbursement rates:** In 2011, Tennessee'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.
 - Tennessee's monthly reimbursement rate for center care for a four-year-old in Top Tier Counties³ was \$515,⁴ which was \$75 (13 percent) below the 75th percentile of current market rates for this type of care.
 - Tennessee's monthly reimbursement rate for center care for a one-year-old in Top Tier Counties was \$598,⁵ which was \$56 (9 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2011, Tennessee paid higher reimbursement rates for higher-quality care.
 - The reimbursement rate for center care for a four-year-old in Top Tier Counties at the highest quality tier was 20 percent higher than the rate at the lowest quality tier.
 - The reimbursement rate for center care for a four-year-old in Top Tier Counties at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2011, Tennessee allowed parents to qualify for or continue receiving child care assistance for up to 30 days while searching for a job.⁶

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 The state had a separate child care scholarship program funded through the American Recovery and Reinvestment Act that provided assistance to low-income, working parents who had incomes up to \$43,968, who were not receiving child care benefits through any other state program, and who were referred to the program by their child care provider, from April 1, 2009 to September 30, 2010; the state did not accept new children into the program after April 1, 2010.
- 2 Families receiving Temporary Assistance for Needy Families (TANF), families transitioning from TANF, teen parents in high school, and children in foster care are exempt from the freeze.
- 3 Top Tier Counties are the 21 counties that met the criteria for being paid the higher reimbursement rate (counties that were among the top 15 in average population in 2004 and/or among the top 15 in per capita income in 2002-2004). There is a separate set of reimbursement rates that apply to the remaining counties.
- 4 The state has higher rates for higher-quality care; this is the most common rate level (the level representing the greatest number of providers).
- 5 This is the most common rate level.
- 6 Parents receiving child care assistance could continue to receive it while searching for a job for up to 30 consecutive calendar days beginning with the day following the last day of employment. Parents applying for child care assistance while searching for a job could receive assistance for up to 30 calendar days from the date of application.