

CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: *NEW MEXICO*

- **Income eligibility limit:** In 2015, a family of three in New Mexico could qualify for child care assistance with an annual income up to \$39,580 (197 percent of poverty, 81 percent of state median income).<sup>1</sup>
- **Waiting list:** New Mexico had 126 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 New Mexico paid \$76 per month, or 5 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 \$174 per month, or 7 percent of its income, in copayments.
- **Reimbursement rates:** In 2015, New Mexico's reimbursement rates for most 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.<sup>2</sup>
  - New Mexico's monthly reimbursement rate for center care for a four-year was \$458, which was \$256 (36 percent) below the 75th percentile of current market rates for this type of care.<sup>3</sup>
  - New Mexico's monthly reimbursement rate for center care for a one-year-old was \$721, which was equal to the 75th percentile of current market rates for this type of care.<sup>4</sup>
- **Tiered reimbursement rates:** In 2015, New Mexico paid higher reimbursement rates for higher-quality care.<sup>5</sup>
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was 55 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was still below the 75th percentile of current market rates.<sup>6</sup>
- **Eligibility for parents searching for a job:** In 2015, New Mexico allowed parents to continue receiving child care assistance for up to 30 days while searching for a job.<sup>7</sup> 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 As of April 2015, the income limit was increased to \$40,180 (200 percent of poverty) to adjust for the 2015 federal poverty level.
- 2 The reimbursement rates shown here are the rates that were in effect as of February 2015 and reflect that the state increased rates for infant and toddler care as of July 2014. As of September 2015, the state increased rates for preschoolers and school-age children.
- 3 The state's market rate survey differentiates between quality levels and the 75th percentile of market rates was obtained for providers at each quality level of the quality rating and improvement system in effect at the time of the survey (the state is transitioning to a new system); the base (lowest) reimbursement rate, which is 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 base (lowest) reimbursement rate, which is the most common rate level, is compared here to the 75th percentile for that same quality level.
- 5 This analysis reflects that the state established new quality tiers, with rates at the highest quality levels exceeding the previous highest rates, as of July 2014.
- 6 The reimbursement rate for the highest quality level is compared here to the 75th percentile for the highest quality level under the quality rating and improvement system in effect at the time of the last market rate survey.
- 7 Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 calendar days, twice per calendar year, immediately following the loss of employment or graduation from high school or undergraduate school.

