



CHILD CARE & EARLY LEARNING

STATE CHILD CARE ASSISTANCE POLICIES: NORTH CAROLINA

- **Income eligibility limit:** In 2015, a family of three in North Carolina could qualify for child care assistance with an annual income up to \$39,576 (197 percent of poverty, 70 percent of state median income).¹
- **Waiting list:** North Carolina had 31,359 children on a waiting list for child care assistance as of February 2015.
- **Parent copayments:** In 2015, a family of three with an income at 100 percent of poverty (\$20,090 a year) receiving child care assistance in North Carolina paid \$167 per month, or 10 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,135 a year) receiving child care assistance paid \$251 per month, or 10 percent of its income, in copayments.
- **Reimbursement rates:** In 2015, 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.²
 - North Carolina's monthly reimbursement rate for center care for a four-year-old in Mecklenburg County was \$776, which was \$234 (23 percent) below the 75th percentile of current market rates for this type of care.³
 - North Carolina's monthly reimbursement rate for center care for a one-year-old in Mecklenburg County was \$870, which was \$248 (22 percent) below the 75th percentile of current market rates for this type of care.⁴
- **Tiered reimbursement rates:** In 2015, 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 63 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.⁵
- **Eligibility for parents searching for a job:** In 2015, North Carolina allowed parents to continue receiving child care assistance for up to 30 days while searching for a job.⁶ However, the state did not allow parents to qualify for child care assistance while searching for a job.

Source: Karen Schulman and Helen Blank, Building Blocks: State Child Care Assistance Policies 2015 (Washington, DC: National Women's Law Center, 2015). These data reflect policies as of February 2015, unless otherwise indicated.



- 1 This income limit applies to families with children birth through age five and families with children of any age who have special needs; the income limit for families with children ages six to thirteen was \$26,316 (133 percent of the 2014 federal poverty level). This separate income limit for families with older children went into effect in October 2014.
- 2 The reimbursement rates shown here reflect that the state increased rates for three-, four-, and five-star providers as of January 2015. (There are five star levels in the state's quality rating and improvement system, which is mandatory for all licensed providers except those that are religious sponsored.)
- 3 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.
- 4 The reimbursement rate for the most common rate level is compared here to the 75th percentile for that same quality level.
- 5 The reimbursement rate for the highest quality level is compared here to the 75th percentile for that same quality level.
- 6 Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 calendar days, and can request a 30-day extension.

