



CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: **ARKANSAS**

- **Income eligibility limit:** In 2016, a family of three in Arkansas could qualify for child care assistance with an annual income up to \$29,760 (148 percent of poverty, 61 percent of state median income).<sup>1</sup>
- **Waiting list:** Arkansas had 2,703 children on a waiting list for child care assistance as of February 2016.
- **Parent copayments:** In 2016, a family of three with an income at 100 percent of poverty (\$20,160 a year) receiving child care assistance in Arkansas paid \$31 per month, or 2 percent of its income, in copayments.<sup>2</sup>
- **Reimbursement rates:** In 2016, Arkansas'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.
  - Arkansas's monthly reimbursement rate for center care for a four-year-old in Pulaski County was \$511,<sup>3</sup> which was \$58 (10 percent) below the 75th percentile of current market rates for this type of care.
  - Arkansas's monthly reimbursement rate for center care for a one-year-old in Pulaski County was \$618,<sup>4</sup> which was \$80 (11 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2016, Arkansas paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old in Pulaski County at the highest quality tier was 15 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old in Pulaski County at the highest quality tier was above the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2016, Arkansas allowed parents to continue receiving child care assistance while searching for a job until the end of their 12-month eligibility period.<sup>5</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, Red Light Green Light: State Child Care Assistance Policies 2016 (Washington, DC: National Women's Law Center, 2016). These data reflect policies as of February 2016, unless otherwise indicated.



- 1 As of March 2016, the income limit to qualify for assistance was increased to \$30,926 (60 percent of state median income) to adjust for the updated state median income estimate. Also note as of March 2016, a separate exit eligibility limit was established to allow families already receiving assistance to continue doing so until their income reached \$43,812 (85 percent of state median income).
- 2 The state determines copayments based on the cost of care; this copayment amount was calculated assuming that the family was purchasing care at the state's maximum reimbursement rate for center care for a four-year-old. In March 2014, the state began varying the copayment based on the quality level of the care a family was using, with a family paying 8 percent of the cost of care if using a provider at the basic level (a provider that did not participate in the state's three-tier quality rating and improvement system or that did not meet the criteria for a rating in that system), 6 percent if using a provider at quality level one, 4 percent if using a provider at quality level two, and 2 percent if using a provider at quality level three. The copayment amount shown here assumes the family is using a provider at quality level one, given that, as of January 2016, all providers serving families receiving child care assistance must be at quality level one or higher. Also note that foster children, homeless children, and teen parents are exempt from copayments.
- 3 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
- 4 This is the base (lowest) rate, which is the most common rate level.
- 5 Parents receiving child care assistance can continue to receive it until the end of their 12-month eligibility period, including in the event of a job loss; at the end of the eligibility period, parents can continue to receive child care assistance while searching for a job for up to an additional 90 days.

