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STATE CHILD CARE ASSISTANCE POLICIES 2008: TOO LITTLE PROGRESS FOR CHILDREN AND FAMILIES

by
Karen Schulman, Senior Policy Analyst
Helen Blank, Director of Leadership and Public Policy

Child care helps children, families, and communities prosper. Children in child care learn and develop skills they need to succeed in school and in life. Child care is a basic that helps families get ahead by giving parents the support and peace of mind they need to be productive at work. And child care helps our nation stay competitive, with a stronger workforce now and in the future. Yet, many families need help paying the high cost of child care. The average fee for full-time, center-based child care ranges from $3,400 to $14,600 annually, depending on where the family lives and the age of the child.[1] Without child care assistance, low-income families must bear the significant financial burden of paying the full cost of care on their own, and may be unable to afford the high-quality, stable care they want for their children and that parents need to work. Child care assistance is particularly critical in the current economy as more families struggle with rising costs for food, gas, and other basic necessities, stagnant wages, and job insecurity.

Between February 2007 and February 2008, some states made improvements in their child care assistance policies in one or more areas, including income eligibility limits to qualify for child care assistance, waiting lists for child care assistance, copayments required of parents receiving child care assistance, and/or reimbursement rates paid to child care providers serving families receiving child care assistance. However, the large majority of states made little progress in these policies, and some states slid backwards. Moreover, in most of these policies, most states had lost ground or failed to move forward since 2001.[2]

- Nine states raised their income eligibility limits for child care assistance sufficiently to surpass inflation, as measured against the increase in the federal poverty level between February 2007 and February 2008, and an additional twenty-five states increased their income limits enough to keep pace, or nearly keep pace, with inflation, as measured against the federal poverty level.[3] However, three states decreased their income eligibility limits, and the remaining fourteen states failed to increase their limits sufficiently to keep pace with inflation. Moreover, in half of the states, the income limits in 2008 were lower as a percentage of poverty than in 2001.[4]

- The number of states with waiting lists for child care assistance in 2008—seventeen—was the same as the number of states with waiting lists as in 2007, and lower than the number of states with waiting lists—twenty-two—in 2001. However, in nine of the fourteen states that had waiting lists and for which comparable data were available, the number of children on the waiting

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list increased between 2007 and 2008. In five of the eleven states that had waiting lists and for which comparable data were available, the number of children on the waiting list increased between 2001 and 2008.

- In nearly one-sixth of the states, families paid a lower percentage of income in copayments in 2008 than in 2007, and in all but a handful of the remaining states, families paid the same percentage of income in copayments in 2008 as in 2007. Yet, in about half of the states, families paid a higher percentage of their income in copayments in 2008 than in 2001. In about one-third to two-thirds of the states, depending on income, a family receiving child care assistance was required to pay a greater percentage of its income in copayments in 2008 than the nationwide average percentage spent on child care among families who pay for child care.

- Only ten states had reimbursement rates for providers who serve families receiving child care assistance at the federally recommended level in 2008, slightly higher than the number—nine—in 2007, but less than half the number—twenty-two—in 2001. Approximately three-fifths of the states had higher reimbursement rates for higher-quality providers in 2008, but in half of these states, even the higher rates were below the federally recommended level.

These developments between February 2007 and February 2008 are discussed in more detail below. In addition, although not reflected in the February 2008 data or the analysis below, there have been several notable developments—positive and negative—in state child care assistance policies that have occurred since February 2008, or that are expected to occur later in 2008. The bright spots include the following:

- Idaho increased its income eligibility limit for the first time since 1998, from $20,472 a year for a family of three (116 percent of poverty) to $23,184 a year for a family of three (132 percent of poverty) as of April 2, 2008.

- Illinois increased its income eligibility limit from $31,776 a year for a family of three (181 percent of poverty) to $35,200 a year for a family of three (200 percent of poverty) as of April 1, 2008.

- Louisiana increased its income eligibility limit from $31,836 a year for a family of three (181 percent of poverty) to $35,244 a year for a family of three (200 percent of poverty) as of May 2008.

- Missouri kept its income eligibility limit the same (as a percentage of poverty) for families when they initially apply for child care assistance ($22,356 a year for a family of three, or 127 percent of poverty), but began allowing families already receiving assistance to remain eligible with an income up to $24,464 a year for a family of three (139 percent of poverty) as of July 1, 2008. The state also restructured reimbursement rates, bringing rates for all licensed and inspected providers across the state up to approximately 65 percent of the 75th percentile of 2006-2007 market rates for infants and approximately 50 percent of the 75th percentile of 2006-2007 market rates for preschool and school-age children as of July 1, 2008.

- Ohio increased its income eligibility limit from $31,764 a year for a family of three (180 percent of poverty) to $35,200 a year for a family of three (200 percent of poverty) as of July 1, 2008.

- Utah kept its income eligibility limit the same (as a percentage of poverty) for families when they initially apply for child care assistance ($30,948 a year for a family of three, or 176 percent of poverty), but began allowing families already receiving assistance to remain eligible up to an income of $35,304 a year for a family of three (201 percent of poverty) as of July 2008.[5]

- Virginia provided $6 million in additional state funds, made available as of June 1, 2008, to serve families on the waiting list for child care assistance.

- Washington increased its reimbursement rates by 3 percent effective July 1, 2008.

In contrast, several states have instituted cutbacks in their child care assistance policies since February 2008 and/or are planning cutbacks for the coming year. For example:

- Arkansas reduced its income eligibility limit from $35,724 a year for a family of three (203 percent of poverty) to $28,345 a year for a family of three (161 percent of poverty) as of July 1, 2008.[6]

- In Colorado, although no counties had waiting lists for child care assistance as of February 2008, Archuleta County had started a waiting list as of April 1.

- Nevada began a waiting list for child care assistance on July 1, 2008. Any new applicants for child care assistance with incomes above $22,880 a year for a family of three (130 percent of poverty), up to the income limit of $38,916 a year for a family of three (221 percent of poverty), are automatically placed on the waiting list.

- Rhode Island eliminated state-sponsored health care insurance for child care center providers and family child care providers serving children receiving child care assistance as of July 1, 2008.

Several additional states anticipated that they would have increasing difficulty in meeting the need for child care assistance after February 2008. For example:

- Alabama expected an increase in the number of children on the waiting list for child care assistance.

- Florida anticipated that the state would have to reduce the number of children receiving child care assistance by an estimated 2,500 to 5,000 (1,500 to 3,000 families) due to a decline in state and federal funding. As a result, the state expected an increase in the number of children and families on the waiting list for child care assistance.

- New Hampshire anticipated that it would implement a waiting list for child care assistance in July 2009.

- North Carolina expected its waiting list for child care assistance to increase because the number of families receiving assistance exceeded the number that could continue to be served with available funding.

- South Carolina had recently seen a substantial increase in the number of families receiving welfare who were applying for child care assistance. Since these families are given priority for assistance, the state may need to freeze intake for child care assistance for families not receiving welfare.

Unfortunately, at the same time that families are in greater need of help, many states are dealing with increasing budget pressures that could restrict their ability to provide that help.[7] This development is a serious concern given that, even before the current economic slowdown, state child care assistance policies were behind where they were in 2001. Without additional resources for child care assistance, this trend is likely to not only continue but to get worse.

Funding for Child Care Assistance for Low-Income Families

The primary source of funding for child care assistance is the federal Child Care and Development Block Grant (CCDBG) program. CCDBG funding declined from a peak of $4.817 billion in FY 2002[8] to $4.800 billion in FY 2005,[9] before increasing to $4.979 billion in FY 2006,[10] where funding remained in FY 2008.[11] After adjusting for inflation, the FY 2008 funding level is below the FY 2002 level ($5.710 billion in FY 2008 dollars).[12]

Another important source of child care funding is the Temporary Assistance for Needy Families (TANF) block grant. States may transfer up to 30 percent of their TANF block grant funds to the CCDBG, or use TANF funds directly for child care without first transferring the money. Even before adjusting for inflation, states' use of TANF dollars for child care (including both transfers and direct funding) declined from a high of $3.97 billion in FY 2000[13] to $3.12 billion in FY 2006 (the most recent year for which data are available).[14]

The lack of sufficient funding has led to a decline in the number of children able to receive child care assistance. With no increase in funding, according to the Bush Administration, 200,000 children are expected to lose child care assistance between 2007 and 2009.[15]

Methodology

The data in this report were collected by the National Women's Law Center from state child care administrators in the fifty states and the District of Columbia (counted as a state in this report). The state child care administrators were sent a survey in the spring of 2008 requesting data on policies as of February 2008 in four key areas—income eligibility limits, waiting lists, parent copayments, and reimbursement rates. While the questions in these areas were largely similar to the questions asked in the Center's previous annual surveys, there were new questions about tiered reimbursement rates, which allow providers meeting higher-quality standards to receive higher rates. States were also asked to report any policy changes in each of the four areas, as well as any other major policy changes, they anticipated within the coming year. The state administrators were contacted by Center staff for follow-up information as necessary.

The 2007 data used in this report for comparison purposes were collected by the Center through a similar process and published in the Center's September 2007 report, *State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed*. The 2001 data used in this report were collected by the Children's Defense Fund (CDF) and published in CDF's report, *State Developments in Child Care, Early Education and School-Age Care 2001*. CDF staff collected the data through surveys and interviews with state child care advocates and verified the data with state child care administrators. The CDF data reflect policies in effect as of June 1, 2001, unless otherwise indicated. The Center uses 2001 as a basis for comparison because it was just after the peak of TANF funding for child care in FY 2000 and just prior to the peak of CCDBG funding in FY 2002.

The Center chose to examine the four policy areas covered in this report because they are critical in determining whether low-income families can receive child care assistance and the extent of assistance they can receive. Income eligibility limits reveal how generous a state is in determining families who qualify for child care assistance,[16] and waiting lists help reveal whether families who qualify for assistance actually receive it. Parent copayment levels reveal whether low-income parents receiving child care assistance are left with significant out-of-pocket costs for care. Reimbursement rates reveal the extent to which families receiving assistance may be limited in both their choice of child care providers and the quality of care those providers offer.

Income Eligibility Limits

A family's ability to obtain child care assistance depends on a state's income eligibility limit. In analyzing this policy area, it is important to consider not only a state's limit in a given year, but also whether the state adjusts the limit for inflation each year so that a family does not become ineligible for assistance because its income simply keeps pace with inflation.

Between 2007 and 2008, two-thirds of the states increased their income eligibility limits sufficiently to keep pace with or surpass inflation, as measured against the increase in the federal poverty level during this time period.[17] However, between 2001 and 2008, only about half of the states increased their income eligibility limits sufficiently to keep pace with or surpass inflation, as measured against the increase in the federal poverty level during this time period. In addition, income eligibility limits in 2008 remained low—at or below 200 percent of poverty in nearly three-quarters of the states.

- In thirty-four states, the income eligibility limit for a family to qualify for assistance as a dollar amount increased between 2007 and 2008 (*see Table 1a*). In nine of these states, the increase was great enough that the income limit was higher as a percentage of the federal poverty level in 2008 than in 2007. In twenty-five of these states, the income limit increased enough to remain the same, or nearly the same, as a percentage of the federal poverty level.[18]
- In three states, the income eligibility limit decreased as a dollar amount between 2007 and 2008. In fourteen states, the income limit stayed the same as a dollar amount between 2007 and 2008. As a result, in these seventeen states, the income limit decreased as a percentage of the federal poverty level between 2007 and 2008.
- In forty-two states, the income eligibility limit was higher as a dollar amount in 2008 than in 2001 (*see Table 1b*). In eleven of these states, the increase was great enough that the income limit was higher as a percentage of the federal poverty level in 2008 than in 2001. In fourteen of these states, the increase was great enough that the income limit stayed the same, or nearly the same, as a percentage of the federal poverty level.[19] However, in seventeen of these states, the increase was not sufficient to keep pace with the federal poverty level, so the income limit was lower as a percentage of the federal poverty level in 2008 than in 2001.
- In six states, the income eligibility limit was lower as a dollar amount in 2008 than in 2001. In three states, the income limit stayed the same. In all of these states, the income limit decreased as a percentage of the federal poverty level, bringing to twenty-six the total number of states in which the income limit failed to keep pace with the increase in the federal poverty level between 2001 and 2008.
- The income eligibility limit was above 100 percent of the federal poverty level ($17,600 a year for a family of three in 2008) in all states in 2008. However, a family with an income slightly above 150 percent of poverty ($26,400 a year for a family of three in 2008) could not qualify for assistance in approximately one-quarter of the states. A family with an income above 200 percent of poverty ($35,200 a year for a family of three in 2008) could not qualify for assistance in approximately three-quarters of the states. Yet, in the majority of communities across the country, a family needs an income equal to at least 200 percent of poverty to meet its basic needs, including housing, food, child care, transportation, health care, and other necessities, based on a study by the Economic Policy Institute.[20]

Waiting Lists

States generally do not guarantee that families who qualify for child care assistance will receive it. Instead, a state may place eligible families on a waiting list or may freeze intake (turn away families without adding their names to a waiting list). Although some families on the waiting list eventually receive assistance, others wait for months or longer without receiving help, or never receive help at all. Many low-income families on waiting lists are forced to use poor-quality care because they cannot afford better options without assistance, strain to pay other bills while paying for child care, or struggle to hold on to their jobs because they cannot afford reliable care, according to several studies.[21]

In 2008, two-thirds of the states were able to serve eligible families without placing any on waiting lists or freezing intake. The remaining one-third of the states had waiting lists or frozen intake for at least some families applying for assistance. This represents an improvement over 2001, when a greater number of states had waiting lists, but a static situation since 2007. In addition, several states with waiting lists that decreased between 2001 and 2007 saw increasing waiting lists between 2007 and 2008.[22]

- Seventeen states had waiting lists or frozen intake in 2008—the same states that had waiting lists or frozen intake in 2007. In comparison, twenty-two states had waiting lists or frozen intake in 2001 (*see Table 2*).
- Nine states had longer waiting lists in 2008 than in 2007, while five states had shorter waiting lists. In the remaining three states with waiting lists in 2008, it was not possible to compare the length of waiting lists based on the available data.
- Five states had longer waiting lists in 2008 than in 2001, while six states had shorter waiting lists. In the remaining six states with waiting lists in 2008, it was not possible to compare the length of waiting lists based on the available data.

Copayments

Most states require families receiving child care assistance to contribute toward their child care costs based on a sliding fee scale that is designed to charge progressively higher copayments to families at progressively higher income levels. In some states, the cost of care used by a family is also taken into account in determining the amount of the family's copayment. If states do not set copayments at manageable levels, low-income families may struggle to afford their copayments, may fail to cover their copayments and leave their child care providers to absorb the lost income, or may be discouraged from participating in the child care assistance program altogether.

This study compares state copayment policies by considering two hypothetical families: a family of three with an income at 100 percent of the federal poverty level and a family of three with an income at 150 percent of the federal poverty level.[23] In nearly one-sixth of the states, families paid a lower percentage of income in copayments in 2008 than in 2007, and in all but a handful of the remaining states, families paid the same percentage of income in copayments in 2008 as in 2007. However, in only about half of the states, families paid the same or a lower percentage of their income in copayments in 2008 than in 2001.

Despite improvements in some states, copayments remained high in many states in 2008. In one-third of the states, a family at 100 percent of poverty was required to pay more in copayments in 2008 than the nationwide average amount spent on child care among families who pay for child care (including those who receive child care assistance and those who do not)—6.4 percent of income.[24] A family at 150 percent of poverty was required to pay more than 6.4 percent of income in over two-thirds of the states in which a family at this income level was eligible for assistance.

- In eight states, copayments for a family of three at 150 percent of poverty[25] declined as a percentage of income between 2007 and 2008 (*see Table 3a*). In thirty-one states, copayments remained the same as a percentage of income. In contrast, in five states, copayments increased as a percentage of income. In six states, a family at 150 percent of poverty was not eligible for child care assistance in either 2008 or 2007, and in one state a family at 150 percent of poverty was eligible in 2008 but not 2007.[26]

- In twelve states, copayments for a family of three at 150 percent of poverty[27] declined as a percentage of income between 2001 and 2008. In fourteen states, copayments remained the same as a percentage of income. In contrast, in nineteen states, copayments increased as a percentage of income. In the remaining six states, a family at 150 percent of poverty was not eligible for child care assistance in 2008, an increase of three states since 2001.

- In seven states, copayments for a family of three at 100 percent of poverty decreased as a percentage of income between 2007 and 2008 (*see Table 3b*). In thirty-eight states, copayments remained the same as a percentage of income. In contrast, in six states, copayments increased as a percentage of income.

- In six states, copayments for a family of three at 100 percent of poverty decreased as a percentage of income between 2001 and 2008. In seventeen states, copayments remained the same as a percentage of income. In twenty-eight states, copayments increased as a percentage of income.

- In thirty-one states, the copayment for a family of three at 150 percent of poverty was above $141 per month (6.4 percent of income) in 2008. In an additional six states, a family at this income level was not eligible for child care assistance.

- In seventeen states, the copayment for a family of three at 100 percent of poverty was above $94 per month (6.4 percent of income) in 2008.

Reimbursement Rates

States determine reimbursement rates for child care providers who care for children receiving child care assistance. States set a maximum level up to which they will reimburse providers, and a provider must charge private-paying parents a fee that is equal to or greater than this level to receive the maximum rate. Reimbursement rates may vary by geographic region, age of the child, type of care, and other factors. Reimbursement rates affect the resources child care providers have for keeping their programs operating, offering salaries to recruit and retain staff, maintaining sufficient child-staff ratios, and having materials and supplies for activities that promote children's learning. Low reimbursement rates make it difficult for child care providers to support high-quality care and can discourage high-quality providers from serving families receiving child care assistance.

States are required to conduct surveys of child care providers' market rates every two years, but are not required to set their rates at any particular level or update their rates regularly. Federal regulations recommend, but do not mandate, that rates be set at the 75th percentile of current market rates, a rate that allows families access to 75 percent of the providers in their communities.

In 2008, approximately one-fifth of the states set their reimbursement rates at the 75th percentile of current market rates, a small improvement—by one state—from 2007, yet still far below the over two-fifths of states in

2001.[28] In many states, reimbursement rates were significantly below the 75th percentile of current market rates.

When the state reimbursement rate falls short of the fee a child care provider charges private-paying parents, approximately three-quarters of the states allow child care providers to ask parents receiving child care assistance to cover the difference (beyond any required copayment). While this approach may be intended to help child care providers avoid losing income, it places a financial burden on low-income families whose very eligibility for child care assistance demonstrates that they cannot afford this additional charge.

- Only ten states set their reimbursement rates at the 75th percentile of current market rates (rates from 2006 or 2007) in 2008. This was greater than the number of states—nine—that set their reimbursement rates at this level in 2007 (*see Table 4a*). However, it was less than half the number of states—twenty-two—that set their reimbursement rates at this level in 2001 (*see Table 4b*).

- Forty-one states reported that they updated their reimbursement rates in 2006 or more recently. In contrast, two states reported that they had not updated their reimbursement rates since 2001.

- In twenty states, reimbursement rates for center-based care for a four-year-old in 2008 were 20 percent or more below the 75th percentile of market rates (based on the state's most recent market survey) for this type of care (*see Table 4c*).[29]

- In eighteen states, reimbursement rates for center-based care for a one-year-old in 2008 were 20 percent or more below the 75th percentile of market rates (based on the state's most recent market survey) for this type of care.[30]

- Thirty-nine states allowed child care providers to charge parents receiving child care assistance the difference between the state reimbursement rate and the fee that the provider charges private-paying parents if the state reimbursement rate is lower.[31]

Approximately three-fifths of the states reimbursed child care providers at higher reimbursement rates in 2008 if they met higher-quality standards (tiered rates).[32] Some states had a single higher reimbursement rate; other states had progressively higher reimbursement rates for progressively higher levels of quality. Tiered reimbursement rates can provide an incentive for child care providers to improve the quality of their care and the resources to do so. However, given the expenses entailed in enhancing quality—for example, by adding staff in order to lower child-staff ratios, hiring staff with advanced education in early childhood development, providing staff training, modifying facilities, and/or purchasing extra equipment and materials—the differential in rates must be substantial enough to provide a sufficient incentive for providers to make the investment in such improvements. Yet, in the majority of states with tiered rates, the highest rate fell below the 75th percentile of current market rates. In over half of the states with tiered rates, the highest reimbursement rate was less than 20 percent more than the basic rate.

- Thirty states paid higher reimbursement rates for higher-quality care in 2008 (*see Table 4d*).[33] Thirteen of these states had two rate levels (including the base level),[34] four states had three levels, six states had four levels, five states had five levels, and two states had six levels.

- In over half of the thirty states with tiered rates, the reimbursement rate for center-based care for a four-year-old at the highest quality level was still below the 75th percentile of current market rates (which includes providers at all levels of quality).
    - In sixteen of the thirty states, the reimbursement rate at the highest quality level was below the 75th percentile of current market rates. This includes six states in which the reimbursement rate at the

highest quality level was more than 20 percent lower than the 75th percentile.

- In two of the thirty states, the reimbursement rate at the highest quality level was the same as the 75th percentile of current market rates.
- In ten of the thirty states, the reimbursement rate at the highest quality level was higher than the 75th percentile of current market rates. This includes four states in which the reimbursement rate at the highest quality level was at least 10 percent above the 75th percentile.
- Two of the thirty states took a different approach and determined a separate 75th percentile of current market rates among child care providers at each quality level. One of these states then reimbursed child care providers at the 75th percentile of current market rates for their quality level. As a result, the reimbursement rate at the highest quality level in this state was above the 75th percentile of current market rates. The other state reimbursed child care providers below the 75th percentile of current market rates for their quality level. As a result, it was not possible to compare the reimbursement rate at the highest quality level in this state to the 75th percentile of current market rates.

- The difference between a state's lowest and highest reimbursement rates for center-based care for a four-year-old ranged from 2 percent to 61 percent. There was no consistent relationship between the percentage difference and whether the highest rate was below or above the 75th percentile of current market rates.
  - In nine of the thirty states, the highest rate was less than 10 percent greater than the lowest rate. In five of these nine states, the highest rate was below the 75th percentile of current market rates.
  - In seven states, the highest rate was 10 percent to 19 percent greater than the lowest rate. In two of these seven states, the highest rate was below the 75th percentile of current market rates.
  - In seven states, the highest rate was 20 percent to 29 percent greater than the lowest rate. In six of these seven states, the highest rate was below the 75th percentile of current market rates.
  - In seven states, the highest rate was at least 30 percent greater than the lowest rate. In three of these seven states, the highest rate was below the 75th percentile of current market rates.

Conclusion

While several states made at least some progress in some of their child care assistance policies between February 2007 and February 2008—expanding income eligibility, lowering parent copayments, and/or raising reimbursement rates—these improvements did not extend to all states. Moreover, many states are entering a challenging period in which their budgets are expected to grow tighter, which could make further improvements less likely, and backsliding more likely. As a result, families may face an even more difficult road ahead in obtaining the child care assistance they need.

Endnotes

1 National Association of Child Care Resource and Referral Agencies, Parents and the High Price of Child Care: 2008 Update (Arlington, VA: NACCRRA, 2008), 1, *available at* http://www.naccrra.org/docs/reports/price_report/Price_Report_2008.pdf (last visited July 31, 2008).

2 This report uses 2001 policies as the basis for comparison because it best represents peak federal child care funding. See methodology section for further explanation.

3 The federal poverty level for a family of three was $17,600 in 2008. U.S. Department of Health and Human Services, The 2008 HHS Poverty Guidelines, *available at* http://aspe.hhs.gov/poverty/08poverty.shtml (last visited July 11, 2008). The federal poverty level for a family of three was $17,170 in 2007. U.S. Department of Health and Human Services, The 2007 HHS Poverty Guidelines, *available at* http://aspe.hhs.gov/poverty/07poverty.shtml (last visited July 11, 2008).

4 The federal poverty level for a family of three was $14,630 in 2001. U.S. Department of Health and Human Services, The 2001 HHS Poverty Guidelines, *available at* http://aspe.hhs.gov/poverty/01poverty.htm (last visited July 11, 2008).

5 The stated income limits, in policy, were $29,748 as of February 2008 and $34,104 as of July 2008. The income limits reported in the main text add $100 per month to these totals to take into account the state's standard deduction of $100 per month ($1,200 per year) for each working parent, by assuming there is one working parent in the family.

6 The stated income limits, in policy, were $34,524 as of February and $27,145 as of July 2008. The income limits reported in the main text add $100 per month to these totals to take into account the state's standard deduction of $100 per month ($1,200 per year) for each adult household member working an average of at least thirty-two hours per week per month at the equivalent of minimum wage or higher, by assuming there is one working parent in the family.

7 Elizabeth C. McNichol and Iris J. Lav, 29 States Faced Total Budget Shortfall of at Least 48 Billion in 2009 (Washington, DC: Center on Budget and Policy Priorities, 2008), *available at* http://www.cbpp.org/1-15-08sfp.htm (last visted Sept. 10, 2008).

8 U.S. Department of Health and Human Services, FY 2003 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2002), 83, 92, *available at* http://www.hhs.gov/budget/pdf/hhs2003bib.pdf (last visited July 3, 2008). This amount includes $2.1 billion in discretionary funding and $2.717 billion in mandatory (entitlement) funding.

9 U.S. Department of Health and Human Services, FY 2006 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2005), 88, 93, *available at* http://www.hhs.gov/budget/06budget/FY2006BudgetinBrief.pdf (last visited July 3, 2008). This amount includes $2.083 billion in discretionary funding and $2.717 billion in mandatory (entitlement) funding.

10 U.S. Department of Health and Human Services, Administration for Children and Families, Child Care Bureau, FY 2006 CCDF Allocations (Based on Appropriations), *available at* http://www.acf.hhs.gov/programs/ccb/law/allocations/current/state2006/estimated_final_allocations2006.htm (last visited July 9, 2007). This amount includes $2.062 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding.

11 U.S. Department of Health and Human Services, FY 2009 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2008), 77, 82, *available at* http://www.hhs.gov/budget/09budget/2009BudgetInBrief.pdf (last visited July 3, 2008). This amount includes $2.062 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding.

12 E-mail from Hannah Matthews, Center for Law and Social Policy, to Karen Schulman, National Women's Law Center, July 15, 2008. Inflation adjustment calculated by Center for Law and Social Policy (CLASP) based on data on the Employment Cost Index (ECI) and Consumer Price Index (CPI) in FY 2003-2007 provided to CLASP by the Congressional Budget Office (CBO), and on CBO economic projections for the ECI and CPI in FY 2008 from Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2008 to 2018 (Washington, DC: Congressional Budget Office, Jan. 2008), 145.

13 National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2000 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2000 Through the Fourth Quarter, *available at* http://www.acf.hhs.gov/programs/ofs/data/tanf_2000.html (last visited July 3, 2008). Total includes $2.413 billion transferred to the CCDBG, $353 million spent on child care categorized as "assistance," and $1.200 billion spent on child care categorized as "non-assistance."

14 National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2006 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2006, *available at* http://www.acf.hhs.gov/programs/ofs/data/2006/tanf_2006.html (last visited July 3, 2008). Total includes $1.878 billion transferred to the CCDBG, $221 million spent on child care categorized as "assistance," and $1.017 billion spent on child care categorized as "non-assistance."

15 Office of Management and Budget, Analytical Perspectives, Budget of the United States Government, Fiscal Year 2009 (2008), Table 25-5: Beneficiary Projections for Major Benefit Programs, 375, *available at* http://www.whitehouse.gov/omb/budget/fy2009/pdf/apers/estimates.pdf (last visited Feb. 11, 2008).

16 This study focuses on the income criteria used to determine a family's eligibility when it first applies for assistance, because this traditionally has been used as the measure of access to benefit programs and determines whether a family can enter the program. However, some states allow families to continue to receive assistance up to a higher income level than the initial eligibility cutoff. Information about states that have different entrance and exit eligibility criteria is provided in the notes to Tables 1a and 1b.

17 In states that allow localities to set their income eligibility limits within a state-specified range, the maximum of that range was used for the analysis in this section.

18 These twenty-five states include twenty-three states in which the income limit increased by just one or two percentage points relative to the federal poverty level and two states in which the income limit decreased relative to the federal poverty level by just one or two percentage points.

19 These fourteen states include four states in which the income limit increased by just one percentage point relative to the federal poverty level; one state in which the income limit stayed the same relative to the federal poverty level; and one state in which the income limit decreased relative to the federal poverty level by just one percentage point. These fourteen states also include eight states that set their income limits as a percentage of the federal poverty level and that reported that they would adjust those income limits for the updated federal poverty level later in the year (as they have done in previous years), at which point their income limits would be the same as a percentage of the federal poverty level as in 2001 (or higher, in the case of one state that adjusted for the updated federal poverty level and increased its income limit as a percentage of the federal poverty level); these adjustments were made in order to compare these states' income limits in 2008 to their income limits in 2001, which were determined after the adjustment for the updated federal poverty level had been made.

20 National Women's Law Center analysis of data from Economic Policy Institute, Basic Family Budget Spreadsheets (2005), *available at* http://www.epi.org/datazone/fambud/xls/basic_family_budgets_20050901.xls (last visited July 9, 2008); and from Sylvia Allegretto, Basic Family Budgets: Working Families' Incomes Often Fail to Meet Living Expenses Around the U.S. (Washington, DC: Economic Policy Institute, 2005), *available at* http://www.epinet.org/briefingpapers/165/bp165.pdf (last visited July 9, 2008).

21 *See*, e.g., Karen Schulman and Helen Blank, In Their Own Voices: Parents and Providers Struggling with Child Care Cuts (Washington, DC: National Women's Law Center, 2005), 10; Children's Action Alliance, The Real Reality of Arizona's Working Families—Child Care Survey Highlights (Phoenix, AZ: Children's Action Alliance, 2004); Deborah Schlick, Mary Daly, and Lee Bradford, Faces on the Waiting List: Waiting for Child Care Assistance in Ramsey County (Ramsey County, MN: Ramsey County Human Services, 1999) (Survey conducted by the Minnesota Center for Survey Research at the University of Minnesota); Casey Coonerty and Tamsin Levy, Waiting for Child Care: How Do Parents Adjust to Scarce Options in Santa Clara County? (Berkeley, CA: Policy Analysis for California Education, 1998); Philip Coltoff, Myrna Torres, and Natasha Lifton, The Human Cost of Waiting for Child Care: A Study (New York, NY: Children's Aid Society, 1999); Jennifer Gulley and Ann Hilbig, Waiting List Survey: Gulf Coast Workforce Development Area (Houston, TX: Neighborhood Centers, Inc., 1999); Jeffrey D. Lyons, Susan D. Russell, Christina Gilgor, and Amy H. Staples, Child Care Subsidy: The Costs of Waiting (Chapel Hill, NC: Day Care Services Association, 1998); Philadelphia Citizens for Children and Youth, et al., Use of Subsidized Child Care by Philadelphia Families (Philadelphia, PA: Philadelphia Citizens for Children and Youth, 1997); Greater Minneapolis Day Care Association, Valuing Families: The High Cost of Waiting for Child Care Sliding Fee Assistance (Minneapolis, MN: Greater Minneapolis Day Care Association, 1995).

22 Waiting lists are not a perfect measure of unmet need, however. For example, waiting lists may increase due to expanded outreach efforts that make more families aware of child care assistance programs, and may decrease due to a state's adoption of more restrictive eligibility criteria.

23 If a state determined its copayment based on the cost of care, this study assumed that the family had a four-year-old in a licensed, non-accredited center charging the state's maximum reimbursement rate.

24 U.S. Census Bureau, Who's Minding the Kids? Child Care Arrangements: Spring 2005, Detailed Tables, PPL Table 6 (2008), *available at* http://www.census.gov/population/www/socdemo/childcare.html (last visited July 11, 2008).

25 For a family of three, 150 percent of the federal poverty level was equal to an income of $26,400 in 2008 and $25,755 in 2007.

26 These seven states do not include states that had income eligibility limits to initially qualify for assistance below 150 percent of poverty but allowed families already receiving assistance to remain eligible with incomes above 150 percent of poverty.

27 In 2001, 150 percent of the federal poverty level was equal to an income of $21,945 for a family of three.

28 For this analysis, a state's reimbursement rates in a given year are considered up-to-date if based on a market survey conducted no more than two years prior to that year.

29 States were asked to report data from their most recent market rate survey, and most states reported data from 2006 or 2007 surveys. However, four states—Connecticut, Kentucky, New Hampshire, and New Jersey—reported data from 2005. Connecticut and New Jersey are included in these twenty states because their reimbursement rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their reimbursement rates would be 20 percent or more below the 75th percentile of current market rates. Kentucky and New Hampshire are not included in the twenty states because their reimbursement rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their reimbursement rates were 20 percent or more below the 75th percentile of current market rates.

30 Connecticut and New Jersey are included in these eighteen states because their reimbursement rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their reimbursement rates would be 20 percent or more below the 75th percentile of current market rates. Kentucky and New Hampshire are not included in the eighteen states because their reimbursement rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their reimbursement rates were 20 percent or more below the 75th percentile of current market rates.

31 Comparable data were not collected for 2001 or 2007. However, comparable data were collected for 2000 and 2005. In each of these years, thirty-seven states permitted child care providers to charge parents the difference between the state reimbursement rates and the provider's private fee. Karen Schulman and Helen Blank, Child Care Assistance Policies 2005: States Fail to Make Up Lost Ground, Families Continue to Lack Critical Supports (Washington, DC: National Women's Law Center, 2005), 5 and 18; Karen Schulman, Helen Blank, and Danielle Ewen, A Fragile Foundation: State Child Care Assistance Policies (Washington, DC: Children's Defense Fund, 2001), 103.

32 This analysis is based on tiered rates in each state's most populous city, county, or region. Within each state, the use and structure of tiered rates may vary across cities, counties, or regions.

33 This does not include New York, which allows localities to pay higher rates to accredited providers, but which did not report that any localities are currently doing so.

34 These thirteen states include Nevada, which plans to have four tier levels, but so far has only implemented Tier 1 and Tier 4.

Table 1a: Income Eligibility Limits for a Family of Three 2007 and 2008

	Income limit in 2008			Income limit in 2007			Change in income limit 2007 to 2008		
State	As annual dollar amount	As percent of poverty ($17,600 a year)	As percent of state median income	As annual dollar amount	As percent of poverty ($17,170 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$22,320	127%	49%	$20,916	122%	42%	$1,404	5%	7%
Alaska*	$46,243	263%	72%	$46,243	269%	71%	$0	-7%	1%
Arizona*	$28,331	161%	55%	$27,390	160%	57%	$941	1%	-2%
Arkansas*	$35,724	203%	81%	$35,724	208%	83%	$0	-5%	-2%
California*	$45,228	257%	76%	$43,536	254%	75%	$1,692	3%	1%
Colorado*	$22,320-$38,628	127%-219%	38%-65%	$21,580-$37,356	126%-218%	35%-61%	$740-$1,272	1%-2%	3%-5%
Connecticut*	$38,726	220%	50%	$37,514	218%	50%	$1,212	2%	0%
Delaware*	$34,344	195%	54%	$33,216	193%	53%	$1,128	2%	1%
District of Columbia*	$40,225	229%	95%	$40,225	234%	74%	$0	-6%	22%
Florida*	$26,400	150%	50%	$24,900	145%	49%	$1,500	5%	2%
Georgia	$26,560	151%	49%	$26,560	155%	52%	$0	-4%	-3%
Hawaii*	$47,124	268%	71%	$47,124	274%	76%	$0	-7%	-6%
Idaho*	$20,472	116%	46%	$20,472	119%	42%	$0	-3%	4%
Illinois*	$31,776	181%	52%	$30,396	177%	51%	$1,380	4%	1%
Indiana*	$21,804	124%	40%	$21,084	123%	38%	$720	1%	2%
Iowa*	$24,900	141%	45%	$24,084	140%	43%	$816	1%	2%
Kansas*	$31,764	180%	58%	$30,708	179%	56%	$1,056	2%	3%
Kentucky*	$25,746	146%	56%	$24,900	145%	52%	$846	1%	4%
Louisiana*	$31,836	181%	68%	$31,836	185%	70%	$0	-5%	-2%
Maine*	$40,828	232%	75%	$47,200	275%	85%	-$6,372	-43%	-10%
Maryland	$29,990	170%	40%	$29,990	175%	41%	$0	-4%	-1%
Massachusetts*	$35,876	204%	50%	$34,680	202%	48%	$1,196	2%	2%
Michigan	$23,880	136%	40%	$23,880	139%	40%	$0	-3%	0%
Minnesota*	$30,048	171%	46%	$29,050	169%	44%	$998	2%	2%
Mississippi	$34,999	199%	87%	$34,999	204%	82%	$0	-5%	5%
Missouri*	$22,032	125%	41%	$18,216	106%	34%	$3,816	19%	7%
Montana*	$25,752	146%	55%	$24,900	145%	53%	$852	1%	2%
Nebraska*	$20,604	117%	38%	$19,932	116%	37%	$672	1%	1%
Nevada*	$38,916	221%	75%	$38,124	222%	75%	$792	-1%	0%
New Hampshire*	$32,628	185%	48%	$31,548	184%	46%	$1,080	2%	1%
New Jersey*	$34,340	195%	45%	$33,200	193%	44%	$1,140	2%	1%
New Mexico*	$28,330	161%	70%	$25,730	150%	60%	$2,600	11%	10%
New York*	$34,340	195%	57%	$33,200	193%	58%	$1,140	2%	-2%
North Carolina	$36,684	208%	73%	$35,592	207%	70%	$1,092	1%	3%
North Dakota	$29,556	168%	59%	$29,556	172%	51%	$0	-4%	7%
Ohio*	$31,764	180%	57%	$30,720	179%	54%	$1,044	2%	3%
Oklahoma*	$35,100	199%	79%	$29,100	169%	62%	$6,000	30%	17%
Oregon	$32,568	185%	63%	$25,764	150%	50%	$6,804	35%	13%
Pennsylvania*	$34,340	195%	60%	$33,200	193%	57%	$1,140	2%	2%
Rhode Island*	$30,906	176%	47%	$37,350	218%	61%	-$6,444	-42%	-14%
South Carolina*	$25,755	146%	53%	$24,900	145%	52%	$855	1%	1%
South Dakota*	$35,775	203%	69%	$34,575	201%	66%	$1,200	2%	3%
Tennessee	$28,668	163%	60%	$29,016	169%	60%	-$348	-6%	0%
Texas*	$25,755-$41,063	146%-233%	53%-85%	$24,900-$40,347	145%-235%	52%-85%	$716-$855	-2%-1%	0%-1%
Utah*	$30,948	176%	64%	$30,948	180%	58%	$0	-4%	5%
Vermont	$31,032	176%	52%	$31,032	181%	51%	$0	-4%	1%
Virginia*	$25,755-$42,925	146%-244%	40%-66%	$24,900-$41,508	145%-242%	40%-67%	$855-$1,417	1%-2%	-1%-0%
Washington*	$34,344	195%	57%	$33,192	193%	55%	$1,152	2%	2%
West Virginia*	$25,764	146%	59%	$24,144	141%	55%	$1,620	6%	4%
Wisconsin*	$31,765	180%	53%	$31,765	185%	53%	$0	-5%	0%
Wyoming*	$34,176	194%	65%	$33,120	193%	59%	$1,056	1%	5%

* indicates notes found on pages 14 and 15.

Table 1b: Income Eligibility Limits for a Family of Three 2001 and 2008

	Income limit in 2008			Income limit in 2001			Change in income limit 2001 to 2008		
State	As annual dollar amount	As percent of poverty ($17,600 a year)	As percent of state median income	As annual dollar amount	As percent of poverty ($14,630 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$22,320	127%	49%	$18,048	123%	41%	$4,272	3%	8%
Alaska*	$46,243	263%	72%	$44,328	303%	75%	$1,915	-40%	-3%
Arizona*	$28,331	161%	55%	$23,364	160%	52%	$4,967	1%	3%
Arkansas*	$35,724	203%	81%	$23,523	161%	60%	$12,201	42%	21%
California*	$45,228	257%	76%	$35,100	240%	66%	$10,128	17%	10%
Colorado*	$22,320-$38,628	127%-219%	38%-65%	$19,020-$32,000	130%-219%	36%-61%	$3,300-$6,628	-3%-1%	2%-5%
Connecticut*	$38,726	220%	50%	$47,586	325%	75%	-$8,860	-105%	-25%
Delaware*	$34,344	195%	54%	$29,260	200%	53%	$5,084	-5%	0%
District of Columbia*	$40,225	229%	95%	$34,700	237%	66%	$5,525	-9%	29%
Florida*	$26,400	150%	50%	$20,820	142%	45%	$5,580	8%	6%
Georgia	$26,560	151%	49%	$24,278	166%	50%	$2,282	-15%	-1%
Hawaii*	$47,124	268%	71%	$46,035	315%	83%	$1,089	-47%	-12%
Idaho*	$20,472	116%	46%	$20,472	140%	51%	$0	-24%	-5%
Illinois*	$31,776	181%	52%	$24,243	166%	43%	$7,533	15%	9%
Indiana*	$21,804	124%	40%	$20,232	138%	41%	$1,572	-14%	-1%
Iowa*	$24,900	141%	45%	$19,812	135%	41%	$5,088	6%	5%
Kansas*	$31,764	180%	58%	$27,060	185%	56%	$4,704	-4%	2%
Kentucky*	$25,746	146%	56%	$24,140	165%	55%	$1,606	-19%	1%
Louisiana*	$31,836	181%	68%	$29,040	205%	75%	$2,796	-24%	-7%
Maine*	$40,828	232%	75%	$36,452	249%	75%	$4,376	-17%	0%
Maryland	$29,990	170%	40%	$25,140	172%	40%	$4,850	-1%	0%
Massachusetts*	$35,876	204%	50%	$28,968	198%	48%	$6,908	6%	2%
Michigan	$23,880	136%	40%	$26,064	178%	47%	-$2,184	-42%	-8%
Minnesota*	$30,048	171%	46%	$42,304	289%	76%	-$12,256	-118%	-29%
Mississippi	$34,999	199%	87%	$30,999	212%	77%	$4,000	-13%	10%
Missouri*	$22,032	125%	41%	$17,784	122%	37%	$4,248	4%	4%
Montana*	$25,752	146%	55%	$21,948	150%	51%	$3,804	-4%	4%
Nebraska*	$20,604	117%	38%	$25,260	173%	54%	-$4,656	-56%	-16%
Nevada*	$38,916	221%	75%	$33,420	228%	67%	$5,496	-7%	8%
New Hampshire*	$32,628	185%	48%	$27,797	190%	50%	$4,831	-5%	-3%
New Jersey*	$34,340	195%	45%	$29,260	200%	46%	$5,080	-5%	-1%
New Mexico*	$28,330	161%	70%	$28,300	193%	75%	$30	-32%	-5%
New York*	$34,340	195%	57%	$28,644	202%	61%	$5,696	-7%	-4%
North Carolina	$36,684	208%	73%	$32,628	223%	69%	$4,056	-15%	4%
North Dakota	$29,556	168%	59%	$29,556	202%	69%	$0	-34%	-10%
Ohio*	$31,764	180%	57%	$27,066	185%	57%	$4,698	-5%	-1%
Oklahoma*	$35,100	199%	79%	$29,040	198%	66%	$6,060	1%	12%
Oregon	$32,568	185%	63%	$27,060	185%	60%	$5,508	0%	3%
Pennsylvania*	$34,340	195%	60%	$29,260	200%	58%	$5,080	-5%	1%
Rhode Island*	$30,906	176%	47%	$32,918	225%	61%	-$2,012	-49%	-14%
South Carolina*	$25,755	146%	53%	$21,225	145%	45%	$4,530	1%	8%
South Dakota*	$35,775	203%	69%	$22,826	156%	52%	$12,949	47%	17%
Tennessee	$28,668	163%	60%	$24,324	166%	56%	$4,344	-3%	4%
Texas*	$25,755-$41,063	146%-233%	53%-85%	$21,228-$36,516	145%-250%	47%-82%	$4,527-4,547	-16%-1%	3%-6%
Utah*	$30,948	176%	64%	$27,048	185%	56%	$3,900	-9%	7%
Vermont	$31,032	176%	52%	$31,032	212%	64%	$0	-36%	-12%
Virginia*	$25,755-$42,925	146%-244%	40%-66%	$21,948-$27,060	150%-185%	41%-50%	$3,807-$15,865	-4%-59%	-1%-16%
Washington*	$34,344	195%	57%	$32,916	225%	63%	$1,428	-30%	-6%
West Virginia*	$25,764	146%	59%	$28,296	193%	75%	-$2,532	-47%	-16%
Wisconsin*	$31,765	180%	53%	$27,060	185%	51%	$4,705	-4%	2%
Wyoming*	$34,176	194%	65%	$21,948	150%	47%	$12,228	44%	18%

* indicates notes found on pages 14 and 15.

Notes for Tables 1a and 1b: Income Eligibility Limits

The income eligibility limits shown in the table represent the maximum income families can have when they apply for child care assistance. Some states allow families, once receiving assistance, to continue receiving assistance up to a higher income level than that initial limit. These higher exit eligibility limits are reported below for states that have them.

Changes in income limits were calculated using raw data, rather than the rounded numbers shown in the table.

Alabama: In 2001, families already receiving assistance could continue doing so until their income reached $27,756. In 2007, the exit eligibility limit was $32,184. In 2008, the exit eligibility limit was $34,344.

Alaska: The Alaska Permanent Fund Dividend (PFD) payment, which the majority of families in the state receive, is not counted when determining eligibility.

Arizona: As of July 2008, the income limit was increased to $29,040 (165 percent of poverty) to adjust for the 2008 federal poverty level.

Arkansas: The income limits shown in the table take into account a $100-per-month deduction ($1,200 a year) that is allowed for an adult household member who works an average of at least 32 hours per week per month at the equivalent of minimum wage or higher. It is assumed there is one working parent. The stated income limits, in policy, were $22,323 in 2001 and $34,524 in 2007 and 2008.

California: Under policies in effect in 2001, families who had been receiving assistance as of January 1, 1998 could continue doing so until their income reached $46,800 since they were subject to higher income guidelines previously in effect. Also note that two pilot counties (San Mateo and San Francisco) allowed families already receiving assistance to continue to receive it up to an income of $51,876 in 2007 and up to an income of $54,096 in 2008.

Colorado: Counties set their income limits within state guidelines. Also note that counties may allow families already receiving assistance to continue doing so after their income exceeds the initial income eligibility limit for up to six months, if their income remains below 85 percent of the state median income ($52,274 in 2007 and $50,194 in 2008). As of April 2008, the state increased the maximum income at which a county could set its income limit to qualify for assistance to $39,600 (225 percent of poverty) to adjust for the 2008 federal poverty level.

Connecticut: In 2007, families already receiving assistance could continue doing so until their income reached $58,090. In 2008, the exit eligibility limit was $58,089. As of July 2008, the income eligibility limit to qualify for assistance was increased to $39,405, and the exit eligibility limit was increased to $59,107 to adjust for the 2009 state median income estimate.

Delaware: As of October 2008, the income limit will be increased to $35,200 (200 percent of poverty) to adjust for the 2008 federal poverty level.

District of Columbia: In 2001, families already receiving assistance could continue doing so until their income reached $41,640. In 2007 and 2008, the exit eligibility limit was $48,270.

Florida: In 2007, families already receiving assistance could continue doing so until their income reached $33,200. In 2008, the exit eligibility limit was $35,200.

Hawaii: In 2001, the state allowed a 20 percent deduction of all countable income in determining eligibility, which is taken into account in the figure shown here. The stated income limit, in policy, was $36,828. The state no longer used the deduction in 2007 or 2008.

Idaho: As of April 2, 2008, the income limit was increased to $23,184.

Illinois: As of April 2008, the income limit was increased to $35,208. Also note that in 2001, the state allowed a 10 percent earned income deduction in determining eligibility, which is taken into account in the figure shown here. The stated income limit, in policy, was $21,819. The state no longer used the deduction in 2007 or 2008.

Indiana: In 2007, families already receiving assistance could continue doing so until their income reached $23,244. In 2008, the exit eligibility limit was $29,184.

Iowa: For special needs care, the income limit was $33,200 in 2007 and $34,340 in 2008. Also note as of July 2008, the standard income limit was increased to $25,524 (145 percent of poverty), and the income limit for special needs care was increased to $35,200 (200 percent of poverty) to adjust for the 2008 federal poverty level.

Kansas: As of May 2008, the income limit was increased to $32,568 (185 percent of poverty) to adjust for the 2008 federal poverty level.

Kentucky: In 2007, families already receiving assistance could continue doing so until their income reached $27,390. In 2008, the exit eligibility limit was $28,344. As of April 1, 2008, the income limit to qualify for assistance was increased to $26,400 (150 percent of poverty), and the exit eligibility limit was increased to $29,040 (165 percent of poverty) to adjust for the 2008 federal poverty level.

Louisiana: As of May 2008, the income limit was increased to $35,244. Also note that data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead.

Maine: In 2008, families already receiving assistance could continue doing so until their income reached $46,271. The state began using a separate exit eligibility limit in October 2007.

Massachusetts: In 2001, families already receiving assistance could continue doing do until their income reached $49,248. In 2007, the exit eligibility limit was $58,956 and in 2008, it was $60,990. As of July 2008, the income limit to qualify for assistance was increased to $37,526, and the exit eligibility limit was increased to $63,794 to adjust for the 2009 state median income estimate.

Minnesota: In 2007, families already receiving assistance could continue doing so until their income reached $41,500. In 2008, the exit eligibility limit was $42,925.

Missouri: As of July 1, 2008, the income limit to qualify for assistance was increased to $22,356 (127 percent of poverty) to adjust for the 2008 federal poverty level. At that time, the state also instituted a separate exit eligibility limit that allows families already receiving assistance to remain eligible with an income up to $24,464.

Montana: As of August 2008, the income limit was increased to $26,400 (150 percent of poverty) to adjust for the 2008 federal poverty level.

Nebraska: For a family transitioning from TANF, the income limit was $30,720 in 2007 and $31,764 in 2008. As of July 2008, the standard income limit was increased to $21,120 (120 percent of poverty), and the income limit for families transitioning from TANF was increased to $32,568 (185 percent of poverty) to adjust for the 2008 federal poverty level.

Nevada: As of October 2008, the income limit will be increased to $41,640 to adjust for the 2009 state median income estimate.

New Hampshire: As of July 2008, the income limit was increased to $33,440 (190 percent of poverty) to adjust for the 2008 federal poverty level.

New Jersey: In 2001, families already receiving assistance could continue doing so until their annual income reached $36,575. In 2007, the exit eligibility limit was $41,500 and in 2008, it was $42,925. As of October 2008, the income limit to qualify for assistance will be increased to $35,200 (200 percent of poverty), and the exit eligibility limit will be increased to $44,000 (250 percent of poverty) to adjust for the 2008 federal poverty level.

New Mexico: For a period of time following August 1, 2001, the state lowered its income limit for non-TANF families to 100 percent of poverty. Parents whose child care cases were open prior to August 1, 2001 were not subject to this new income limit. Also note that in 2007, families already receiving assistance could continue doing so until their annual income reached $33,200. In 2008, the exit eligibility limit was $34,340. As of April 2008, the income eligibility limit to qualify for assistance was increased to $29,040 (165 percent of poverty), and the exit eligibility limit was increased to $35,200 (200 percent of poverty) to adjust for the 2008 federal poverty level.

New York: Data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead. Also note that as of June 2008, the income limit was increased to $35,200 (200 percent of poverty) to adjust for the 2008 federal poverty level.

Ohio: As of July 1, 2008, the income limit was increased to $35,208.

Oklahoma: The income limit depends on how many children are in care. The income limits shown in the table assume that the family had two children in subsidized care. The income limit for a family of three with only one child in subsidized care was $23,400 in 2007 and $29,100 in 2008. Also note that until July 2007, a family of three with two children in care could remain eligible with an income up to $35,100 only if the family had been approved to receive child care assistance as of August 31, 2004. As of July 2007, the state increased its income limit to qualify for assistance to $35,100 (for a family of three with one child) and no longer had a separate exit eligibility limit for any families.

Pennsylvania: In 2001, families already receiving assistance could continue doing so until their annual income reached $34,381. In 2007, the exit eligibility limit was $39,010 and in 2008, it was $40,350. As of May 2008, the income limit to qualify for assistance was increased to $35,200 (200 percent of poverty), and the exit eligibility limit was increased to $41,360 (235 percent of poverty) to adjust for the 2008 federal poverty level.

Rhode Island: As of March 2008, the income limit was increased to $31,680 (180 percent of poverty) to adjust for the 2008 federal poverty level.

South Carolina: In 2001, families already receiving assistance could continue doing so until their annual income reached $24,763. In 2007, the exit eligibility limit was $29,050 and in 2008, it was $30,048. As of October 2008, the income limit to qualify for assistance will be increased to $26,400 (150 percent of poverty), and the exit eligibility limit will be increased to $30,800 (175 percent of poverty) to adjust for the 2008 federal poverty level.

South Dakota: The income limits shown in the table take into account that the state disregards 4 percent of earned income in determining eligibility. The stated income limits, in policy, were $21,913 in 2001, $33,192 in 2007, and $34,344 in 2008. As of March 2008, the state increased its stated income limit to $35,208 (200 percent of poverty) to adjust for the 2008 federal poverty level.

Texas: Local boards set their own income limits within state guidelines. Some local boards allow families an extended year of child care assistance up to a higher income than the initial eligibility limit; however, this exit eligibility limit cannot exceed 85 percent of state median income.

Utah: The income limits shown in the table take into account a monthly standard deduction of $100 ($1,200 a year) for each working parent, assuming there is one working parent in the family. The stated income limits, in policy, were $25,848 in 2001 and $29,748 in 2007 and 2008. The state allows a deduction of $100 per month for the household for medical expenses as well. Also note that as of July 2008, the state began allowing families already receiving assistance to remain eligible up to a stated income limit of $34,104.

Virginia: The state has different income limits for different regions of the state. In 2001, the state had three separate regional income limits, which for a family of three were: $21,948, $23,400, and $27,060. In 2007, the state had four regional income limits: $24,900, $26,568, $30,720, and $41,508. In 2008, the state also had four separate regional income limits: $25,755, $27,472, $31,765, and $42,925. The state adjusted its income limits for the 2008 federal poverty level as of June 2008; the new regional income limits are: $26,400 (150 percent of poverty), $28,160 (160 percent of poverty), $32,560 (185 percent of poverty), and $44,000 (250 percent of poverty).

Washington: As of April 1, 2008, the income limit was increased to $35,208 (200 percent of poverty) to adjust for the 2008 federal poverty level.

West Virginia: In 2007, families already receiving assistance could continue doing so until their income reached $29,772. In 2008, the exit eligibility limit was $31,764.

Wisconsin: In 2001, families already receiving assistance could continue doing so until their annual income reached $29,256. In 2007 and 2008, the exit eligibility limit was $34,340.

Wyoming: The income limits shown in the table for 2007 and 2008 take into account a standard deduction of $200 per month ($2,400 a year) for each working parent, assuming there is one working parent in the family. The stated income limits, in policy, were $30,720 in 2007 and $31,776 in 2008. Also note that, in 2001, families already receiving assistance could continue doing so until their annual income reached $27,060. In 2007, the stated exit eligibility limit was $33,204 and in 2008, it was $34,344. As of April 1, 2008, the stated income limit to qualify for assistance was increased to $32,568 (185 percent of poverty), and the exit eligibility limit was increased to $35,200 (200 percent of poverty) to adjust for the 2008 federal poverty level.

Table 2: Waiting Lists for Child Care Assistance

State	Number of children or families on waiting lists as of early 2008	Number of children or families on waiting lists as of early 2007	Number of children or families on waiting lists as of December 2001
Alabama*	10,131 children	6,635 children	5,089 children
Alaska	No waiting list	No waiting list	588 children
Arizona	No waiting list	No waiting list	No waiting list
Arkansas*	4,983 families	1,350 children	8,000 children
California*	204,063 children	207,000 children (preliminary)	280,000 children (estimated)
Colorado*	No waiting list	No waiting list	Waiting lists at county level
Connecticut	No waiting list	No waiting list	Frozen intake
Delaware	No waiting list	No waiting list	No waiting list
District of Columbia*	No waiting list	No waiting list	9,124 children
Florida	47,603 children	44,898 children	46,800 children
Georgia*	10,268 families	24,808 families	16,099 children
Hawaii	No waiting list	No waiting list	No waiting list
Idaho	No waiting list	No waiting list	No waiting list
Illinois	No waiting list	No waiting list	No waiting list
Indiana*	4,788 children	3,143 children	11,958 children
Iowa	No waiting list	No waiting list	No waiting list
Kansas	No waiting list	No waiting list	No waiting list
Kentucky	No waiting list	No waiting list	No waiting list
Louisiana	No waiting list	No waiting list	No waiting list
Maine	1,100 children	1,779 children	2,000 children
Maryland	No waiting list	No waiting list	No waiting list
Massachusetts	17,840 children	18,723 children	18,000 children
Michigan	No waiting list	No waiting list	No waiting list
Minnesota*	3,785 families	3,077 families	4,735 children
Mississippi	7,455 children	13 children	10,422 children
Missouri	No waiting list	No waiting list	No waiting list
Montana	No waiting list	No waiting list	Varies by resource and referral district
Nebraska	No waiting list	No waiting list	No waiting list
Nevada*	No waiting list	No waiting list	No waiting list
New Hampshire	No waiting list	No waiting list	No waiting list
New Jersey*	3,094 children	4,600 children	9,800 children
New Mexico	No waiting list	No waiting list	No waiting list
New York*	Waiting lists at county level	Waiting lists at county level	Waiting lists at county level
North Carolina	27,153 children	17,519 children	25,363 children
North Dakota	No waiting list	No waiting list	No waiting list
Ohio	No waiting list	No waiting list	No waiting list
Oklahoma	No waiting list	No waiting list	No waiting list
Oregon	No waiting list	No waiting list	No waiting list
Pennsylvania	8,424 children	7,529 children	540 children
Rhode Island	No waiting list	No waiting list	No waiting list
South Carolina	No waiting list	No waiting list	No waiting list
South Dakota	No waiting list	No waiting list	No waiting list
Tennessee*	Frozen intake	Frozen intake	9,388 children (and frozen intake)
Texas*	22,369 children	15,231 children	36,799 children
Utah	No waiting list	No waiting list	No waiting list
Vermont	No waiting list	No waiting list	No waiting list
Virginia*	7,184 children	9,312 children	4,255 children
Washington	No waiting list	No waiting list	No waiting list
West Virginia	No waiting list	No waiting list	No waiting list
Wisconsin	No waiting list	No waiting list	No waiting list
Wyoming	No waiting list	No waiting list	No waiting list

* indicates notes found on page 17.

Notes for Table 2: Waiting Lists for Child Care Assistance

Alabama: Data for December 2001 are not available so data from November of that year are used instead.

Arkansas: The 2007 waiting list total is as of May 3 of that year.

California: The total reported for 2001 is an estimated figure. The 2007 total is a preliminary count based on initial efforts to develop a consolidated statewide list from county waiting lists.

Colorado: Waiting lists are kept at the county level, rather than at the state level. Four counties had waiting lists in 2001, but data on the total number of children on waiting lists in counties that had them are not available. In addition, four counties had frozen intake in 2001. In 2007, no counties had waiting lists. In 2008, no counties had waiting lists as of February, but as of April 1, Archuleta County had a wait list.

District of Columbia: The waiting list total for 2001 may include some children living in the wider metropolitan area that encompasses parts of Maryland and Virginia.

Georgia: The waiting list totals for 2007 and 2008 are from January for each year.

Indiana: In addition to the waiting list, some counties froze intake in 2001.

Minnesota: The waiting list totals for 2007 and 2008 are from January for each year.

Nevada: The state has a waiting list that went into effect as of July 1, 2008.

New Jersey: Data for 2001 are not available, so data from March 2002 are used instead. The waiting list total for 2008 is as of May of that year.

New York: Waiting lists are kept at the county level and statewide data are not available. Each county also has the authority to freeze intake and stop adding names to its waiting list.

Tennessee: When the state reported its data in 2001, the state had frozen intake for families not in the TANF or Transitional Child Care programs. The waiting list figure for 2001 represents the number of children on the waiting list when intake was closed. The state did not provide a similar number for 2007 or 2008, when the waiting list was also frozen. The state only provides child care assistance to families with a connection to the TANF program, teenage parents in school, and caretakers in TANF child-only cases who are employed full time.

Texas: Local workforce development boards maintain waiting lists. The totals in the table represent the aggregate number of children on waiting lists across all boards. In addition, some boards have frozen intake.

Virginia: Data for December 2001 are not available, so data from January of that year are used instead.

Table 3a: Parent Copayments for a Family of Three with an Income at 150 Percent of Poverty and One Child in Care

State	Monthly fee in 2008		Monthly fee in 2007		Monthly fee in 2001		Change 2007 to 2008		Change 2001 to 2008	
	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama	$184	8%	$217	10%	$215	12%	-$33	-2%	-$31	-3%
Alaska	$61	3%	$32	1%	$71	4%	$29	1%	-$10	-1%
Arizona	$152	7%	$152	7%	$217	12%	$0	0%	-$65	-5%
Arkansas*	$102	5%	$102	5%	$224	12%	$0	0%	-$122	-8%
California	$76	3%	$65	3%	$0	0%	$11	0%	$76	3%
Colorado	$242	11%	$237	11%	$185	10%	$5	0%	$57	1%
Connecticut	$132	6%	$129	6%	$110	6%	$3	0%	$22	0%
Delaware	$220	10%	$382	18%	$159	9%	-$163	-8%	$61	1%
District of Columbia	$118	5%	$118	5%	$91	5%	$0	0%	$27	0%
Florida*	$120	5%	$172	8%	$104	6%	-$53	-3%	$16	0%
Georgia	$178	8%	$195	9%	$139	8%	-$17	-1%	$39	0%
Hawaii	$50	2%	$50	2%	$38	2%	$0	0%	$12	0%
Idaho	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Illinois	$160	7%	$160	7%	$134	7%	$0	0%	$26	0%
Indiana*	$198	9%	Not eligible	Not eligible	$154	8%	N/A	N/A	$44	1%
Iowa*	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Kansas	$207	9%	$207	10%	$162	9%	$0	0%	$45	1%
Kentucky	$253	12%	$231	11%	$177	10%	$22	1%	$76	2%
Louisiana*	$231	11%	$231	11%	$114	6%	$0	0%	$117	4%
Maine	$218	10%	$214	10%	$183	10%	$4	0%	$35	0%
Maryland*	$300	14%	$290	14%	$236	13%	$10	0%	$64	1%
Massachusetts	$196	9%	$195	9%	$160	9%	$1	0%	$36	0%
Michigan	Not eligible	Not eligible	Not eligible	Not eligible	$24	1%	N/A	N/A	N/A	N/A
Minnesota	$71	3%	$105	5%	$53	3%	-$34	-2%	$18	3%
Mississippi*	$147	7%	$138	6%	$105	6%	$9	0%	$42	1%
Missouri	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Montana	Not eligible	Not eligible	Not eligible	Not eligible	$256	14%	N/A	N/A	N/A	N/A
Nebraska*	Not eligible	Not eligible	Not eligible	Not eligible	$129	7%	N/A	N/A	N/A	N/A
Nevada	$202	9%	$224	10%	$281	15%	-$21	-1%	-$79	-6%
New Hampshire	$2	<1%	$2	<1%	$2	<1%	$0	0%	$0	0%
New Jersey	$106	5%	$157	7%	$133	7%	-$51	-2%	-$27	-2%
New Mexico	$135	6%	$133	6%	$115	6%	$2	0%	$20	0%
New York*	$269	12%	$267	12%	$191	10%	$2	0%	$78	2%
North Carolina	$220	10%	$215	10%	$159	9%	$5	0%	$61	1%
North Dakota	$336	15%	$320	15%	$293	16%	$16	0%	$43	-1%
Ohio	$194	9%	$194	9%	$88	5%	$0	0%	$106	4%
Oklahoma*	$179	8%	$179	8%	$146	8%	$0	0%	$33	0%
Oregon	$307	14%	$584	27%	$319	17%	-$277	-13%	-$12	-3%
Pennsylvania	$173	8%	$173	8%	$152	8%	$0	0%	$21	0%
Rhode Island	$176	8%	$149	7%	$19	1%	$27	1%	$157	7%
South Carolina	$87	4%	$56	3%	$77	4%	$30	1%	$10	0%
South Dakota	$330	15%	$322	15%	$365	20%	$8	0%	-$35	-5%
Tennessee	$191	9%	$178	8%	$112	6%	$13	0%	$79	3%
Texas*	$198-$242	9%-11%	$193-$236	9%-11%	$165-$256	9%-14%	$5-$6	0%	-$14-$33	-3%-0%
Utah	$150	7%	$150	7%	$220	12%	$0	0%	-$70	-5%
Vermont	$321	15%	$312	15%	$123	7%	$9	0%	$198	8%
Virginia	$220	10%	$215	10%	$183	10%	$5	0%	$37	0%
Washington	$152	7%	$157	7%	$87	5%	-$5	0%	$65	2%
West Virginia	$114	5%	$103	5%	$54	3%	$11	0%	$60	2%
Wisconsin	$212	10%	$204	9%	$160	9%	$9	0%	$52	1%
Wyoming	$68	3%	$39	2%	$98	5%	$29	1%	-$30	-2%

* indicates notes found on page 20.

Table 3B: Parent Copayments for a Family of Three with an Income at 100 Percent of Poverty and One Child in Care

	Monthly fee in 2008		Monthly fee in 2007		Monthly fee in 2001		Change 2007 to 2008		Change 2001 to 2008	
State	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama	$65	4%	$65	5%	$65	5%	$0	0%	$0	-1%
Alaska	$15	1%	$11	1%	$14	1%	$4	0%	$1	0%
Arizona	$65	4%	$65	5%	$65	5%	$0	0%	$0	-1%
Arkansas*	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
California	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Colorado	$150	10%	$145	10%	$113	9%	$5	0%	$37	1%
Connecticut	$59	4%	$57	4%	$49	4%	$2	0%	$10	0%
Delaware	$100	7%	$153	11%	$55	5%	-$53	-4%	$45	2%
District of Columbia	$44	3%	$44	3%	$32	3%	$0	0%	$12	0%
Florida*	$90	6%	$106	7%	$69	6%	-$17	-1%	$21	0%
Georgia	$130	9%	$123	9%	$21	2%	$7	0%	$109	7%
Hawaii	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Idaho	$177	12%	$105	7%	$65	5%	$72	5%	$112	7%
Illinois	$87	6%	$87	6%	$65	5%	$0	0%	$22	1%
Indiana*	$74	5%	$72	5%	$0	0%	$2	0%	$74	5%
Iowa*	$9	1%	$0	0%	$22	2%	$9	1%	-$13	-1%
Kansas	$58	4%	$58	4%	$22	2%	$0	0%	$36	2%
Kentucky	$121	8%	$121	8%	$97	8%	$0	0%	$24	0%
Louisiana*	$154	11%	$154	11%	$49	4%	$0	0%	$105	6%
Maine	$116	8%	$114	8%	$97	8%	$2	0%	$19	0%
Maryland*	$156	11%	$151	11%	$90	7%	$5	0%	$66	3%
Massachusetts	$119	8%	$119	8%	$40	3%	$0	0%	$79	5%
Michigan	$22	2%	$22	2%	$24	2%	$0	0%	-$2	0%
Minnesota	$39	3%	$47	3%	$5	<1%	-$8	-1%	$34	3%
Mississippi*	$72	5%	$72	5%	$47	4%	$0	0%	$25	1%
Missouri	$88	6%	$88	6%	$43	4%	$0	0%	$45	2%
Montana	$59	4%	$57	4%	$49	4%	$2	0%	$10	0%
Nebraska	$57	4%	$55	4%	$30	2%	$2	0%	$27	1%
Nevada	$51	3%	$56	4%	$0	0%	-$5	0%	$51	3%
New Hampshire	$1	0%	$1	<1%	$0	0%	$0	0%	$1	0%
New Jersey	$77	5%	$90	6%	$71	6%	-$14	-1%	$6	-1%
New Mexico	$61	4%	$59	4%	$47	4%	$2	0%	$14	0%
New York*	$13	1%	$17	1%	$4	<1%	$15	1%	$9	1%
North Carolina	$147	10%	$143	10%	$106	9%	$4	0%	$41	1%
North Dakota	$189	13%	$180	13%	$158	13%	$9	0%	$31	0%
Ohio	$105	7%	$130	9%	$43	4%	-$25	-2%	$62	4%
Oklahoma	$105	7%	$105	7%	$54	4%	$0	0%	$51	3%
Oregon	$114	8%	$156	11%	$90	7%	-$42	-3%	$24	0%
Pennsylvania	$87	6%	$87	6%	$65	5%	$0	0%	$22	1%
Rhode Island	$29	2%	$14	1%	$0	0%	$15	1%	$29	2%
South Carolina	$61	4%	$39	3%	$43	4%	$22	1%	$18	1%
South Dakota	$10	1%	$10	1%	$0	0%	$0	0%	$10	1%
Tennessee	$82	6%	$87	6%	$39	3%	-$5	0%	$43	2%
Texas*	$132-$161	9%-11%	$129-$157	9%-11%	$109-$170	9%-14%	$3-$4	0%	-$9-$23	-3%-0%
Utah	$10	1%	$10	1%	$36	3%	$0	0%	-$26	-2%
Vermont	$74	5%	$72	5%	$0	0%	$2	0%	$74	5%
Virginia	$147	10%	$143	10%	$122	10%	$4	0%	$25	0%
Washington	$50	3%	$50	3%	$20	2%	$0	0%	$30	2%
West Virginia	$81	6%	$43	3%	$27	2%	$38	3%	$54	3%
Wisconsin	$95	6%	$147	10%	$61	5%	-$52	-4%	$34	1%
Wyoming	$10	1%	$10	1%	$10	1%	$0	0%	$0	0%

* indicates notes found on page 20.

Notes for Tables 3a and 3b: Parent Copayments

For a family of three, an income at 100 percent of poverty was equal to $14,630 a year in 2001, $17,170 a year in 2007, and $17,600 a year in 2008.

For a family of three, an income at 150 percent of poverty was equal to $21,945 a year in 2001, $25,755 a year in 2007, and $26,400 a year in 2008.

For states that calculate their fees as a percentage of the cost of care, it is assumed that the family was purchasing care at the state's maximum reimbursement rate for licensed, non-accredited center care for a four-year-old. Monthly fees were calculated from hourly, daily, and weekly fees assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month.

Changes in copayments were calculated using raw data, rather than the rounded numbers shown in the table.

Arkansas: The state determines copayments based on the cost of care.

Florida: Local coalitions have flexibility in setting copayments; the copayments in the table reflect the maximum copayment levels allowed under state policy and used by a local coalition.

Indiana: Copayments vary depending on how long the family has been receiving child care assistance, with families paying a higher percentage of income the longer they receive assistance. The copayments shown in the table assume it is the first year the family is receiving assistance.

Iowa: A family with an income at 150 percent of poverty would be eligible for assistance if the family were using special needs care. For this family, the copayment in 2007 would have been $198 per month, and in 2008, it would have been $174 per month. A family of three with an income at 100 percent of poverty that is using special needs care would have the same copayment as a family using basic care. Also note that no copayment is assessed for families with incomes under 100 percent of poverty.

Louisiana: Data are not available for June 2001, so data from March 2000 are used instead.

Maryland: The state determines copayments based on maximum state reimbursement rates in the region where the family lives.

Mississippi: For children in foster care or protective services and children receiving Supplemental Security Income (SSI) benefits, the copayment is $10 per month.

Nebraska: A family with an income at 150 percent of poverty would be eligible if the family were transitioning from TANF. In 2007, this family's copayment would have been $166 per month, and in 2008, it would have been $171 per month.

New York: Data are not available for June 2001, so data from March 2000 are used instead. Also note that the state allows districts the flexibility to set copayments within a state-specified range; the copayments in the table reflect the maximum amount possible in that range. In New York City, copayments are capped at 10 percent of income.

Oklahoma: In 2007, a family of three with one child in care and an income at 150 percent of poverty would not have been eligible for assistance unless it were already receiving assistance as of August 31, 2004.

Texas: Local workforce boards set their own copayments within state guidelines. Also note that parents participating in the TANF work program (Choices) and the Food Stamp Employment and Training program are exempt from the copayment.

Table 4A: State Reimbursement Rates 2008

State	State reimbursement rates compared to market rates	Year when rates last updated	If state rate is lower than rate provider charges, is provider allowed to charge parents the difference?
Alabama*	10th-45th percentile of 2007 rates	2007	Yes
Alaska	35th percentile of 2005 rates	2001	Yes
Arizona	75th percentile of 2000 rates plus 5%	2007	Yes
Arkansas*	75th percentile of 2006 rates	2006	Yes, for state-approved
California	85th percentile of 2005 rates	2006	Yes
Colorado*	Varies by locality	Varies by locality	No
Connecticut	60th percentile of 2001 rates	2002	Yes
Delaware	57-74% of the 75th percentile of 2007 rates	2006	Yes
District of Columbia	Below the 75th percentile of 2004 rates	2005	No
Florida*	51-105% of the 75th percentile of 2007 market rates	2007	Yes
Georgia	50th percentile of 2005 rates	2006	Yes
Hawaii	Below the 75th percentile of 2007 rates	2006	Yes
Idaho	15th-85th percentile of 2001 rates	2001	Yes
Illinois*	25th-100th percentile of 2006 rates	2008	Yes, unless contracted
Indiana	75th percentile of 2007 rates	2007	Yes
Iowa	75th percentile of 2004 rates	2007	No
Kansas*	60th/65th of 2000 rates	2002	Yes
Kentucky	68th percentile of 2005 rates	2005	Yes
Louisiana*	Below the 75th percentile of 2007 rates (except school-based)	2007	Yes
Maine	75th percentile of 2006 rates	2006	No
Maryland	45th percentile of 2005 rates	2007	Yes
Massachusetts	35th-60th percentile of 2006 rates	2006	No
Michigan	Below the 75th percentile of 2007 rates	2007	Yes
Minnesota*	39th-60th percentile of 2007 rates	2006	Yes
Mississippi	Below the 75th percentile of 2007 rates	2007	Yes
Missouri*	14th-45th percentile of 2006-2007 rates	2007	Yes
Montana	75th percentile of 2007 rates	2007	Yes
Nebraska	50th-75th percentile of 2007 rates	2007	No
Nevada*	73-85% of the 75th percentile of 2004 rates	2004	Yes
New Hampshire	48th percentile of 2005 rates	2007	Yes
New Jersey*	Below the 75th percentile of 2006 market rates	2008	Yes, unless contracted
New Mexico	53-92% of the 75th percentile of 2007 rates	2007	No
New York	75th percentile of 2007 rates	2007	Yes
North Carolina*	Below the 75th percentile of 2007 rates (by quality level)	2007	Yes
North Dakota*	Below the 75th percentile of 2007 rates	2007	Yes
Ohio	65th percentile of 2006 rates	2007	No
Oklahoma*	Varies	2008	No
Oregon	75th percentile of 2006 rates	2007	Yes
Pennsylvania*	At least the 62nd/55th percentile of 2007 rates	2007	Yes
Rhode Island	75th percentile of 2002 rates	2004	No
South Carolina*	75th percentile of 2007 rates	2007	Yes
South Dakota	75th percentile of 2007 rates	2007	Yes
Tennessee*	45th-60th percentile of 2006 rates	2008	Yes
Texas*	22nd-71st percentile of 2007 rates	2007	Yes
Utah	75th percentile of 2007 rates	2007	Yes
Vermont	Below the 75th percentile of 2006 rates	2007	Yes
Virginia*	5th-above the 100th percentile of 2005 rates	2004	Yes
Washington	Below the 75th percentile of 2006 rates	2007	No
West Virginia*	45th-90th percentile of 2006 rates	2007	No
Wisconsin	75th percentile of 2005 rates	2006	Yes
Wyoming	75th percentile of 2006 rates	2007	Yes

* indicates notes found on pages 25 and 26.

Table 4B: State Reimbursement Rates Compared to the 75th Percentile of Current Market Rates 2008, 2007, and 2001

	Rates equal to or above the 75th percentile of current market rates....		
State	**In 2008?**	**In 2007?**	**In 2001?**
Alabama*	No	No	Yes
Alaska	No	No	No
Arizona	No	No	No
Arkansas	Yes	Yes	Yes
California	No	Yes	Yes
Colorado*	No	No	Yes
Connecticut	No	No	No
Delaware	No	No	No
District of Columbia	No	No	No
Florida*	No	No	Yes
Georgia	No	No	No
Hawaii	No	No	No
Idaho	No	No	Yes
Illinois*	No	No	No
Indiana	Yes	Yes	Yes
Iowa	No	No	No
Kansas*	No	No	No
Kentucky	No	No	Yes
Louisiana*	No	No	Yes
Maine	Yes	Yes	Yes
Maryland	No	No	Yes
Massachusetts	No	No	No
Michigan	No	No	No
Minnesota*	No	No	Yes
Mississippi	No	No	Yes
Missouri*	No	No	No
Montana*	Yes	Yes	No
Nebraska	No	No	No
Nevada*	No	No	Yes
New Hampshire	No	No	No
New Jersey*	No	No	No
New Mexico	No	No	No
New York	Yes	Yes	Yes
North Carolina*	No	Yes	No
North Dakota	No	No	Yes
Ohio	No	No	No
Oklahoma*	No	No	No
Oregon	Yes	No	No
Pennsylvania*	No	No	No
Rhode Island	No	No	Yes
South Carolina*	Yes	No	No
South Dakota	Yes	Yes	Yes
Tennessee*	No	No	No
Texas*	No	No	Yes
Utah	Yes	No	No
Vermont	No	No	No
Virginia*	No	No	No
Washington	No	No	No
West Virginia*	No	No	Yes
Wisconsin	No	Yes	Yes
Wyoming	Yes	No	Yes

* indicates notes found on pages 25 and 26.

Table 4C: State Reimbursement Rate Amount in 2008 Compared to Market Rate Amount for Child Care Centers

State	City/county/region*	Center Care for a Four-Year-Old					Center Care for a One-Year-Old				
		Monthly state reimbursement rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile	Monthly state reimbursement rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile
Alabama	Birmingham Region	$429	$498	2007	-$69	-14%	$455	$541	2007	-$86	-16%
Alaska	Anchorage	$550	$685	2007	-$135	-20%	$647	$803	2007	-$156	-19%
Arizona	Maricopa County (Phoenix)	$541	$722	2006	-$181	-25%	$605	$823	2006	-$218	-27%
Arkansas	Pulaski County	$457	$457	2006	$0	0%	$552	$552	2006	$0	0%
California	Los Angeles	$744	$787	2007	-$44	-6%	$1,029	$1,228	2007	-$199	-16%
Colorado*	Denver County	$578	$744	2006	-$166	-22%	$721	$898	2006	-$178	-20%
Connecticut	North Central Region	$645	$856	2005	-$211	-25%	$813	$1,023	2005	-$210	-21%
Delaware	New Castle County	$478	$758	2007	-$280	-37%	$539	$909	2007	-$370	-41%
District of Columbia	Citywide	$632	$1,121	2006	-$488	-44%	$881	$1,337	2006	-$456	-34%
Florida	Miami-Dade	$403	$520	2007	-$117	-23%	$442	$541	2007	-$100	-18%
Georgia	Region 13 (Fulton County)	$494	$650	2007	-$156	-24%	$602	$758	2007	-$156	-21%
Hawaii	Statewide	$500	$575	2007	-$75	-13%	$700	$1,337	2007	-$637	-48%
Idaho*	Boise Metro Area (Region IV)	$492	$541	2007	-$49	-9%	$594	$602	2007	-$8	-1%
Illinois*	Metropolitan Region (Group 1A)	$599	$844	2006	-$246	-29%	$850	$1,083	2006	-$232	-21%
Indiana	Marion County	$693	$693	2007	$0	0%	$944	$944	2007	$0	0%
Iowa*	Statewide	$550	$613	2006	-$63	-10%	$682	$730	2006	-$48	-7%
Kansas	Sedgwick County	$429	$633	2006	-$205	-32%	$655	$1,035	2006	-$380	-37%
Kentucky	Central Region	$473	$490	2005	-$17	-3%	$540	$550	2005	-$10	-2%
Louisiana	Statewide	$385	$421	2007	-$36	-9%	$407	$477	2007	-$70	-15%
Maine	Cumberland County	$723	$723	2006	$0	0%	$866	$866	2006	$0	0%
Maryland*	Region W	$511	$667	2007	-$156	-23%	$823	$1,035	2007	-$212	-21%
Massachusetts	Greater Boston	$791	$1,011	2006	-$220	-22%	$1,176	$1,695	2006	-$519	-31%
Michigan	Wayne County (Shelter Area IV)	$444	$650	2007	-$205	-32%	$565	$801	2007	-$236	-29%
Minnesota	Hennepin County	$859	$974	2007	-$115	-12%	$1,154	$1,329	2007	-$176	-13%
Mississippi	Statewide	$312	$338	2007	-$26	-8%	$339	$380	2007	-$41	-11%
Missouri	St. Louis (Metro Region)	$354	$704	2007	-$350	-50%	$595	$880	2007	-$285	-32%
Montana	Billings Region	$541	$541	2007	$0	0%	$628	$628	2007	$0	0%
Nebraska	Lancaster, Douglas, Sarpy, Dakota Counties	$622	$654	2007	-$31	-5%	$736	$779	2007	-$43	-6%
Nevada	Clark County	$506	$968	2006	-$462	-48%	$616	$1,144	2006	-$528	-46%
New Hampshire	Statewide	$612	$704	2005	-$92	-13%	$725	$813	2005	-$88	-11%
New Jersey	Statewide	$573	$783	2005	-$210	-27%	$695	$874	2005	-$179	-20%
New Mexico	Metropolitan Areas	$440	$607	2007	-$167	-28%	$521	$662	2007	-$141	-21%
New York	New York City	$970	$970	2007	$0	0%	$1,602	$1,602	2007	$0	0%
North Carolina*	Mecklenburg County	$670	$795	2007	-$125	-16%	$737	$910	2007	-$173	-19%
North Dakota	Statewide	$420	$506	2007	-$86	-17%	$460	$565	2007	-$105	-19%
Ohio	Cuyahoga County	$639	$721	2006	-$82	-11%	$803	$961	2006	-$159	-17%
Oklahoma*	Enhanced Area (Metro) Counties	$422	$485	2007	-$63	-13%	$579	$589	2007	-$10	-2%
Oregon*	Group Area A	$705	$705	2006	$0	0%	$894	$894	2006	$0	0%
Pennsylvania	Philadelphia	$714	$736	2007	-$22	-3%	$888	$888	2007	$0	0%
Rhode Island	Statewide	$650	$758	2006	-$108	-14%	$788	$918	2006	-$130	-14%
South Carolina*	Statewide Urban Counties	$455	$455	2007	$0	0%	$507	$507	2007	$0	0%
South Dakota	Minnehaha County	$585	$585	2007	$0	0%	$682	$682	2007	$0	0%
Tennessee*	Top 21 Counties in Population/Income	$515	$544	2006	-$29	-5%	$598	$602	2006	-$4	-1%
Texas	Gulf Coast Workforce Development Area	$424	$848	2007	-$425	-50%	$535	$952	2007	-$417	-44%
Utah	Statewide	$450	$450	2007	$0	0%	$564	$564	2007	$0	0%
Vermont	Statewide	$494	$671	2006	-$177	-26%	$555	$685	2006	-$130	-19%
Virginia	Fairfax County	$827	N/A	N/A	N/A	N/A	$1,005	N/A	N/A	N/A	N/A
Washington	Seattle/King County (Region 4)	$653	$920	2006	-$267	-29%	$779	$1,200	2006	-$421	-35%
West Virginia	Statewide	$411	$433	2006	-$22	-5%	$541	$541	2006	$0	0%
Wisconsin	Top 25% Urbanized Counties	$779	$836	2007	-$56	-7%	$1,005	$1,083	2007	-$78	-7%
Wyoming	Statewide	$531	$531	2006	$0	0%	$585	$585	2006	$0	0%

* indicates notes found on pages 25 and 26.

Table 4d: State Tiered Reimbursement Rates for Center Care for a Four-Year-Old in 2008

State	City/county/region*	Number of tier levels (including base rate)	Reimbursement rate for lowest tier	Reimbursement rate for highest tier	Reimbursement rates between highest and lowest tiers	Difference between highest and lowest tiers	Percentage difference between highest and lowest tiers	75th percentile of market rate	Difference between rate at highest tier and 75th percentile	Percentage difference between rate at highest tier and 75th percentile
Alabama										
Alaska										
Arizona	Maricopa County (Phoenix)	2	$541	$595	N/A	$54	10%	$722	-$126	-18%
Arkansas										
California										
Colorado*	Denver County	6	$578	$773	$619, $643, $706, $740	$196	34%	$744	$30	4%
Connecticut	North Central Region	2	$645	$677	N/A	$32	5%	$856	-$179	-21%
Delaware										
District of Columbia	Citywide	3	$632	$909	$771	$277	44%	$1,121	-$212	-19%
Florida*	Miami-Dade	2	$403	$483	N/A	$81	20%	$520	-$36	-7%
Georgia										
Hawaii*	Statewide	2	$500	$530	N/A	$30	6%	$575	-$45	-8%
Idaho										
Illinois*	Metropolitan Region (Group 1A)	5	$599	$719	$629, $659, $689	$120	20%	$844	-$126	-15%
Indiana	Marion County	2	$693	$704	N/A	$11	2%	$693	$11	2%
Iowa										
Kansas										
Kentucky*	Central Region	4	$462	$521	See notes	$59	13%	$490	$31	6%
Louisiana*	Statewide	5	$385	$539	See notes	$154	40%	$421	$118	28%
Maine	Cumberland County	3	$723	$795	$759	$72	10%	$723	$72	10%
Maryland*	Region W	4	$511	$643	$562, $608	$133	26%	$667	-$24	-4%
Massachusetts	Greater Boston	4	$769	$791	$777, $785	$23	3%	$1,011	-$220	-22%
Michigan										
Minnesota	Hennepin County	2	$859	$988	N/A	$129	15%	$974	$14	1%
Mississippi	Statewide	2	$312	$339	N/A	$27	9%	$338	$1	0%
Missouri	St. Louis (Metro Region)	2	$354	$424	N/A	$71	20%	$704	-$280	-40%
Montana	Billings Region	3	$541	$622	$595	$81	15%	$541	$81	15%
Nebraska	Lancaster, Douglas, Sarpy, Dakota Counties	2	$622	$671	N/A	$49	8%	$654	$17	3%
Nevada*	Clark County	2	$506	$582	N/A	$76	15%	$968	-$386	-40%
New Hampshire										
New Jersey	Statewide	2	$573	$604	N/A	$31	5%	$783	-$179	-23%
New Mexico	Metropolitan Areas	5	$395	$527	$440, $465, $500	$132	33%	$607	-$80	-13%
New York*										
North Carolina*	Mecklenburg County	5	$477	$702	$501, $641, $670	$225	47%	$882	-$180	-20%
North Dakota										
Ohio										
Oklahoma*	Enhanced Area (Metro) Counties	4	$292	$471	$357, $422	$179	61%	$485	-$14	-3%
Oregon										
Pennsylvania	Philadelphia	4	$714	$736	$720, $731	$22	3%	$736	$0	0%
Rhode Island										
South Carolina*	Statewide Urban Counties	5	$390	$624	$455, $476, $580	$234	60%	$624	$0	0%
South Dakota										
Tennessee*	Top 21 Counties in Population/Income	4	$429	$515	$450, $494	$87	20%	$544	-$29	-5%
Texas	Gulf Coast Workforce Development Area	2	$424	$449	N/A	$26	6%	$848	-$399	-47%
Utah										
Vermont	Statewide	6	$494	$593	$514, $534, $554, $581	$99	20%	$671	-$78	-12%
Virginia										
Washington										
West Virginia	Statewide	3	$411	$498	$455	$87	21%	$433	$65	15%
Wisconsin	Top 25% Urbanized Counties	2	$779	$857	N/A	$78	10%	$836	$22	3%
Wyoming										

* indicates notes found on pages 25 and 26.

Notes for Tables 4a, 4b, 4c and 4d: Reimbursement Rates

State reimbursement rates are compared to the 75th percentile of market rates (the rate that allows families access to 75 percent of providers in their community) because federal regulations recommend that rates be set at this level.

A state is considered to have rates that were based on current market prices if the market survey used to set its rates was conducted no more than two years earlier (so, for example, rates used in 2008 are considered current if set at the 75th percentile of 2006 or more recent market rates).

States were asked to report state reimbursement rates and the 75th percentile of market rates for their state's most populous city, county, or region. Monthly rates were calculated from hourly, daily, and weekly rates assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month. Differences between state reimbursement rates and the 75th percentile were calculated using raw data, rather than the rounded numbers shown in the table.

For states that pay higher rates for higher-quality care, the most common rate level (the level representing the greatest number of providers) for each state is used for the data analysis in Tables 4a, 4b, and 4c, unless otherwise indicated. The rates analyzed in the tables do not reflect other types of higher rates or rate enhancements, such as higher rates paid for care for children with special needs or care during non-traditional hours.

Alabama: Reimbursement rates range from the 10th percentile to the 45th percentile of market rates.

Arkansas: Only providers with state quality approval accreditation are allowed to charge parents the difference between the state reimbursement rate and the private-pay rate.

Colorado: Each county determines its own reimbursement rates. Also note that data are not available on which rate level is most common, so the basic rate is used for analysis in Tables 4a, 4b, and 4c.

Florida: Reimbursement rates vary by local coalition, and range from 51 percent to 105 percent of the 75th percentile of market rates. Counties may pay rates that are up to 20 percent higher than the basic rate for Gold Seal providers, a quality care designation authorized by the legislature tied to accreditation. Miami-Dade reimburses Gold Seal providers at a rate that is 20 percent higher than the basic rate.

Hawaii: The state has higher reimbursement rates for accredited center-based care for children over age 24 months through the time the children are eligible to enroll in kindergarten or junior kindergarten (usually age five by the end of the calendar year, depending on the child's birth date). The state does not have accredited rates for care for infants and toddlers or for family child care.

Idaho: Region 4 includes Ada, Boise, Elmore, and Valley Counties.

Illinois: Reimbursement rates are not based on a percentile of market rates. Rates vary by age of child, type of care, and region of the state. Rates generally range from below the 25th percentile to above the 50th percentile of market rates, and in some areas of the state, exceed the 100th percentile. Reimbursement rates are reported for the Metropolitan Region (referred to as Group 1A), which includes Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry Counties. Also note that a provider that has a contract with the state is not permitted to ask families receiving child care assistance to pay the difference between the state reimbursement rate and the rate charged to private-paying parents.

Iowa: The state calculates provider reimbursements based upon units of care. A unit is a 5-hour block of time. The rates shown in the table are calculated assuming that if a family is using 9 hours of care, 5 days per week, 4.33 weeks per month, this would translate into 2 units of care per day for 22 days per month, or 44 units.

Kansas: Reimbursement rates are set at the 65th percentile of market rates for licensed providers and child care centers, and at the 60th percentile for registered providers. Reimbursement rates for license-exempt relative providers are equal to 65 percent of rates for registered providers.

Kentucky: The state has four star levels. The amount of the bonus at each star level—$7 to $11 for two-star providers, $10 to $14 for three-star providers, and $12 to $16 for four-star providers—depends on the percentage of children served by the provider who are receiving child care assistance. For all levels, a licensed or certified provider may receive, to the extent funds are available, $2 per day beyond the maximum rate if the provider is accredited. The highest rate shown in Table 4d assumes that the provider receives the maximum allowable bonus at the four-star level and is accredited.

Louisiana: Reimbursement rates for care for infants, toddlers, and children ages three and over in child care centers, family child care, and in-home care are set below the 75th percentile of market rates. Reimbursement rates for children ages three and over in school-based programs are set above the 75th percentile. The state has five star levels for centers. The bonus above the basic (one-star) rate level is 3 percent for two-star centers, 8 percent for three-star centers, 13.5 percent for four-star centers, and 20 percent for five-star centers. Centers can also receive a 20 percent bonus for being accredited by the National Association for the Education of Young Children, on top of any bonus related to their star rating. The highest rate shown in Table 4d assumes the provider is at the five-star level and is accredited.

Maryland: Region W includes Anne Arundel, Calvert, Carroll, Charles, and Prince George's Counties.

Minnesota: Reimbursement rates for licensed centers are at approximately the 40th percentile of market rates statewide (45th percentile in rural counties and 39th percentile in urban counties). Reimbursement rates for licensed family child care are at approximately the 55th percentile of market rates statewide (60th percentile in rural counties and 49th percentile in urban counties).

Missouri: Reimbursement rates are at approximately the 28th percentile of market rates for care for infants, the 14th percentile for care for preschool-age children, and the 45th percentile for school-age children. Also note that the state does not allow parents involved in the protective services system to be charged the difference between the provider's rate and the state rate.

Montana: Data on policies as of 2001 are not available, so policies as of March 2000 are used instead.

Nevada: Reimbursement rates are equal to 85 percent of the 75^{th} percentile of market rates for care for infants, 74 percent of the 75^{th} percentile for care for toddlers and preschool-age children, and 73 percent of the 75^{th} percentile for school-age care. Also note that the state has established four levels in its tiered reimbursement system, but only two are currently in effect. The first level is for all licensed centers and family care homes. The fourth level is for all accredited centers and family care homes, which receive a reimbursement rate that is 15 percent above the rate for licensed care. The second and third levels, which will pay 5 percent and 10 percent, respectively, above the rate for licensed care, have not been implemented yet.

New Jersey: The percentile at which reimbursement rates are set depends on the age and category of care. Also note that centers that have direct contracts with the state are not permitted to ask families receiving child care assistance to pay the difference between the state reimbursement rate and the rate charged to private-paying parents. Data on policies as of 2001 are not available, so policies as of March 2000 are used instead.

New York: Social services districts may set reimbursement rates for accredited programs that are up to 15 percent higher than basic reimbursement rates. However, the state did not report that any districts are currently doing so.

North Carolina: The state's market rate survey differentiates between quality levels and the 75^{th} percentile of market rates is obtained for providers at each quality level. Reimbursement rates were increased on October 1, 2007 for three-, four-, and five-star licensed facilities if the market rate survey data supported a change, but were not brought up to the 75^{th} percentile of 2007 market rates. Rates for one- and two-star licensed facilities are based on 2003 market rate survey data. In Table 4c, the reimbursement rate for the most common rate level is compared to the 75^{th} percentile for that same quality level. In Table 4d, the reimbursement rate for the highest quality level is compared to the 75^{th} percentile for that quality level.

North Dakota: Reimbursement rates are not set based on a market rate survey.

Oklahoma: The market rate percentile for the reimbursement rate varies by type of care, age of child, and region. Enhanced Area Rates apply to 19 out of 77 counties in Oklahoma (Caddo, Canadian, Cherokee, Cleveland, Comanche, Creek, Garfield, Kay, Logan, McCurtain, Oklahoma, Ottawa, Payne, Pittsburg, Pottawatomie, Tulsa, Wagoner, Washington, and Woods).

Oregon: Group Area A includes the Ashland, Bend, Corvallis, Eugene, Monmouth, and Portland areas.

Pennsylvania: Reimbursement rates are set at least at the 62^{nd} percentile of market rates for center-based care and at least at the 55^{th} percentile for family child care.

South Carolina: The state's market rate survey differentiates between quality levels and the 75^{th} percentile of market rates is obtained for providers at each quality level. In Table 4c, the reimbursement rate for the most common rate level is compared to the 75^{th} percentile for that same quality level. In Table 4d, the reimbursement rate for the highest quality level is compared to the 75^{th} percentile for that quality level.

Tennessee: Reimbursement rates are set at the 60^{th} percentile of market rates for care for infants, the 50^{th} percentile for care for toddlers, and at least the 45^{th} percentile for all other types of care. The rates shown in the table apply to the 21 counties that meet 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.

Texas: Local boards determine and update reimbursement rates at their own discretion. Also note that providers are allowed to charge parents the difference between the state rate and private-pay rate, unless specifically prohibited by the local board or when the parent is exempt from having to pay a copayment.

Virginia: Reimbursement rates range from the 5th percentile to more than the 100^{th} percentile of market rates.

West Virginia: The market rate percentile for the reimbursement rate varies by type of care, age of child, and quality tier. Reimbursement rates range from the 45^{th} to the 90^{th} percentile of market rates for non-accredited care, and from the 65^{th} to the 95^{th} percentile for accredited care. Also note that policies as of 2001 are not available, so policies as of March 2000 are used instead.

The National Women's Law Center is a nonprofit organization that has been working since 1972 to advance and protect women's legal rights. The Center focuses on major policy areas of importance to women and their families, including employment, education, health and reproductive rights, and family economic security.

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11 Dupont Circle, NW Suite 800
Washington, DC 20036
202.588.5180 ▪ 202.588.5185
www.nwlc.org