State Child Care Assistance Policies: New Mexico

December 2013

- **Income eligibility limit:** In 2013, a family of three in New Mexico could qualify for child care assistance with an annual income up to $38,180 (195 percent of poverty, 82 percent of state median income).\(^1\)

- **Waiting list:** New Mexico had 5,467 children on a waiting list for child care assistance as of February 2013.

- **Parent copayments:** In 2013, a family of three with an income at 100 percent of poverty ($19,530 a year) receiving child care assistance in New Mexico paid $74 per month, or 5 percent of its income, in copayments. A family of three with an income at 150 percent of poverty ($29,295 a year) receiving child care assistance paid $166 per month, or 7 percent of its income, in copayments.

- **Reimbursement rates:** In 2013, New Mexico's reimbursement rates for most child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.\(^2\)
  - New Mexico's monthly reimbursement rate for center care for a four-year-old in metropolitan counties was $440, which was $197 (31 percent) below the 75th percentile of current market rates for this type of care.\(^3\)
  - New Mexico's monthly reimbursement rate for center care for a one-year-old in metropolitan counties was $521, which was $186 (26 percent) below the 75th percentile of current market rates for this type of care.\(^4\)

- **Tiered reimbursement rates:** In 2013, New Mexico paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old in metropolitan counties at the highest quality tier was 30 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old in metropolitan counties at the highest quality tier was still below the 75th percentile of current market rates.

- **Eligibility for parents searching for a job:** In 2013, New Mexico allowed parents to continue receiving child care assistance for up to 30 days while searching for a job.\(^5\) However, the state did not allow parents to qualify for child care assistance while searching for a job.

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\(^1\) As of April 2013, the income limit was increased to $39,060 (200 percent of poverty) to adjust for the 2013 federal poverty level.

\(^2\) Reimbursement rates range from 25 percent below the 75th percentile of market rates (for five-star family child care for toddlers in metropolitan counties) to 10 percent above the 75th percentile (for five-star family child care for infants in rural counties).

\(^3\) The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level; the reimbursement rate for the most common rate level (the level representing the greatest number of providers) is compared here to the 75th percentile for that same quality level.

\(^4\) The reimbursement rate at the most common level is compared here to the 75th percentile for that same quality level.

\(^5\) Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 calendar days immediately following the loss of employment, or graduation from high school or undergraduate school.