

# ASPE ISSUE BRIEF

OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION  
OFFICE OF HUMAN SERVICES POLICY - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

## ESTIMATES OF CHILD CARE ELIGIBILITY AND RECEIPT FOR FISCAL YEAR 2012

### Overview

Child care subsidies help parents pay for child care to enable them to work or attend education and training activities. This ASPE issue brief provides an overview of the numbers and characteristics of children who were eligible for and who received child care subsidies in fiscal year 2012 (2012 data – the most recent data – became available in the fall of 2014<sup>1</sup>). The main findings are:

- Of the 14.2 million children eligible for child care subsidies under federal rules, 15 percent received subsidies through the Child Care and Development Fund (CCDF) or related government funding streams in an average month (Table 1).
- Within federal eligibility parameters, states have flexibility in setting more restrictive rules for income eligibility. Of the 8.9 million children eligible for child care subsidies under state rules, 25 percent received subsidies.
- Poorer children were more likely to receive subsidies than less poor children.
- Younger children (ages 1-5) were more likely to receive subsidies than older children.

Although current funding levels do not nearly meet the child care needs of all working parents, that poorer children and children not yet in school are more likely to receive child care subsidy assistance suggests that funds are generally distributed to those most in need.

**Table 1: Number of Children Eligible and Percentage of Eligible Children Receiving Child Care Subsidies, Average Monthly, 2012**

	Children Eligible for CCDF	Children Receiving Subsidies	Percentage of Eligible Children Receiving Subsidies
Federal Eligibility Parameters	14,193,000	2,177,000	15%
State Eligibility Parameters	8,867,000	2,177,000	25%

<sup>1</sup>Data underlying the eligibility estimates were collected by the Census Bureau in March of 2013 and released in September of 2013. Simulations on the data were completed in the fall of 2014.

### ABOUT THIS ISSUE BRIEF

*This ASPE issue brief on federal child care assistance eligibility and receipt shows that approximately 15 percent of federally-eligible children received subsidized care through CCDF or related government funding streams in an average month in fiscal year 2012.*

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## Background

In fiscal year 2012, federal and state spending totaled \$10.0 billion to support child care services to improve the affordability and availability of child care for low-income working families. Roughly two-thirds of funding for child care subsidies was from the Child Care and Development Fund (CCDF) while the remaining third comes from diverse government funding streams, primarily funding streams related to Temporary Assistance for Needy Families (TANF).<sup>2</sup> Typically, federal child care funds are used to subsidize child care services through vouchers, although some states also provide services through grants or contracts. In 2012, \$1.0 billion was also spent on activities to improve the quality of child care.

In this brief, we define federally-eligible children to include all children who are eligible to receive subsidized care based on the federal eligibility parameters of CCDF. Federal statute permits states to provide child care subsidies to qualifying families with incomes below 85 percent of state median income. Within federal eligibility parameters, states have flexibility in setting more restrictive rules for income eligibility. This issue brief also explores estimates of child care assistance eligibility and receipt based on state-defined eligibility rules, as well as the age and poverty status of eligible children and those who receive assistance. The appendices provide more details on the methodology used to produce the estimates, as well as trends over time, eligibility estimates by income and child age, and eligibility estimates by state.

## Child Care Estimates Based on Federal Eligibility Parameters

Fifteen percent of federally-eligible children received subsidized care through CCDF or related government funding streams in fiscal year 2012. This number is based on estimates of the number of children eligible for child care under federal eligibility parameters and the number of children receiving subsidized care.

### *Children Eligible for Child Care Subsidies*

An estimated 14.2 million children were eligible for child care assistance under the federal eligibility parameters of CCDF in an average month in 2012 (see Table 1).<sup>3</sup> For context, an estimated 53.2 million children fall in the age range (or have special needs) served by CCDF. Federal eligibility parameters, which effectively act as a ceiling on state eligibility parameters, include:

- Children must be under age 13 (unless the child has special needs and is age 13-18);
- The income of the child's family must be less than 85 percent of the state median income (SMI) for a family of the same size;<sup>4,5</sup> and

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<sup>2</sup> The estimated \$10 billion spent through CCDF and related government funding streams in fiscal year 2012 includes estimated expenditures on direct child care services of \$6.8 billion in federal CCDF funds (including the Child Care and Development Block Grant, the Child Care Entitlement to States, state matching and maintenance of effort (MOE) funds for CCDF, and transfers from the Temporary Assistance for Needy Families Block Grant (TANF) to CCDF). Additional expenditures include \$1.2 billion in TANF funding spent directly on child care services, \$1.6 billion in "excess TANF MOE" (state child care expenditures claimed as TANF MOE to the extent such amounts are above the amounts already claimed as CCDF MOE), and \$0.3 billion in Social Services Block Grant expenditures related to child care.

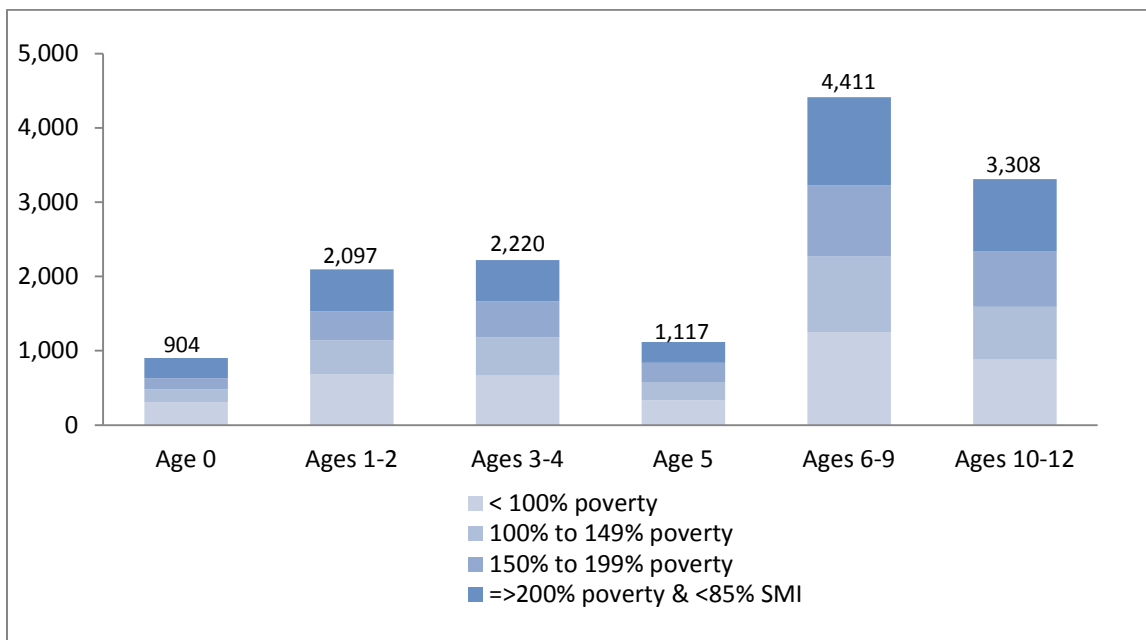
<sup>3</sup> The estimates of eligibility were produced using the Transfer Income Model (TRIM), a micro-simulation model developed and maintained by the Urban Institute under contract with ASPE. TRIM converts annual data from the Annual Social and Economic Supplement of the Current Population Survey (CPS-ASEC) into monthly data, compares these monthly data on family income and work status to CCDF rules, and generates monthly estimates of children and families eligible for CCDF child care subsidies. Monthly estimates are averaged to produce an average monthly estimate for the year. The 2012 estimate of federal eligibility relies upon data from the CPS for calendar year 2012 and federally-permitted eligibility rules under CCDF. For purposes of these estimates the definition of the assistance unit is based on the subfamily, as defined by the Census Bureau, and family members outside of the subfamily unit are not included in the benefit determination formulas.

<sup>4</sup> States are given broad flexibility in deciding what family income is countable for purposes of determining a child's eligibility. For example, states could disregard TANF payments in income eligibility determinations. States could also exclude income from some

- The child’s parents must be working or participating in education or training activities.<sup>6</sup>

Figure 1 shows estimates of the number of federally-eligible children by age and poverty status. At age 0, approximately 0.9 million children are eligible; at ages 1 and 2, approximately 2.1 million children are eligible; at ages 3 and 4, approximately 2.2 million children are eligible; and at age 5, approximately 1.1 million children are eligible.

**Figure 1: Number of Children Eligible under Federal Parameters, by Age and Poverty Status, Average Monthly, 2012 (1,000s)**



### Children Who Received Child Care Subsidies

An estimated 2.2 million children received child care services through CCDF or related government funding streams in an average month in fiscal year 2012 (see Table 1).<sup>7</sup> While the majority of these children, 1.5 million, received assistance through CCDF, this estimate of receipt also includes roughly 690,000 total children with subsidies funded through the following: Temporary Assistance for Needy Families (TANF) program, the Social Services Block Grant (SSBG), and state expenditures claimed as

adult family members (e.g., an adult sibling or an aunt). As a result, some states may serve children in families with unadjusted incomes greater than 85 percent of the state median income, as defined in this issue brief.

<sup>5</sup> In FY 2012, the mean value of the federal maximums (i.e., 85% state median income) for three person families was \$4,431 per month (\$53,168 annually). In comparison, the average initial eligibility limit across states was \$2,877 monthly (\$34,525 annually) as of October 2012. State median income is based on estimates published for fiscal year 2012 in the Federal Register: April 18, 2011 (Volume 76, Number 74).

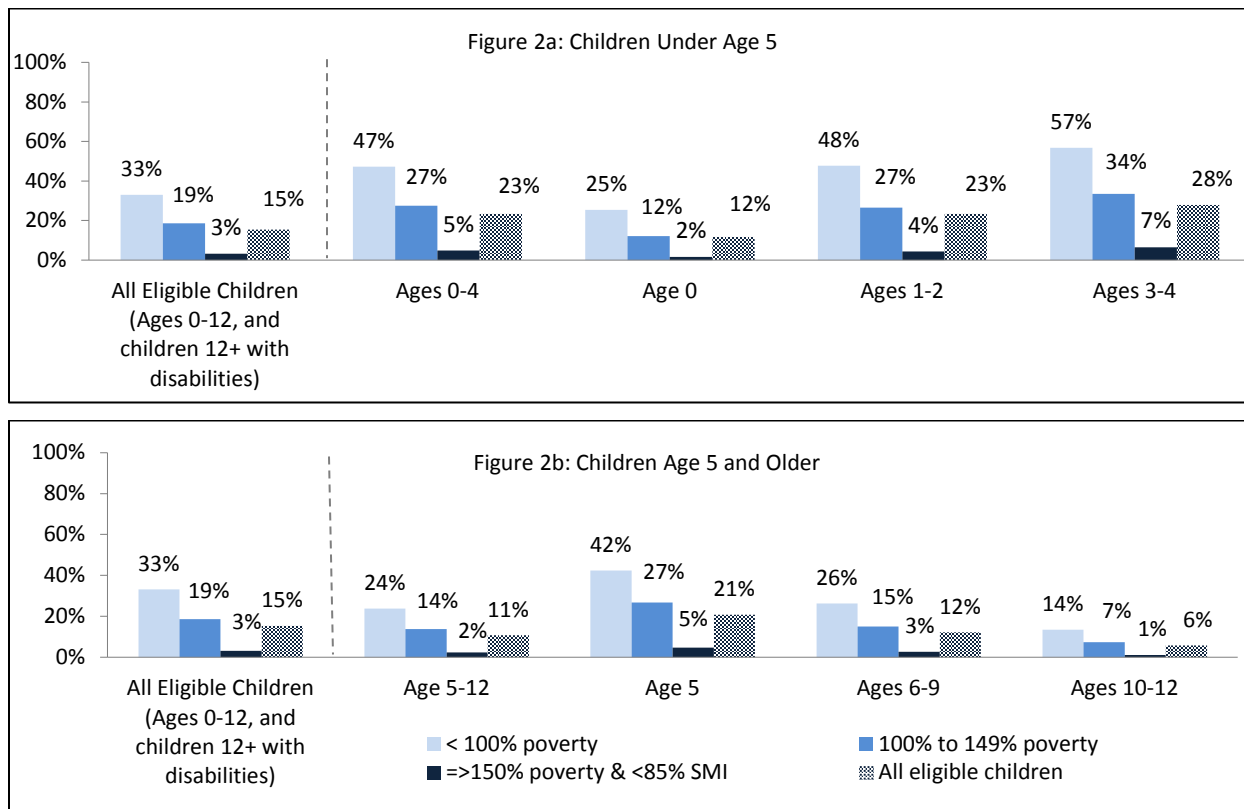
<sup>6</sup> For this eligibility estimate, “working” includes all work of one hour or more in a month. The majority (85 percent) of federally-eligible children come from families where the single parent or both parents were employed at least 20 hours per week. An estimated 7 percent of federally-eligible children lived with a parent who was employed between 1 and 19 hours per week. An estimated 8 percent of federally-eligible children lived with a parent who was not working but was in school. Families who are eligible because of participation in TANF-approved work-related activities (e.g., job search) are not included in the eligibility estimate based on federal rules or the eligibility estimate based on state rules.

<sup>7</sup> This estimate of receipt excludes about 15,800 children served in U.S. territories, as well as children receiving services from only Head Start, state pre-kindergarten programs, or other early childhood programs without funding from CCDF or related government funding streams. This estimate also excludes children served through subsidies administered solely by Indian reservations/tribes.

TANF maintenance of effort (MOE) funds.<sup>8</sup>

Some children were more likely to receive services than others. Eligible children from the lowest-income families were the most likely to receive child care assistance. Roughly 33 percent of federally-eligible children from families with incomes below 100 percent of poverty and 19 percent of those from families with incomes between 100 percent and 149 percent of poverty were served (see Figures 2a and 2b).<sup>9</sup> By comparison, 3 percent of federally-eligible children from families with incomes greater than 150 percent of poverty were served. For families with one adult and two children, 150 percent of poverty is roughly \$27,700 (about \$2,300 when measured monthly).

**Figure 2: Percentage of Children Eligible under Federal Parameters that Receive Child Care Subsidies, by Age and Poverty Status, Average Monthly, 2012**



<sup>8</sup> CCDF-funded children include children funded through federal CCDF funds, state CCDF funds, and transfers of TANF funds to the CCDF program. While some states include children other than CCDF-funded children in their child care data reports (generally because they combine funds from several funding streams into one child care program), these states also report the percentage of pooled funding coming from CCDF, and this percentage is used to estimate the CCDF-funded children. The estimate makes the assumptions that children funded by TANF, TANF MOE, and SSBG have the same subsidy costs per child as CCDF-funded children, about \$388 per month based on state-reported ACF-801 administrative data, and the same age and poverty distribution as CCDF-funded children.

<sup>9</sup> Poverty figures are based on 2012 poverty thresholds published by the U.S. Census Bureau, Housing and Household Economic Statistics Division. The Census Bureau threshold is divided by twelve to create a monthly, rather than yearly, threshold. For purposes of determining recipients' poverty status for this estimate, recipient income is measured after any applicable state-determined income disregards are applied. This estimation process likely overestimates to a small degree the number and percent of children from families below 100 percent of poverty who are served.

Figures 2a and 2b show that federally-eligible children between ages 1 and 5 were much more likely to receive subsidized care than eligible children older than age 5. In 2012, eligible children between the ages of 1 and 5 were most likely to be served (23 percent of children ages 1 to 2, 28 percent of children ages 3 to 4, and 21 percent of children age 5). By comparison, 12 percent of federally-eligible children ages 6 to 9 and 6 percent of federally-eligible children ages 10 to 12 received subsidized care.

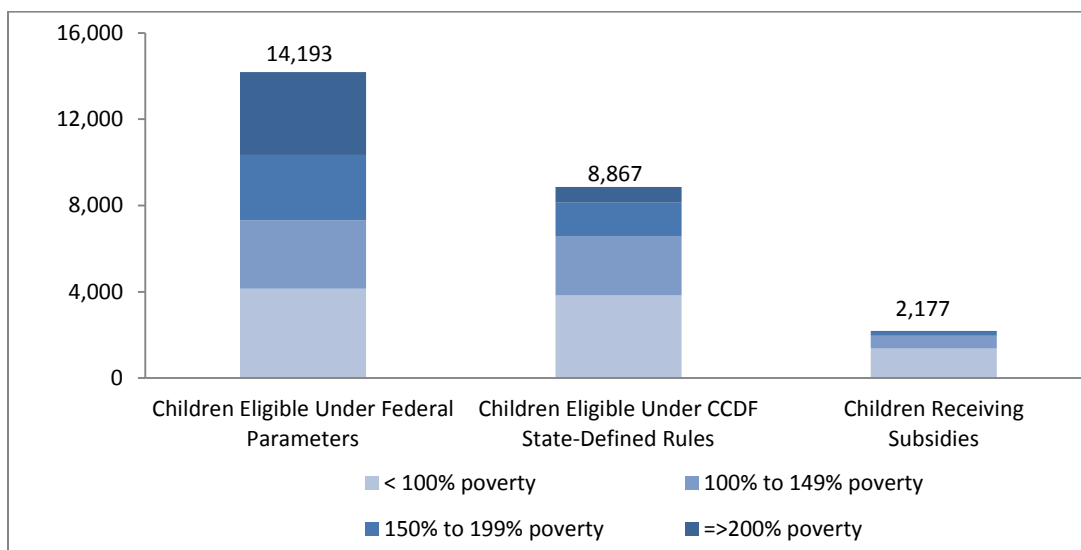
### Child Care Estimates Based on State Eligibility Rules

Within the federal eligibility parameters of CCDF, states have flexibility in setting income eligibility guidelines, parental co-payment fees, reimbursement rates to child care providers, target populations receiving priority for services, the number of work or education/training hours required, and the length of certification periods.<sup>10</sup> Based on state-defined eligibility rules for fiscal year 2012, the average initial income eligibility limits for three-person families across the 50 states and the District of Columbia was \$2,900.<sup>11</sup> Some states allow counties and other localities to set income eligibility limits lower than the limit set by the state. Some states also allow higher income eligibility limits for families already receiving child care subsidies.

#### *Children Eligible for Child Care Subsidies*

Under state-defined eligibility rules, an estimated 8.9 million children were eligible for child care assistance in an average month in 2012 (see Figure 3). This is lower than the 14.2 million estimated children eligible under federal rules.

**Figure 3: Number of Children Eligible and Number of Children Receiving Child Care Subsidies (1,000s), Average Monthly, 2012**

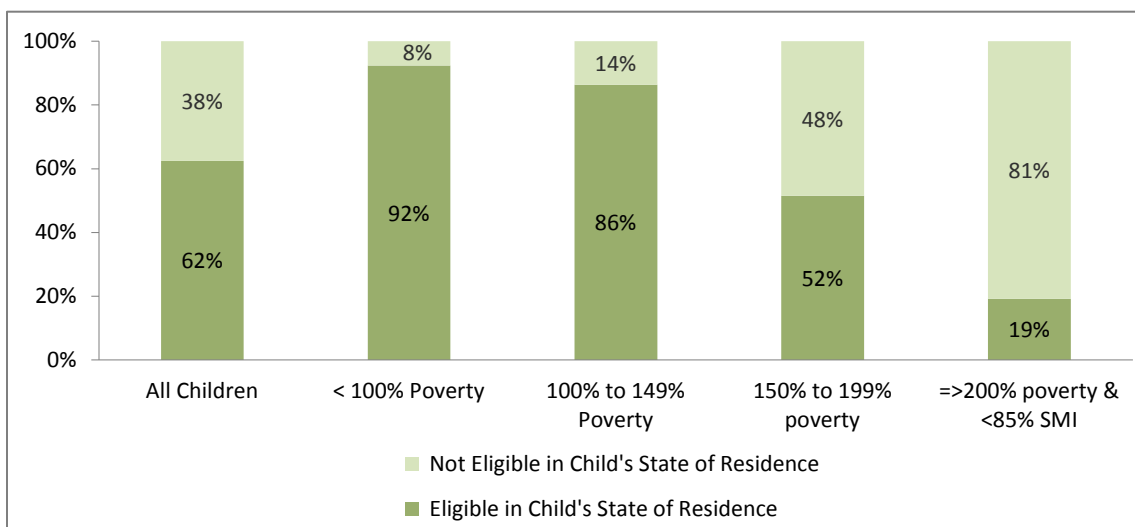


<sup>10</sup> Based on data from ACF’s CCDF Policies Database as of October 1, 2012, recipient eligibility was redetermined every 12 months in 26 states and every six months in 23 states.

<sup>11</sup> The range of income eligibility limits is based on data as of October 1, 2012. In some states eligibility limits differ for certain groups, such as TANF and SSI recipients. Expressed in terms of state median income, state limits for initial income eligibility in CCDF plans for fiscal year 2012 ranged from 35 percent to 83 percent of state median income. This estimate of state median income for fiscal year 2012 is based on the U.S. Census Bureau calculations published in the Federal Register: April 18, 2011 (Volume 76, Number 74). While the law restricts eligibility to children from families below 85 percent of state median income, states are able to determine the method used to calculate state median income which may differ from the method used in this issue brief.

Figure 4 shows the extent to which children eligible for child care subsidies based on federal parameters were eligible under the rules defined by their state of residence. More than 3 out of 5 (62 percent) of federally-eligible children were eligible for subsidies under state-defined rules. Almost all (92 percent) federally-eligible children from families with incomes less than 100 percent of poverty were eligible under state-defined eligibility rules. By comparison, about half (52 percent) of federally-eligible children from families with incomes between 150 and 199 percent of poverty were eligible for services in their state. This figure<sup>12</sup> shows only the percentage of children eligible for subsidies based on federal parameters that also were eligible under state rules and does not indicate rates of participation.

**Figure 4: Percentage of Children Eligible under Federal Parameters that are also Eligible Under CCDF State-Defined Rules, by Poverty Status, Average Monthly, 2012**

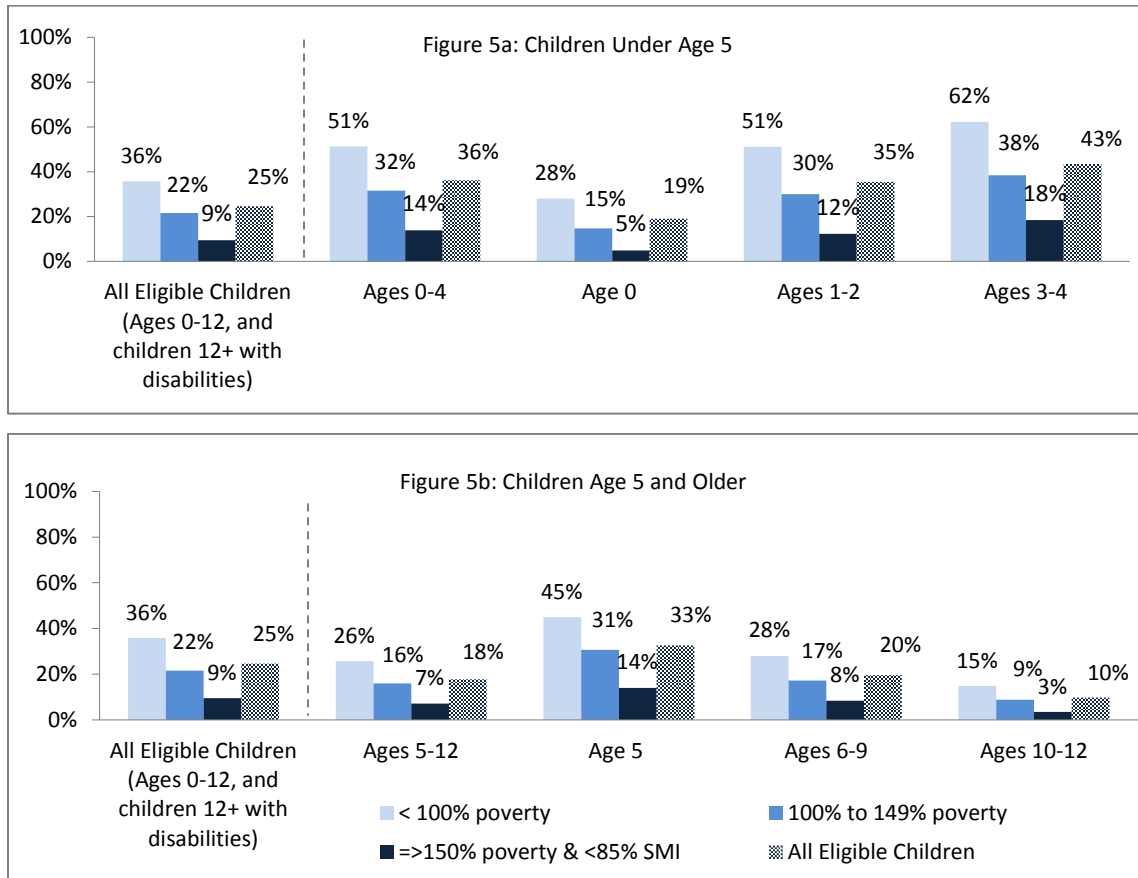


#### *Children Who Received Child Care Subsidies*

Approximately 25 percent of all children eligible under state-defined rules received subsidized care through CCDF or related government funding streams in fiscal year 2012 (see Figures 5a and 5b). As was the case when considering federally-eligible children, children eligible for assistance under state-defined rules who were between the ages of 1 and 5 (35 percent of children ages 1-2, 43 percent of children ages 3-4, and 33 percent of children age 5) or from families with incomes below poverty (36 percent of all eligible children from families with incomes below 100 percent of poverty) were the most likely to be served.

<sup>12</sup> These numbers overstate to a small degree the percentages of children that were eligible under federal parameters that were also eligible under state-defined rules because some states defined the eligibility units differently than what was used to define the eligibility units under federal parameters in this issue brief. This issue is discussed further in Appendix I.

**Figure 5: Percentage of Children Eligible under CCDF State-Defined Rules that Receive Child Care Subsidies, by Age and Poverty Status, Average Monthly, 2012**



*Comparisons across FY2011 and FY2012*

State eligibility rules in 2011 and 2012 were similar in terms of generosity. That is, when population characteristics were held constant, similar numbers of children were eligible under the 2011 and 2012 sets of state rules.

More working families had low incomes in 2012 compared to 2011. When state eligibility rules were held constant, 8.9 million children were eligible in 2012 compared to only 8.4 million children in 2011.

**Conclusion**

Based on federal parameters that determine permissible eligibility, an estimated 14.2 million children were eligible to receive child care subsidies in 2012. Roughly 2.2 million children, or 15 percent of federally-eligible children, received subsidized care through CCDF or related government funding streams in an average month of fiscal year 2012.

Rates of coverage vary by age and poverty status. Poorer children were more likely to receive subsidies than less poor children. Younger children were also more likely to receive subsidies than older children. While current funding levels do not meet the child care needs of all working parents, poorer children and children not yet in school are more likely to receive child care subsidy assistance, suggesting that funds are generally targeted to those most in need.

## **Appendix I. Recent Changes to the Estimates of Child Care Subsidy Eligibility and Receipt**

### **Improvements over Previous Estimates**

ASPE has produced estimates of eligibility for and receipt of subsidized care through CCDF and related government funding streams for several years. During this time ASPE has sought to make continuous improvements to the estimation model and methodology. These improvements allow the most precise estimate to be shown at the time of their release, but they also increase the difficulty in interpreting differences in estimates across years.<sup>13</sup>

### **Eligibility Under State Parameters**

About 216,000 children are defined as eligible under state parameters in this issue brief, but are not considered eligible under federal parameters in this issue brief. There are two primary reasons for this discrepancy. First, approximately 123,000 of these children are considered child-only units under state parameters (making them eligible), but are not considered child-only units under federal parameters. Second, some states may exclude certain family members from the assistance unit (when considering family size and family total income) who are included under federal parameters. For example, the earnings of an older sister residing in the household are included under federal parameters in this issue brief, but are not included under some states' parameters.

### **Trends in Eligibility and Receipt**

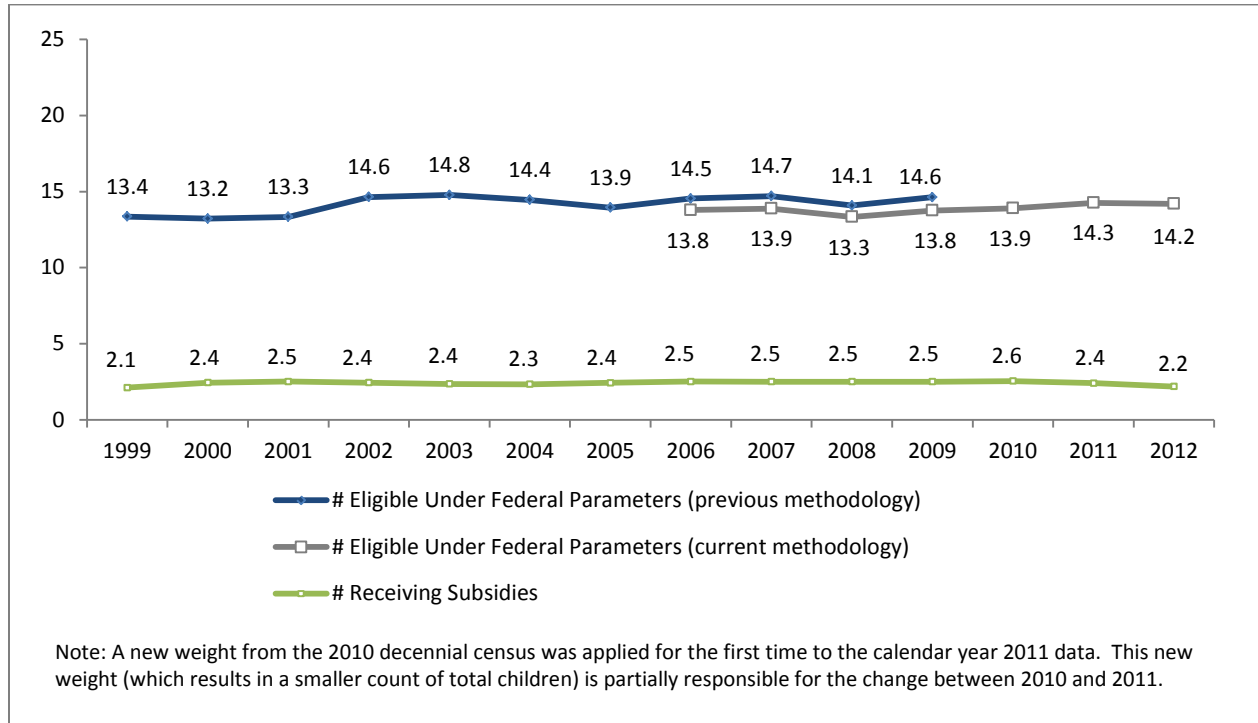
Appendix Figure 1 displays the number of children eligible for subsidies from 1999 to 2012. The number of children receiving subsidies during this period is also shown for reference. These trendlines provide a way of seeing how trends in eligibility over time change with the economy and with demographic shifts. For reference, Appendix Figure 2 shows the total number of children, regardless of child care eligibility, estimated to have been living in households with incomes below 100 percent and 150 percent of poverty thresholds from 1999 to 2012.

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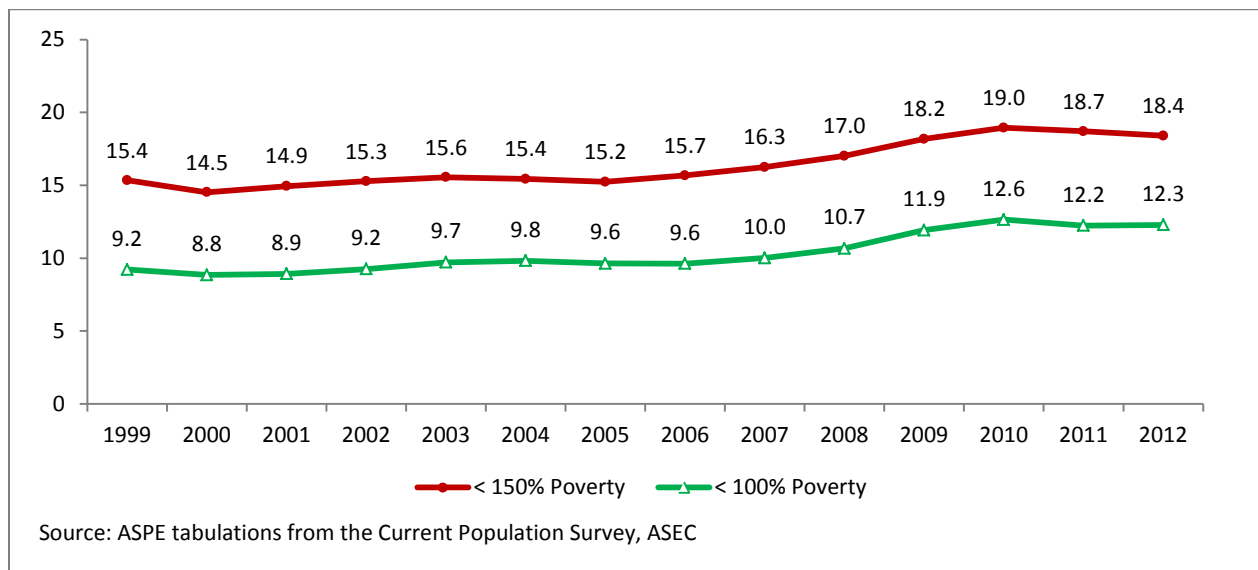
<sup>13</sup> For additional information on previous changes in the estimation of eligibility and receipt through 2009 see *Estimates of Child Care Eligibility and Receipt for Fiscal Year 2006* (<http://aspe.hhs.gov/hsp/10/cc-eligibility/ib.pdf>) and *Estimates of Child Care Eligibility and Receipt for Fiscal Year 2009* (<http://aspe.hhs.gov/hsp/12/childcareeligibility/ib.pdf>).



**Appendix Figure 1: Number of Children Federally-Eligible and Number of Children Receiving Child Care Subsidies Considering Changes Added to the Model, Average Monthly, 1999-2012 (Millions)**



**Appendix Figure 2: Number of Children Under Age 13 living in Families with Annual Incomes Below 100% and 150% Poverty Thresholds, 1999-2012 (Millions)**



## Appendix II. Child Care Eligibility and Receipt - Tables

**Appendix Table 1: Number of Children Eligible for Child Care Subsidies under Federal Parameters, Average Monthly, Calendar Year 2012**

Age of Child	Parent is Student	Parent Employed 1-19 Hours	Parent Employed 20+ Hours	Family Income <100% Poverty	Family Income 100-149% Poverty	Family Income 150 - 199% Poverty	Family Income =>200% Poverty	All Eligible Children
0	147,900	69,000	686,600	303,900	177,500	150,800	271,400	903,600
1	122,100	62,400	829,300	338,400	214,100	206,100	255,300	1,013,800
2	131,100	72,400	879,800	343,000	243,000	185,000	312,300	1,083,300
3	105,300	88,100	913,300	332,300	283,000	229,000	262,300	1,106,600
4	92,300	71,700	949,200	331,400	236,300	253,700	291,700	1,113,200
5	86,400	68,900	961,800	333,000	245,300	258,200	280,700	1,117,200
6-9	279,500	312,600	3,819,300	1,250,400	1,018,300	958,600	1,184,100	4,411,400
10-12	172,200	241,600	2,894,700	882,500	710,200	749,200	966,500	3,308,400
13+	**	**	117,600	**	**	**	**	135,200
All	1,146,700	994,400	12,051,500	4,142,300	3,169,700	3,032,000	3,848,500	14,192,600

\*\* Cells with estimated populations under 50,000 are not shown.

Totals may not sum due to rounding.

See Notes on Appendix II Tables.

Source: Current Population Survey, ASEC, analyzed with the TRIM3 Microsimulation Model

**Appendix Table 2: Number of Children Eligible for Child Care Subsidies under CCDF State-Defined Rules, Average Monthly, Calendar Year 2012**

Age of Child	Parent is Student	Parent Employed 1-19 Hours	Parent Employed 20+ Hours	Family Income <100% Poverty	Family Income 100-149% Poverty	Family Income 150 - 199% Poverty	Family Income =>200% Poverty	All Eligible Children
0	120,500	**	403,400	275,400	146,300	85,600	**	552,900
1	105,400	**	541,500	311,800	187,900	117,200	54,200	671,100
2	115,900	**	564,900	325,300	215,800	99,500	66,500	707,100
3	94,000	**	615,000	305,000	254,000	129,600	55,400	744,000
4	79,100	**	577,300	301,000	199,700	124,900	55,500	681,100
5	67,100	**	621,900	313,500	214,300	124,200	59,900	711,800
6-9	230,800	132,300	2,376,700	1,168,700	882,900	480,500	207,700	2,739,800
10-12	140,600	85,700	1,736,000	806,200	602,100	374,900	179,200	1,962,300
13+	**	**	84,900	**	**	**	**	96,800
All	963,100	374,400	7,521,500	3,829,600	2,737,200	1,563,100	737,200	8,867,000

\*\* Cells with estimated populations under 50,000 are not shown.

Totals may not sum due to rounding.

See Notes on Appendix II Tables.

Source: Current Population Survey, ASEC, analyzed with the TRIM3 Microsimulation Model

**Appendix Table 3: Estimated Number of Children Receiving Child Care Subsidies through All Funding Streams (CCDF, SSBG, TANF-Direct, and Excess TANF MOE), Average Monthly, Fiscal Year 2012**

Age of Child	< 100% Poverty	100% to 149% Poverty	150% to 199% poverty	=>200% poverty	All
0	77,060	21,520	5,640	810	105,020
1	146,360	50,160	13,980	2,030	212,520
2	179,010	71,230	22,090	3,380	275,710
3	194,210	86,030	27,890	4,780	312,910
4	182,950	88,310	29,470	5,270	306,000
5	141,000	65,580	21,710	3,940	232,230
6-9	327,680	152,240	49,160	8,000	537,080
10-12	119,260	52,660	16,490	2,420	190,830
13+	3,130	1,540	440	70	5,180
All	1,370,650	589,260	186,870	30,690	2,177,480

Totals may not sum due to rounding.

See Notes on Appendix II Tables.

Source: Form-801 CCDF Administrative Records, U.S. Department of Health and Human Services, Administration for Children and Families

**Appendix Table 4: Number of Children Eligible for Child Care Subsidies by State, Two-Year Average Monthly Estimates, Calendar Year 2011-2012**

State	Children Eligible Under Federal Parameters (Family Incomes < 85% State Median Income)			Children Eligible Under State-Defined Rules		
	Estimate	95% Confidence Interval, 2-Year Average (Low-High)		Estimate	95% Confidence Interval, 2-Year Average (Low-High)	
Alabama	180,870	145,420	216,320	90,680	65,580	115,790
Alaska	34,890	28,460	41,320	25,800	20,260	31,340
Arizona	302,270	252,680	351,860	173,480	135,910	211,050
Arkansas	119,040	95,900	142,180	78,090	59,370	96,810
California	1,620,620	1,505,120	1,736,120	1,247,110	1,145,720	1,348,490
Colorado	232,850	189,860	275,850	123,370	92,070	154,670
Connecticut	160,430	129,860	191,000	86,090	63,700	108,480
Delaware	47,030	38,750	55,310	31,520	24,740	38,290
DC	18,260	13,600	22,910	18,330	13,660	23,000
Florida	709,460	637,010	781,910	404,010	349,330	458,690
Georgia	534,510	472,740	596,270	237,610	196,450	278,760
Hawaii	70,160	58,550	81,760	53,410	43,280	63,540
Idaho	78,170	64,520	91,810	31,690	23,000	40,380
Illinois	682,770	611,380	754,170	450,500	392,480	508,510
Indiana	340,860	291,520	390,210	157,880	124,290	191,470
Iowa	160,530	131,950	189,120	54,940	38,210	71,670
Kansas	157,070	129,530	184,620	96,550	74,960	118,130
Kentucky	195,740	158,940	232,540	121,100	92,130	150,080
Louisiana	232,840	192,620	273,060	145,550	113,750	177,360
Maine	43,710	33,090	54,330	41,550	31,190	51,910
Maryland	283,900	237,830	329,970	108,110	79,680	136,530
Massachusetts	253,440	211,300	295,580	133,370	102,810	163,920
Michigan	389,900	336,890	442,920	170,640	135,580	205,700
Minnesota	270,820	227,040	314,590	114,160	85,720	142,590
Mississippi	158,970	131,650	186,290	107,530	85,050	130,010
Missouri	298,630	251,800	345,460	121,260	91,420	151,110
Montana	39,150	31,280	47,010	17,030	11,850	22,220
Nebraska	98,730	81,400	116,070	36,490	25,950	47,020
Nevada	134,930	110,470	159,400	119,020	96,040	141,990
New Hampshire	46,660	36,420	56,910	28,040	20,100	35,980
New Jersey	418,200	362,570	473,830	192,150	154,430	229,870
New Mexico	95,950	76,790	115,110	96,020	76,840	115,200
New York	822,220	742,520	901,920	519,490	456,150	582,820
North Carolina	387,770	334,420	441,120	323,670	274,920	372,420
North Dakota	30,440	24,770	36,120	15,300	11,280	19,320
Ohio	577,670	513,170	642,180	236,040	194,800	277,290
Oklahoma	191,720	157,740	225,700	142,010	112,770	171,260
Oregon	137,300	107,010	167,600	79,290	56,260	102,310
Pennsylvania	516,790	455,780	577,810	301,850	255,210	348,500
Rhode Island	43,900	34,560	53,240	22,910	16,170	29,650
South Carolina	233,290	192,860	273,720	115,600	87,130	144,080
South Dakota	41,310	34,500	48,130	23,760	18,590	28,940
Tennessee	302,600	256,110	349,100	164,650	130,350	198,940
Texas	1,326,700	1,220,900	1,432,500	1,123,920	1,026,500	1,221,330
Utah	166,270	141,890	190,640	79,920	63,020	96,820
Vermont	22,790	17,580	28,000	14,290	10,160	18,420
Virginia	355,130	304,770	405,500	162,780	128,670	196,890
Washington	270,070	224,740	315,400	174,440	138,040	210,850
West Virginia	63,310	50,540	76,070	41,470	31,140	51,800
Wisconsin	297,190	250,690	343,690	154,360	120,840	187,880
Wyoming	27,790	22,540	33,040	22,010	17,340	26,680

See Notes on Appendix II Tables.

Source: Current Population Survey, ASEC, analyzed with the TRIM3 Microsimulation Model

**Appendix Table 5: Number of Children Eligible for Child Care Subsidies under Federal Parameters with Families Incomes Under 100% and 150% Poverty, by State, Two-Year Average Monthly Estimates, Calendar Year 2011-2012**

State	Children Eligible Under 100% Poverty			Children Eligible Under 150% Poverty		
	Estimate	95% Confidence Interval, 2-Year Average (Low-High)		Estimate	95% Confidence Interval, 2-Year Average (Low-High)	
Alabama	65,500	44,170	86,840	111,810	83,940	139,690
Alaska	6,630	3,840	9,430	12,670	8,790	16,550
Arizona	87,780	61,070	114,490	152,970	117,680	188,250
Arkansas	48,800	34,010	63,600	87,820	67,960	107,670
California	446,490	385,740	507,240	797,250	716,130	878,370
Colorado	68,390	45,090	91,690	111,960	82,140	141,780
Connecticut	20,890	9,850	31,920	46,000	29,630	62,380
Delaware	10,770	6,810	14,730	20,970	15,440	26,490
DC	6,890	4,020	9,750	12,030	8,250	15,810
Florida	196,750	158,560	234,940	373,570	320,980	426,150
Georgia	162,400	128,390	196,420	295,420	249,530	341,300
Hawaii	15,120	9,730	20,500	31,470	23,700	39,240
Idaho	20,680	13,660	27,700	43,300	33,140	53,450
Illinois	194,670	156,520	232,820	329,420	279,800	379,040
Indiana	113,130	84,690	141,560	181,880	145,830	217,940
Iowa	29,640	17,360	41,920	69,480	50,680	88,290
Kansas	51,950	36,170	67,740	83,010	63,000	103,020
Kentucky	70,200	48,200	92,200	127,120	97,440	156,800
Louisiana	102,980	76,270	129,700	147,610	115,580	179,630
Maine	10,170	5,050	15,290	18,170	11,320	25,010
Maryland	54,890	34,660	75,130	93,090	66,730	119,450
Massachusetts	47,190	29,170	65,220	77,140	53,940	100,340
Michigan	125,310	95,240	155,370	197,860	160,090	235,620
Minnesota	46,450	28,310	64,590	98,200	71,840	124,570
Mississippi	68,440	50,500	86,370	95,540	74,350	116,720
Missouri	94,260	67,940	120,580	158,680	124,540	192,820
Montana	10,290	6,280	14,310	20,020	14,390	25,640
Nebraska	30,600	20,960	40,240	47,140	35,160	59,120
Nevada	32,830	20,760	44,890	66,290	49,150	83,430
New Hampshire	4,880	1,570	8,190	12,590	7,260	17,910
New Jersey	86,060	60,800	111,320	161,240	126,670	195,810
New Mexico	50,540	36,630	64,460	77,130	59,940	94,320
New York	233,120	190,700	275,530	408,410	352,230	464,590
North Carolina	120,140	90,430	149,850	217,020	177,100	256,930
North Dakota	8,000	5,090	10,910	12,950	9,250	16,650
Ohio	162,320	128,100	196,540	298,840	252,430	345,260
Oklahoma	61,800	42,500	81,090	104,340	79,270	129,410
Oregon	31,070	16,660	45,490	68,590	47,180	90,010
Pennsylvania	138,280	106,700	169,860	241,460	199,730	283,190
Rhode Island	11,380	6,630	16,130	20,380	14,020	26,730
South Carolina	63,700	42,560	84,840	124,030	94,530	153,520
South Dakota	9,140	5,950	12,340	16,490	12,190	20,800
Tennessee	104,490	77,180	131,800	187,550	150,940	224,160
Texas	475,590	412,150	539,030	820,130	736,870	903,380
Utah	36,380	24,980	47,770	66,890	51,430	82,350
Vermont	4,950	2,530	7,380	9,140	5,840	12,440
Virginia	66,130	44,430	87,830	118,770	89,640	147,900
Washington	56,660	35,890	77,420	123,850	93,150	154,560
West Virginia	20,300	13,080	27,510	41,900	31,510	52,290
Wisconsin	63,580	42,080	85,090	109,880	81,590	138,160
Wyoming	5,390	3,090	7,700	10,000	6,860	13,150

See Notes on Appendix II Tables.

Source: Current Population Survey, ASEC, analyzed with the TRIM3 Microsimulation Model

## Notes on Appendix II Tables

**Poverty Status:** In Appendix Tables 1, 2, 3, and 5, poverty status is based on 2012 poverty thresholds published by the U.S. Census Bureau, Housing and Household Economic Statistics Division. Since state-submitted Form-801 CCDF monthly child care data reports show recipients' monthly income, the Census Bureau threshold is divided by twelve to create a comparable monthly threshold. Due to the source and limitations of data, different methods are used to calculate family income (and thus, poverty status) for children who receive subsidies versus children who are eligible for subsidies. Poverty status of recipients is based on family income used to determine child care subsidy eligibility, as reported by the state on Form-801 CCDF monthly child care data report for fiscal year 2012. As such, family income is reported after any relevant income disregards have been applied. Poverty status of eligible children, on the other hand, is determined based on full family income reported to the Current Population Survey for calendar year 2012 prior to application of any relevant income disregard.

**Parent is Employed or Student Status:** In Appendix Tables 1 and 2, "parent is student" status indicates that an eligible recipient lives in a household with a parent who is not employed but is in school. Eligible recipients living with an employed parent who is also in school would not be included in the "parent is student" category. In the case of two-parent households, children are categorized by the parent with the least amount of employment hours. For example, if an eligible child has one parent working 40 hours per week and another parent working 18 hours per week, the child will be categorized as "parent employed 1-19 hours." Eligible recipients living with a parent who is employed and a parent who is not employed because he or she is in school would be included in the "parent is student" category.

**State by State Estimates of Eligibility:** In Appendix Table 4, the estimate of eligible children under federal parameters does not consider state-allowable income disregards when determining whether a child's family income is below 85 percent of state median income. In some states, income disregards could lead to a higher estimate of children eligible under state-defined rules than under federal parameters. In Appendix Tables 4 and 5, the two-year average monthly estimates for calendar years 2011 and 2012 use the state median incomes published in the Federal Register: May 12, 2010 (Volume 75, Number 91) and April 18, 2011 (Volume 76, Number 74). For the two-year averages, the 2011-based simulation used state policies in effect as of October 2011 (and as mentioned earlier, the 2012-based simulation used state policies in effect as of October 2012).