

## STATE-SPECIFIC SOURCES – NORTH CAROLINA

To provide states with guidance for building a strong prenatal-to-3 (PN-3) system of care, we sought to understand the progress states have made toward implementing each of the effective policies and strategies identified in the Prenatal-to-3 State Policy Roadmap. Policy adoption and implementation do not typically happen quickly. States may introduce legislation several times before adopting a policy and take even more time to fully implement it. States in which there has been considerable legislative initiative have made greater progress toward and are likely closer to adopting and implementing a policy compared to states in which there has been little to no legislative initiative. Once a policy is adopted, some states make the benefits more generous over time, whereas other states may rescind benefits in bills during subsequent legislative sessions.

In the Roadmap, policies are defined as having been studied at the state level, and the evidence points to clear legislative or regulatory action that states can take to implement the policy and achieve better outcomes. Comprehensive reviews of rigorous evidence informed the definition for each of the five effective policies, including the level of generosity necessary to achieve outcomes for children and families.

In contrast to policies, we define state-level strategies as effective programs or approaches that states have implemented, but research has not evaluated the strategy as a statewide policy, and research does not provide clear guidance on how states should implement the strategy statewide to replicate the impacts that were found in rigorous studies. Without state statute or law to review for progress toward a defined legislative or regulatory action, we leveraged available data assessing state variation in each of the strategies to demonstrate how states are making progress implementing the six strategies relative to one another.

Benefits and services vary considerably across states and effective solutions are not implemented similarly across all states, leaving children and families across the US with a patchwork of benefits and unequal outcomes. In addition to describing the adoption and implementation progress of each policy and strategy, the Prenatal-to-3 State Policy Roadmap provides additional information on the variation across states in the generosity of the benefit levels associated with each policy and strategy.

For each policy, this document provides the full source information associated with North Carolina's current adoption status (as of October 1, 2020), progress toward adopting and fully implementing the policy (generally as of June 30, 2020), and specific measures that identify North Carolina's generosity in implementing the policy. For each strategy, this document provides the full source information associated with North Carolina's progress toward implementing the strategy and the specific measures that describe North Carolina's benefit generosity.

For source and calculation information regarding the outcomes used to track state progress and demographic characteristics of North Carolina, see the relevant sections at [pn3policy.org/methods-and-sources](https://pn3policy.org/methods-and-sources).

## Policy: Expanded Income Eligibility for Health Insurance

**Adoption Status:** As of October 1, 2020. North Carolina has not adopted and fully implemented the Medicaid expansion under the Affordable Care Act (ACA) that includes coverage for most adults with incomes up to 138% of the federal poverty level (FPL).

**Source:** Doran, Will. (2020, July 29). *Will coronavirus create urgency to expand Medicaid? NC legislative debate has new life*. The News & Observer. Retrieved on June 22, 2020 from <https://www.newsobserver.com/news/local/article242374691.html>

**Progress to Adoption:** As of August 5, 2020.

### Sources:

1. Doran, Will. (2020, July 29). *Will coronavirus create urgency to expand Medicaid? NC legislative debate has new life*. The News & Observer. Retrieved on June 22, 2020 from <https://www.newsobserver.com/news/local/article242374691.html>
2. H.B. 655, 2019-2020 Leg., Reg. Sess., (N.C. 2019). <https://www.billtrack50.com/BillDetail/1114786>
3. H.B. 966, 2019-2020 Leg., Reg. Sess., (N.C. 2019). <https://www.ncleg.gov/BillLookup/2019/H966>
4. Kaiser Family Foundation. (2020, August 17). *Status of state Medicaid expansion decisions: interactive map*. Retrieved on January 1, 2020 from <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>
5. Norris, L. (2019, October 15). *North Carolina and the ACA's Medicaid expansion*. Retrieved on June 22, 2020 from <https://www.healthinsurance.org/north-carolina-medicaid/>
6. S.B. 4, 2013-2014 Leg., Reg. Sess., (N.C. 2013). <https://www.ncleg.gov/BillLookup/2013/S4>

## State Variability and Generosity: Medicaid Income Eligibility and Health Insurance Coverage

**Measure 1: Medicaid income eligibility for childless adults as a percentage of the federal poverty level.**

**Definition:** The state's income eligibility limit as a percent of the FPL for a childless adult to receive coverage through Medicaid.

**Source:** Kaiser Family Foundation. (n.d.). *Medicaid and CHIP*. Retrieved on April 7, 2020, from <https://www.kff.org/state-category/medicaid-chip/medicaidchip-eligibility-limits/>

### Notes:

1. Data are as of January 1, 2020.
2. Eligibility limits for other adults are presented as a percentage of the 2019 FPL for an individual, which is \$12,760.

**Measure 2: Medicaid income eligibility for parents (in a family of three) as a percentage of the federal poverty level.**

**Definition:** The state's income eligibility limit for parents (in a family of three) as a percent of the FPL to receive coverage through Medicaid or CHIP.

**Source:** Kaiser Family Foundation. (n.d.). *Medicaid and CHIP*. Retrieved on April 7, 2020, from <https://www.kff.org/state-category/medicaid-chip/medicaidchip-eligibility-limits/>

**Notes:**

1. Data are as of January 1, 2020.
2. Eligibility limits for other adults are presented as a percentage of the 2019 FPL for a family of three, which is \$21,720.

**Measure 3: Medicaid income eligibility for pregnant women as a percentage of the federal poverty level.**

**Definition:** The income eligibility limit, as a percentage of the federal poverty level, for a pregnant woman to receive Medicaid coverage in this state.

**Source:** Kaiser Family Foundation. (n.d.). *Medicaid and CHIP*. Retrieved on April 7, 2020, from <https://www.kff.org/state-category/medicaid-chip/medicaidchip-eligibility-limits/>

**Notes:**

1. Data are as of January 1, 2020.
2. Income limits reflect Modified Adjusted Gross Income (MAGI)-converted income standards and include a disregard equal to five percentage points of the federal poverty level (FPL) applied at the highest income level for Medicaid and separate CHIP coverage. Eligibility levels are reported as percentage of the FPL. The 2019 FPL for a family of three was \$21,330.
3. North Carolina provides full Medicaid benefits to pregnant women with incomes up to roughly 43% FPL. Above that level, more limited pregnancy-related benefits are provided to pregnant women covered under Medicaid.

**Measure 4: Medicaid income eligibility limits for children (ages 0 to 5) as a percentage of the federal poverty level. (*Data Interactive Only*)**

**Definition:** The state's income eligibility limit for children (ages 0 to 5) as a percent of the FPL to receive coverage through Medicaid, CHIP-funded Medicaid, or Separate CHIP programs.

**Source:** Kaiser Family Foundation. (n.d.). *Medicaid and CHIP*. Retrieved on April 7, 2020, from <https://www.kff.org/state-category/medicaid-chip/medicaidchip-eligibility-limits/>

**Notes:**

1. Data are as of January 1, 2020.
2. January 2020 income limits reflect Modified Adjusted Gross Income (MAGI)-converted income standards and include a disregard equal to five percentage points of the federal poverty level (FPL) applied at the highest income level for Medicaid and separate CHIP coverage. Eligibility levels are reported as percentage of the FPL. The 2019 FPL for a family of three was \$21,720.
3. States may use Title XXI CHIP funds to cover children through CHIP-funded Medicaid expansion programs and/or separate child health insurance programs for children not eligible for Medicaid. Use of Title XXI CHIP funds is limited to uninsured children. The Medicaid income eligibility levels listed indicate thresholds for children covered with Title XIX Medicaid funds and uninsured children covered with Title XXI funds through CHIP-funded Medicaid expansion programs.
4. To be eligible in the infant category, a child has not yet reached his or her first birthday. To be eligible in the 1-5 category, the child is age one or older, but has not yet reached his or her sixth birthday.

**Measure 5: State has adopted 12-month continuous eligibility for children's Medicaid. (Data Interactive Only)**

**Definition:** "Yes" indicates state has adopted 12-Month continuous eligibility for children's Medicaid. "No" indicates state has not adopted 12-Month continuous eligibility for children's Medicaid.

**Source:** Kaiser Family Foundation. (n.d.). *State adoption of 12-month continuous eligibility for children's Medicaid and CHIP*. Retrieved on April 7, 2020, from <https://www.kff.org/health-reform/state-indicator/state-adoption-of-12-month-continuous-eligibility-for-childrens-medicaid-and-chip/>

**Notes:** Data are as of January 1, 2020.

**Measure 6: Percentage of low-income adult women of childbearing age who report they do not have any health insurance coverage.**

**Definition:** The percentage of low-income ( $\leq 138\%$  of the federal poverty level) adult women of childbearing age (19 to 44) who report they do not have any health insurance coverage.

**Source:** U.S. Census Bureau. (2019). *2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/acs/data/pums.html>

**Notes:**

The numerator is the number of low-income ( $\leq 138\%$  of FPL) adult women of childbearing age (19 to 44) who reported not having health insurance coverage during the prior calendar year. For this particular measure, the sample was limited to women aged 19 to 44 as women aged 18 or under are eligible for Medicaid coverage. Women living in group quarters were excluded from the sample. The denominator represents the number of adult (age 19 to 44) women of known age and with known poverty status whose poverty threshold is at or below 138% of the federal poverty level (FPL). The poverty threshold uses the U.S. Census calculation of poverty and is based on the total income of all individuals aged 15 or older who are related to the head of household through marriage, birth or adoption. Income from cohabiting partners who are not married and unrelated children (including foster children) are not included in the calculation of family income. This family income is compared to federal poverty thresholds based on related family size and composition.<sup>1</sup> All estimates were calculated in Stata 16 using both ACS person-level weights, to provide national and state representative estimates, and replicate weights to appropriately adjust standard errors to account for any sampling bias. The U.S. Census Bureau recommends using a 90% confidence interval for evaluating the accuracy of estimates using ACS data.<sup>2</sup> Given the age and poverty limits imposed on the sample (women age 19-44 with incomes less than or equal to 138% FPL) and the calculation estimates by state, incorporating both population and sampling weights helps to account for exogenous sources of variance and improve the accuracy of estimates.

<sup>1</sup> U.S. Census Bureau (n.d.). *How the Census Bureau measures poverty*. As of August 27, 2019. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>

<sup>2</sup> Appendix 3 "Measures of Sampling Error" in U.S. Census Bureau (2008). *A compass for understanding and using American Community Survey data: What general data users need to know*. U.S. Government Printing Office, Washington, DC.

## Policy: Reduced Administrative Burden for SNAP

**Adoption Status:** North Carolina's median recertification interval is not 12 months or longer among households with SNAP-eligible children under age 18.

Status was determined by calculating the median recertification interval for households with SNAP-eligible children under age 18 in the QC Minimodel dataset. This was then compared to the description of permitted recertification intervals from the SNAP manual for any eligible households NOT in the following categories: able bodied without dependents (ABAWD), elderly, or with disability and unable to work. States with a calculated median recertification interval for households with SNAP-eligible children under age 18 are considered to have adopted and implemented this policy. The recertification interval in the SNAP manual provides additional granularity for the status coding within the yes/no categories.

### SNAP Manual

**Source:** North Carolina Department of Health and Human Services (n.d.) *Food and nutrition services manual*. Retrieved on June 19, 2020 from <https://policies.ncdhhs.gov/divisional/social-services/food-and-nutrition-services/policy-manuals>

### State Length of Recertification Interval (Calculated Median)

**Definition:** The median recertification interval length for households with SNAP-eligible children (under 18) in the weighted QC Minimodel dataset.

**Source:** United States Department of Agriculture. (2019). *Fiscal Year 2018 Supplemental Nutrition Assistance Program quality control database* [Data Set]. Retrieved on March 26, 2020 from <https://www.fns.usda.gov/resource/snap-quality-control-data>

**Calculation Notes:** The recertification interval length is provided for all SNAP recipient households in the dataset. The sample was limited to SNAP recipient households with any SNAP-eligible children (under 18) for each state. Median interval lengths were calculated in Stata 16 using household-level full-year sampling weights and were rounded to the nearest month.

**Progress to Adoption:** As of June 30, 2020. Length of recertification interval (months) specified in state's SNAP manual.

**Source:** North Carolina General Assembly. (n.d.). *Bills by keyword*. Retrieved on May 1, 2020 from <https://www.ncleg.gov/Legislation/Bills/ByKeyword/2017/All>

### State Variability and Generosity: SNAP Recertification Intervals, Eligibility, and Take-Up Rates

#### Measure 1: Median recertification interval length (months) for households with SNAP-eligible children (under 18)

**Definition:** The median recertification interval length for households with SNAP-eligible children (under 18) in the weighted QC Minimodel dataset.

**Source:** United States Department of Agriculture. (2019). *Fiscal Year 2018 Supplemental Nutrition Assistance Program quality control database* [Data Set]. Retrieved on March 26, 2020 from <https://www.fns.usda.gov/resource/snap-quality-control-data>

**Calculation Notes:**

The recertification interval length is provided for all SNAP recipient households in the dataset. The sample was limited to SNAP recipient households with any SNAP-eligible children (under 18) for each state. Median interval lengths were calculated in Stata 16 using household-level full-year sampling weights and were rounded to the nearest month.

**Measure 2: Length of recertification interval (months) specified in state's SNAP manual**

**Definition:** The recertification interval (in months) that the state SNAP manual outlines for households that are not in the following categories: able bodied without dependents (ABAWD), elderly, and with disability and unable to work.

**Source:** North Carolina Department of Health and Human Services (n.d.) *Food and nutrition services manual*. Retrieved on June 19, 2020 from <https://policies.ncdhhs.gov/divisional/social-services/food-and-nutrition-services/policy-manuals>

**Measure 3: Percentage of SNAP beneficiary families with child under age 3 (Data Interactive Only)**

**Definition:** The percentage of households receiving SNAP benefits that have children under age 3 in the weighted QC Minimodel dataset.

**Source:** United States Department of Agriculture. (2019). *Fiscal Year 2018 Supplemental Nutrition Assistance Program quality control database* [Data Set]. Retrieved on March 26, 2020 from <https://www.fns.usda.gov/resource/snap-quality-control-data>

**Calculation Notes:** The sample was limited to households receiving SNAP benefits. The numerator is all households receiving SNAP benefits which have any children under 3. The denominator for this calculation is all households receiving SNAP benefits included in the model. All estimates were calculated in Stata 16 using household-level full-year sampling weights.

**Measure 4: Percentage of eligible families with children under age 18 not receiving SNAP**

**Definition:** The percentage of families with children under 18 who are eligible for SNAP benefits but did not receive them.

**Source:** TRIM3. (2016-2018). *Transfer Income Model, Version 3* [Data set]. Retrieved on May 10, 2020, from <https://trim3.urban.org>

**Calculation Notes:**

The sample was limited to SNAP-eligible families with children under age 18. The numerator is the number of SNAP-eligible families with at least one child under age 18 who did not report receiving SNAP during the prior calendar year. The denominator is the number of SNAP-eligible families with at least one child under 18. These data are the pooled TRIM3 model adjusted values based on the Census Bureau's Current Population Survey Annual Social and Economic Supplement (CPS ASEC) 2018, 2017, and 2016 datasets. The model adjusts Census data, based on program eligibility requirements and program administrative data on recipients, to account for underreporting of benefit receipt. The TRIM3 project microdata uses the actual date of the data. For example, as the 2018 CPS ASEC survey questioned respondents about activities and benefits from 2017, the TRIM3 model refers to these data as the 2017 input files.

All estimates (national and state-level) were calculated in Stata 16 using family-level weights. To improve data quality and accuracy of state-level estimates, per U.S. Census Current Population Survey guidance, estimates were calculated using the three most recent years of CPS ASEC data and family-level population weights were adjusted by three to account for the multi-year dataset.<sup>3</sup> The U.S. Census Bureau recommends using a 90% confidence interval for evaluating the accuracy of estimates using CPS data. All state-level estimates fell within this recommended 10% margin of error. Information presented here is derived in part from the Transfer Income Model, Version 3 (TRIM3) and associated databases. TRIM3 requires users to input assumptions and/or interpretations about economic behavior and the rules governing federal programs. Therefore, the conclusions presented here are attributable only to the authors of this report.

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<sup>3</sup> U.S. Census Bureau (n.d.). *Which data source to use*. As of March 20, 2018. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/data-sources.html>

## Policy: Paid Family Leave

**Adoption Status:** As of October 1, 2020. North Carolina has not adopted and fully implemented a paid family leave policy of a minimum of 6 weeks.

**Source:** N.C. Exec. Order No. 95 (May 23, 2019).

[https://files.nc.gov/governor/documents/files/EO95 -  
\\_Providing Paid Parental Leave to Eligible State Employees.pdf](https://files.nc.gov/governor/documents/files/EO95_-_Providing_Paid_Parental_Leave_to_Eligible_State_Employees.pdf)

**Notes:** North Carolina has a paid family leave program for eligible state employees.

**Progress to Adoption:** As of June 30, 2020.

**Sources:**

1. H.B. 1113, 2015-2016 Leg., Reg. Sess., (N.C. 2016).  
<https://www.ncleg.gov/BillLookup/2015/H1113>
2. H.B. 696, 2019-2020 Leg., Reg. Sess., (N.C. 2019).  
<https://www.ncleg.gov/BillLookup/2019/H696>

### *State Variability and Generosity: Paid Family Leave Benefits*

#### **Measure 1: Maximum number of weeks of paid family leave benefit**

**Definition:** Maximum number of weeks available in the paid family leave benefit. As of October 1, 2020.

**Source:** No statute found.

#### **Measure 2: Maximum paid family leave benefit value**

**Definition:** Maximum dollar value of the weekly paid family leave benefit. As of October 1, 2020.

**Source:** No statute found.

## Policy: State Minimum Wage

**Adoption Status:** As of October 1, 2020. North Carolina has not adopted and fully implemented a minimum wage of \$10 or greater.

**Source:** N.C. Gen. Stat § 92-25.3. (2006). [https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter\\_95/gs\\_95-25.3.pdf](https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter_95/gs_95-25.3.pdf)

**Notes:** North Carolina's state minimum wage is designated as \$6.15 but this amount is no longer valid because the federal minimum wage is higher.

**Progress to Adoption:** As of June 30, 2020.

**Sources:**

1. N.C. Gen. Stat § 92-25.3. (2006). [https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter\\_95/gs\\_95-25.3.pdf](https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter_95/gs_95-25.3.pdf)
2. North Carolina General Assembly. (n.d.). *Bill search*. Retrieved on June 15, 2020 from <https://www.ncleg.gov/Search/BillText>

### ***State Variability and Generosity: Current Minimum Wage (Nominal and Cost-of-Living Adjusted) and Parents Earning Less Than \$10 per Hour***

#### **Measure 1: Current state minimum wage**

**Definition:** Current state hourly minimum wage for large employers.

**Source:** N.C. Gen. Stat § 92-25.3. (2006). [https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter\\_95/gs\\_95-25.3.pdf](https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter_95/gs_95-25.3.pdf)

**Notes:**

1. According to the U.S. Dept. of Labor, Wage and Hour Division, workers can be covered by the Fair Labor Standards Act (FLSA) through “enterprise coverage” or “individual coverage.” Enterprise coverage applies to businesses with an annual dollar volume of sales or business of at least \$500,000, and to hospitals, businesses providing medical or nursing care for residents, schools and preschools, and hospital agencies. Workers without enterprise coverage can be protected by the FLSA through individual coverage if their work involves interstate commerce or if they are domestic service workers, such as housekeepers, full-time babysitters, or cooks. Some exceptions for FLSA coverage apply to workers with disabilities, full-time students, individuals under 20 years old in their first 90 consecutive calendar days of employment, tipped employees, and students enrolled in vocational education programs.
2. States often have different minimum wages designated for small employers, employees under the age of 18, employees in an initial "training" window of employment, and tipped employees.
3. In eight states, there is no legislated minimum wage (Alabama, Louisiana, Mississippi, South Carolina, or Tennessee) or it is set lower than the federal minimum wage of \$7.25 from the Fair Labor Standards Act (Georgia, North Carolina, and Wyoming). The FLSA applies for covered workers in these states.

## Measure 2: Cost-of-living adjusted minimum wage

**Definition:** Current cost-of-living adjusted minimum wage.

**Sources:**

1. N.C. Gen. Stat § 92-25.3. (2006). [https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter\\_95/gs\\_95-25.3.pdf](https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter_95/gs_95-25.3.pdf)
2. Bureau of Economic Analysis. (2020, May 18). *GDP and personal income* [Data set]. Retrieved on May 20, 2020, from <https://apps.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=8#reqid=70&step=1&isuri=1>

**Notes:**

This is a measure of the minimum wage accounting for state-level differences in cost of living. It is calculated by applying the state's 2018 regional price parities index value for all items to the state's 2020 nominal minimum wage. Regional Price Parities (RPPs) measure the differences in price levels across states and metropolitan areas for a given year and are expressed as a percentage of the overall national price level. All items RPPs cover all consumption goods and services, including housing rents. Areas with high/low RPPs typically correspond to areas with high/low price levels for rents. The nominal minimum wage used in this calculation is the minimum wage required to be paid by employers in state statute. For states where there is no legislated minimum wage, or it is below the federally mandated minimum wage of \$7.25, the federal minimum wage is used.

## Measure 3: Value of nominal wage necessary for a \$10 cost-of-living adjusted minimum wage (*Data Interactive Only*)

**Definition:** The level the nominal minimum wage would need to be in a state for its cost-of-living-adjusted minimum wage to be \$10.

**Sources:**

1. N.C. Gen. Stat § 92-25.3. (2006). [https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter\\_95/gs\\_95-25.3.pdf](https://www.ncleg.gov/enactedlegislation/statutes/pdf/bysection/chapter_95/gs_95-25.3.pdf)
2. Bureau of Economic Analysis. (2020, May 18). *GDP and personal income* [Data set]. Retrieved on May 20, 2020, from <https://apps.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=8#reqid=70&step=1&isuri=1>

**Notes:**

This value indicates what the nominal minimum wage would need to be set at by statute for the purchasing power of the minimum wage (the cost-of-living adjusted minimum wage) to be \$10. The cost-of-living adjusted minimum wage is a measure of the minimum wage accounting for state-level differences in cost of living. It is calculated by applying the state's 2018 regional price parities index value for all items to the state's 2020 nominal minimum wage. Regional Price Parities (RPPs) measure the differences in price levels across states and metropolitan areas for a given year and are expressed as a percentage of the overall national price level. All items RPPs cover all consumption goods and services, including housing rents. Areas with high/low RPPs typically correspond to areas with high/low price levels for rents. The nominal minimum wage used in this calculation is the minimum wage required to be paid by employers in state statute. For states where there is no legislated minimum wage, or it is below the federally mandated minimum wage of \$7.25, the federal minimum wage is used.

## Measure 4: Percentage of parents with children under age 3 who earn less than \$10 per hour

**Definition:** The percentage of parents with children under the age of 3 who reported earning less than \$10 per hour during the prior calendar year.

**Source:** U.S. Bureau of Labor Statistics and U.S. Census Bureau. (2017- 2019). *2017-2019 Current Population Survey – Annual Social and Economic Supplement (CPS ASEC) Public-Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/cps.html>

**Calculation Notes:**

The sample was limited to parents with at least one child under the age of 3 who reported they were in the labor force and working during the prior calendar year. Workers who reported being paid hourly provided their hourly wage. For non-hourly wage workers, we calculated the hourly wage using reported pre-tax annual earnings and work hours variables from the prior calendar year (hours usually worked per week and number of weeks worked). The numerator included all labor force participating parents with at least one child under 3 whose reported or calculated hourly wage was less than \$10 per hour. The denominator included all labor force participating parents with at least one child under age 3.

All estimates (national and state-level) were calculated in Stata 16 using both person-level weights, to provide national and state representative estimates, and replicate weights to appropriately adjust standard errors to account for any sampling bias. To improve data quality and accuracy of state-level estimates, per U.S. Census Current Population Survey guidance, estimates were calculated using the three most recent years of CPS ASEC data and family-level population weights were adjusted by three to account for the multi-year dataset.<sup>4</sup> The U.S. Census Bureau recommends using a 90% confidence interval for evaluating the accuracy of estimates using CPS data.

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<sup>4</sup> U.S. Census Bureau (n.d.). *Which data source to use*. As of March 20, 2018. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/data-sources.html>

## Policy: State Earned Income Tax Credit

**Adoption Status:** As of October 1, 2020. North Carolina has not adopted and fully implemented a refundable EITC of at least 10% of the federal EITC for all eligible families with any children under age 3.

**Source:** N.C. Gen. Stat. § 105-130 et seq. (2020).

<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter105>

**Progress to Adoption:** As of June 30, 2020.

**Source:**

1. H.B. 757, 2015-2016 Leg., Reg. Sess., (NC 2016).  
<https://www.ncleg.gov/BillLookup/2015/S757>
2. H.B. 238, 2019-2020 Leg., Reg. Sess., (NC 2019).  
<https://www.ncleg.gov/BillLookup/2019/h238>
3. H.B. 1076, 2019-2020 Leg., Reg. Sess., (NC 2020).  
[https://www.ncleg.gov/BillLookup/2015/H1076\\_3/23/2020](https://www.ncleg.gov/BillLookup/2015/H1076_3/23/2020)
4. N.C. Gen. Stat. § 105-130 et seq. (2020).  
<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter105>
5. Tax Credits for Workers and Their Families. (n.d.). *State tax credits*. Retrieved July 1, 2019, from <http://www.taxcreditsforworkersandfamilies.org/state-tax-credits/>

### State Variability and Generosity: State EITC Details

#### Measure 1: State EITC Detail

**Definition:** State has refundable, non-refundable, or no state EITC.

**Source:** N.C. Gen. Stat. § 105-130 et seq. (2020).

<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter105>

#### Measure 2: State EITC value as a percentage of the federal EITC

**Definition:** State EITC generosity as a percentage of federal EITC.

**Source:** N.C. Gen. Stat. § 105-130 et seq. (2020).

<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter105>

#### Measure 3: Percentage of federal EITC-eligible tax filers who did not claim federal EITC

**Definition:** The percentage of federal EITC-eligible tax filers who did not claim federal EITC during the prior tax year.

**Source:** U.S. Bureau of Labor Statistics and U.S. Census Bureau. (2017- 2019). *2017-2019 Current Population Survey – Annual Social and Economic Supplement (CPS ASEC) Public-Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/cps.html>

**Calculation Notes:**

The sample was limited to tax filers who met the federal EITC eligibility criteria for the prior tax year.<sup>5</sup> The IRS eligibility criteria are defined using maximum adjusted gross income limits based

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<sup>5</sup> Internal Revenue Service (n.d.). *Earned Income Tax Credit income limits and maximum credit amounts*. As of August 27, 2020. Retrieved on September 1, 2020 from <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/earned-income-tax-credit-income-limits-and-maximum-credit->

on filing status (single, head of household, or widowed or married filing jointly) and the number of qualifying children. Qualifying children are defined as children younger than 19 (or younger than 24 if the child was a full-time student), who are related to the tax filer through birth, marriage, or adoption or extended familial relationship such as a grandchild, sibling, other relative, or foster child. Children who were not related to the head of household or were a spouse or married child under 18 were not included.<sup>6</sup> The numerator included all tax filers who met the federal EITC eligibility criteria for the prior tax year and reported receiving no federal earned income tax credit (\$0). The denominator included all tax filers who met the federal EITC eligibility criteria for the prior tax year.

All estimates (national and state-level) were calculated in Stata 16 using both household-level weights, to provide national and state representative estimates, and replicate weights to appropriately adjust standard errors to account for any sampling bias. To improve data quality and accuracy of state-level estimates, per U.S. Census Current Population Survey guidance, estimates were calculated using the three most recent years of CPS ASEC data and household-level population weights were adjusted by three to account for the multi-year dataset.<sup>7</sup> The U.S. Census Bureau recommends using a 90% confidence interval for evaluating the accuracy of estimates using CPS data.

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[amounts#:~:text=The%20maximum%20amount%20of%20credit%20for%20Tax%20Year%202019%20is,%243%2C526%20with%20one%20qualifying%20child](#)

<sup>6</sup> Internal Revenue Service (n.d.). *Qualifying child rules*. As of July 31, 2020. Retrieved on September 1, 2020 from <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/qualifying-child-rules>

<sup>7</sup> U.S. Census Bureau (n.d.). *Which data source to use*. As of March 20, 2018. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/data-sources.html>

## Strategy: Comprehensive Screening and Referral Programs

**Implementation Status:** North Carolina has evidence-based comprehensive screening and referral programs.

**Sources:**

1. Family Connects. (n.d.). *Family Connects locations*. Retrieved on June 12, 2020, from <https://familyconnects.org/family-connects-model/family-connects-sites/>
2. Healthy Steps. (n.d.). *Our sites*. Retrieved on June 12, 2020, from <https://www.healthysteps.org/sites>

**Progress:** State has either Family Connects or Healthy Steps sites.

**Sources:**

1. Family Connects. (n.d.). *Family Connects locations*. Retrieved on June 12, 2020, from <https://familyconnects.org/family-connects-model/family-connects-sites/>
2. Healthy Steps. (n.d.). *Our sites*. Retrieved on June 12, 2020, from <https://www.healthysteps.org/sites>

### ***State Variability and Generosity: Evidence-Based Comprehensive Screening and Referral Programs***

#### **Measure: State has evidence-based comprehensive screening and referral programs**

**Definition:** State has both/either/neither Healthy Steps or Family Connects programs.

**Sources:**

1. Family Connects. (n.d.). *Family Connects locations*. Retrieved on June 12, 2020, from <https://familyconnects.org/family-connects-model/family-connects-sites/>
2. Healthy Steps. (n.d.). *Our sites*. Retrieved on June 12, 2020, from <https://www.healthysteps.org/sites>
3. Horner, Z. (2020, January 17). *NC receives \$56 million from federal government for early childhood work*. Chatham News and Record. Retrieved on June 12, 2020, from <https://www.chathamnewsrecord.com/stories/nc-receives-56-million-from-federal-government-for-early-childhood-work,4430>

## Strategy: Child Care Subsidies

**Implementation Status:** As of July 1, 2020. North Carolina's base reimbursement rates do not meet the federally recommended 75th percentile and are derived from a Market Rate Survey that is more than two years old.

### Sources:

1. The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)
2. The Center for Urban Affairs and Community Services, North Carolina State University. (2018, June). *North Carolina child care market rate study 2017 final report*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL\\_Child\\_Care\\_Market\\_Rate\\_Study\\_REPORT082718.pdf?ver=2018-08-28-084340-920](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL_Child_Care_Market_Rate_Study_REPORT082718.pdf?ver=2018-08-28-084340-920)
3. North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>
4. North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Subsidy rate calculator*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Subsidy-Rate-Calculator>

### Notes:

1. Base reimbursement rate data were reported for providers in the most populous geographic region in the state, similar to the process used in state Child Care Development Fund (CCDF) plans. For North Carolina, data reflect provider information in Mecklenburg–Tier 3.
2. Incorrect rates were reported for North Carolina for the base and 75<sup>th</sup> percentile reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

**Progress:** As of June 30, 2020.

### Sources:

1. The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)
2. The Center for Urban Affairs and Community Services, North Carolina State University. (2018, June). *North Carolina child care market rate study 2017 final report*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL\\_Child\\_Care\\_Market\\_Rate\\_Study\\_REPORT082718.pdf?ver=2018-08-28-084340-920](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL_Child_Care_Market_Rate_Study_REPORT082718.pdf?ver=2018-08-28-084340-920)
3. North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>

4. North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Subsidy rate calculator*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Subsidy-Rate-Calculator>

### **State Variability and Generosity: Child Care Subsidy Rates, Market Rate Surveys, and Waiting Lists**

#### **Measure 1: Base reimbursement rate for infants in center-based care**

**Definition:** The lowest current subsidy amount (in dollars) paid to providers for full-time monthly care for infants in center-based settings.

**Source:** North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>

**Notes:** Incorrect rates were reported for North Carolina for the base reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

#### **Measure 2: Base reimbursement rate for infants in center-based care IF rate was set to 75<sup>th</sup> percentile**

**Definition:** The subsidy amount (in dollars) hypothetically available to providers if the base reimbursement rate was set to the 75<sup>th</sup> percentile of market rates for full-time monthly care for infants in center-based settings.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)

**Notes:** Incorrect rates were reported for North Carolina for the 75<sup>th</sup> percentile reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

#### **Measure 3: Base reimbursement rate for toddlers in center-based care**

**Definition:** The lowest current subsidy amount (in dollars) paid to providers for full-time monthly care for toddlers in center-based settings.

**Source:** North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>

**Notes:** Incorrect rates were reported for North Carolina for the base reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

**Measure 4: Base reimbursement rate for toddlers in center-based care IF rate was set to 75<sup>th</sup> percentile (Data Interactive Only)**

**Definition:** The subsidy amount (in dollars) hypothetically available to providers if the base reimbursement rate was set to the 75<sup>th</sup> percentile of market rates for full-time monthly care for toddlers in center-based settings.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)

**Notes:** Incorrect rates were reported for North Carolina for the 75<sup>th</sup> percentile reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

**Measure 5: Base reimbursement rate for infants in family child care**

**Definition:** The lowest current subsidy amount (in dollars) paid to providers for full-time monthly care for infants in family child care settings.

**Source:** North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>

**Notes:** Incorrect rates were reported for North Carolina for the base reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

**Measure 6: Base reimbursement rate for infants in family child care IF rate was set to 75<sup>th</sup> percentile (Data Interactive Only)**

**Definition:** The subsidy amount (in dollars) hypothetically available to providers if the base reimbursement rate was set to the 75<sup>th</sup> percentile of market rates for full-time monthly care for infants in family child care settings.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from

[https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)

**Notes:** Incorrect rates were reported for North Carolina for the 75<sup>th</sup> percentile reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

#### **Measure 7: Base reimbursement rate for toddlers in family child care**

**Definition:** The lowest current subsidy amount (in dollars) paid to providers for full-time monthly care for toddlers in family child care settings.

**Source:** North Carolina Department of Health and Human Services, Division of Child Development and Early Education. (n.d.). *Market rates*. Retrieved on April 1, 2020, from <https://ncchildcare.ncdhhs.gov/Home/DCDEE-Sections/Subsidy-Services/Market-Rates>

**Notes:** Incorrect rates were reported for North Carolina for the base reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

#### **Measure 8: Base reimbursement rate for toddlers in family child care IF rate was set to 75<sup>th</sup> percentile (Data Interactive Only)**

**Definition:** The subsidy amount (in dollars) hypothetically available to providers if the base reimbursement rate was set to the 75<sup>th</sup> percentile of market rates for full-time monthly care for toddlers in family child care settings.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)

**Notes:** Incorrect rates were reported for North Carolina for the 75<sup>th</sup> percentile reimbursement rates. North Carolina only provides subsidies for children enrolled in center-based and family child care settings rated as 3-star or higher in the North Carolina Quality Rating Improvement System (<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>). The rates originally reported in the Roadmap reflect reimbursement rates for QRIS 1-star rated settings. See the Errata documentation available at pn3policy.org for additional details.

#### **Measure 9: Year of market rate survey used to establish base rates**

**Definition:** The year of the market rate survey currently used to establish provider reimbursement rates.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2015, June). *North Carolina 2015 child care market rate study*. Retrieved on April 1, 2020, from

[https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market\\_rate\\_survey\\_report\\_2015.pdf](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/M/market_rate_survey_report_2015.pdf)

**Measure 10: Year of most recent market rate survey (as of June 30, 2020)**

**Definition:** The year of the most recent market rate survey available to the state to set provider reimbursement rates.

**Source:** The Center for Urban Affairs and Community Services, North Carolina State University. (2018, June). *North Carolina child care market rate study 2017 final report*. Retrieved on April 1, 2020, from [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL\\_Child\\_Care\\_Market\\_Rate\\_Study\\_REPORT082718.pdf?ver=2018-08-28-084340-920](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/F/FINAL_Child_Care_Market_Rate_Study_REPORT082718.pdf?ver=2018-08-28-084340-920)

**Measure 11: Waiting list for subsidies (number of children on waiting list) (Data Interactive Only)**

**Definition:** The status of waiting lists for child care assistance, including the number of children currently on the waitlist.

**Source:** National Women's Law Center. (2020, February 12). *State by state fact sheets: child care assistance policies 2019*. Retrieved on June 2, 2020, from <https://nwlc.org/resources/state-by-state-fact-sheets-child-care-assistance-policies-2019/>

**Notes:** As of March 2019, North Carolina was placing all families on the waiting list except those families receiving child protective services, children receiving protective services and removed from their home to avoid foster care placement, foster children, children experiencing homelessness, and children with special needs.

**State Variability and Generosity: Child Care Subsidy Income Eligibility Criteria, Copayments, and Additional Fees**

**Measure 12: Income eligibility as a percentage of the federal poverty level (FPL)**

**Definition:** The state's income eligibility limit as a percent of the FPL for a family to receive child care assistance.

**Measure 13: Income eligibility as a percentage of state median income**

**Definition:** The state's income eligibility limit as a percent of the state's median income for a family to receive child care assistance.

**Source for Measures 12 and 13:** National Women's Law Center. (2020, February 12). *State by state fact sheets: child care assistance policies 2019*. Retrieved on June 2, 2020, from <https://nwlc.org/resources/state-by-state-fact-sheets-child-care-assistance-policies-2019/>

**Notes for Measures 12 and 13:**

1. All income limits are calculated as annual amounts for a family of three.
2. The income eligibility limits shown in the tables represent the maximum income families can have when they apply for child care assistance. Many states allow families, once receiving assistance, to continue receiving assistance up to a higher income level than that initial limit.

**Measure 14: Monthly copayment dollar amount for a family of 3 at 150% FPL**

**Definition:** The dollar amount of a monthly copayment for a family of three with one child in care and an income at 150% FPL.

**Measure 15: Monthly copayment dollar amount for a family of 3 at 100% FPL (*Data Interactive Only*)**

**Definition:** The dollar amount of a monthly copayment for a family of three with one child in care and an income at 100% FPL.

**Measure 16: Monthly copayment as a percentage of income for a family of 3 at 150% of FPL**

**Definition:** The value of the required monthly copayment for a family of three with one child in care and an income at 150% FPL, expressed as a percentage of the family's monthly income.

**Measure 17: Monthly copayment as a percentage of income for a family of 3 at 100% of FPL (*Data Interactive Only*)**

**Definition:** The value of the required monthly copayment for a family of three with one child in care and an income at 100% FPL, expressed as a percentage of the family's monthly income.

**Source for Measures 14, 15, 16, and 17:** National Women's Law Center. (2020, February 12). *State by state fact sheets: child care assistance policies 2019*. Retrieved on June 2, 2020, from <https://nwlc.org/resources/state-by-state-fact-sheets-child-care-assistance-policies-2019/>

**Notes for Measures 14, 15, 16, and 17:**

1. For a family of three, an income at 150 percent of poverty was equal to \$31,995 a year in 2019.
2. For a family of three, an income at 100 percent of poverty was equal to \$21,330 a year in 2019.
3. Many states exempt families from copayment requirements if they meet specific criteria. Among the most common of these criteria are families receiving TANF, children receiving protective services, children in foster care, and homeless families.
4. For nonexempt families, copayment amounts are based on a sliding fee scale, determined by each state and dependent on income level and family size. Copayment amounts vary, partly because of differences in the price of child care between states and territories. Higher copayment amounts do not necessarily mean that a state pays a smaller proportion of the price of care.
5. For states that calculate their copayments as a percentage of the cost of care (Delaware, Hawaii, Nevada, and Vermont), it is assumed that the family was purchasing care at the state's maximum base payment rate for licensed center care for a four-year-old.
6. Monthly copayments were calculated from hourly, daily, and weekly copayments assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month.
7. Copayments for states with standard income deductions were determined based on adjusted income.
8. All states have income eligibility criteria for families to receive subsidy assistance. Many states allow families to continue to receive assistance once they are enrolled in the program up to a higher income level than the initial eligibility limit.

**Measure 18: State allows provider to charge parents the difference between reimbursement rate and provider rate**

**Definition:** Provider can charge parents the difference between market rate and subsidy reimbursement rate.

**Source:** National Women’s Law Center. (2020, February 12). *State by state fact sheets: child care assistance policies 2019*. Retrieved on June 2, 2020, from <https://nwlc.org/resources/state-by-state-fact-sheets-child-care-assistance-policies-2019/>

**Notes:**

1. Many states exempt families from copayment requirements if they meet specific criteria. Among the most common of these criteria are families receiving TANF, children receiving protective services, children in foster care, and homeless families.
2. For nonexempt families, copayment amounts are based on a sliding fee scale, determined by each state and dependent on income level and family size. Copayment amounts vary, partly because of differences in the price of child care between states and territories. Higher copayment amounts do not necessarily mean that a state pays a smaller proportion of the price of care.

**State Variability and Generosity: QRIS Participation and Requirements**

**Measure 19: State QRIS Detail**

**Definition:** Provides a description of the current status of a state’s QRIS.

**Sources:**

1. The Build Initiative & Child Trends' Quality Compendium. (2019, December 31). *QRIS Compendium profile report* [Data set]. Retrieved on July 13, 2020, from <https://qualitycompendium.org/profile-report>
2. Office of Child Care. (n.d.). *Approved CCDF plans (FY 2019-2021)*. U.S. Department of Health & Human Services. Retrieved on June 16, 2020, from <https://www.acf.hhs.gov/occ/resource/state-plans>

**Measure 20: QRIS Participation requirement**

**Definition:** State requires licensed center-based and family child care providers to participate in the state QRIS.

**Measure 21: Subsidy reimbursement rate tied to QRIS quality tier**

**Definition:** QRIS includes any link between quality tier and subsidy base reimbursement rate for licensed centers and licensed family child care programs.

**Sources for Measures 20 and 21:** The Build Initiative & Child Trends' Quality Compendium. (2019, December 31). *QRIS Compendium profile report* [Data set]. Retrieved on July 13, 2020, from <https://qualitycompendium.org/profile-report>

## Strategy: Group Prenatal Care

**Implementation Status:** As of June 30, 2020. North Carolina does not support the implementation of group prenatal care financially through enhanced reimbursement for group prenatal care providers.

**Source:** North Carolina Department of Health & Human Services. (n.d.). *Pregnancy medical home*. Retrieved on June 8, 2020, from <https://medicaid.ncdhhs.gov/providers/programs-services/family-planning-and-maternity/pregnancy-medical-home>

**Progress:** As of June 30, 2020.

**Sources:**

1. North Carolina Department of Health & Human Services. (n.d.). *Pregnancy medical home*. Retrieved on June 8, 2020, from <https://medicaid.ncdhhs.gov/providers/programs-services/family-planning-and-maternity/pregnancy-medical-home>
2. North Carolina Institute of Medicine. (2020, April). *Healthy moms, health babies: building a risk-appropriate system of care for North Carolina*. Retrieved on June 8, 2020, from <http://nciom.org/wp-content/uploads/2020/04/Perinatal-Report-FINAL.pdf>

### **State Variability and Generosity: Type of Support for Group Prenatal Care, Number of Sites, and Lack of Adequate Prenatal Care**

#### **Measure 1: Type of state support for group prenatal care**

**Definition:** State support for group prenatal care falls into one of seven mutually exclusive categories, ranging from no support to enhanced fee-for-service reimbursement.

**Sources:**

1. North Carolina Department of Health & Human Services. (n.d.). *Pregnancy medical home*. Retrieved on June 8, 2020, from <https://medicaid.ncdhhs.gov/providers/programs-services/family-planning-and-maternity/pregnancy-medical-home>
2. North Carolina Institute of Medicine. (2020, April). *Healthy moms, health babies: building a risk-appropriate system of care for North Carolina*. Retrieved on June 8, 2020, from <http://nciom.org/wp-content/uploads/2020/04/Perinatal-Report-FINAL.pdf>

#### **Measure 2: Number of CenteringPregnancy program sites (Data Interactive Only)**

**Definition:** The total number of active CenteringPregnancy program sites in the state.

**Source:** Centering Healthcare Institute. (n.d.). *Locate Centering Sites*. Retrieved on May 11, 2020 from <https://centeringhealthcare.secure.force.com/WebPortal/LocateCenteringSitePage>

**Notes:** As of May 11, 2020.

#### **Measure 3: Percentage of women not receiving adequate prenatal care**

**Definition:** The percentage of women who received no prenatal care, whose prenatal care started after the fourth month of pregnancy, or who received fewer than 50% of expected prenatal visits based on when prenatal care started and the gestational age at delivery.

**Source:** United States Department of Health and Human Services (US DHHS), Centers for Disease Control and Prevention (CDC), National Center for Health Statistics (NCHS), Division of Vital Statistics, Natality public-use data 2016-2018, on CDC WONDER Online Database,

September 2019 [Data Set]. Accessed at <http://wonder.cdc.gov/nativity-expanded-current.html> on Jun 18, 2020.

**Calculation Notes:**

Calculation parameters were based on the Adequacy of Prenatal Care Utilization Index and identified those women who either had no prenatal care, whose prenatal care started after the fourth month of pregnancy, or who received fewer than 50% of expected prenatal visits based on when prenatal care started and the gestational age at delivery.<sup>8</sup> The American College of Gynecologists recommends 14 prenatal visits for a normal term pregnancy, with 1 visit per month up to 28 weeks, 1 visit every two weeks from 29 to 36 weeks, and 1 visit per week from 37 to 40 weeks. Data for gestational age (obstetric estimated), month of prenatal care start, and the number of prenatal care visits were downloaded from the CDC's Division of Vital Statistics expanded natality public-use file available through CDC WONDER Online Database. Data were downloaded in groups in order to identify the appropriate denominator and numerator for each group (e.g., those with no prenatal care; those initiating prenatal care after the fourth month of pregnancy, etc.). Gestational age data available through CDC WONDER are only available for those births occurring at 17 weeks gestation or later. Only records with known gestational age, valid information associated with the start of prenatal care (including receiving no prenatal care), and non-missing number of prenatal care visits were included in the calculations.

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<sup>8</sup> Kotelchuck, M. (1994). An evaluation of the Kessner Adequacy of Prenatal Care Index and a proposed Adequacy of Prenatal Care Utilization Index. *American Journal of Public Health*, 84, 1414-1420.

## Strategy: Evidence-Based Home Visiting

**Implementation Status:** North Carolina supplements federal funding and the estimated percent of eligible children served by home visiting is at or above the median state value (7.3%).

### State Supplements Federal Funding (as of FY2019)

#### Sources:

1. Health Resources and Services Administration. (2019, September). *Maternal, Infant, and Early Childhood Home Visiting Awards FY19*. <https://mchb.hrsa.gov/maternal-child-health-initiatives/home-visiting/fy19-awards>
2. National Conference of State Legislatures. (2019, July 19). *Early care and education state budget actions FY 2019*. Retrieved on April 20, 2020, from <https://www.ncsl.org/research/human-services/early-care-and-education-state-budget-actions-fy-2019.aspx>

### Estimated Percentage of Eligible Children Under Age 3 Served by Home Visiting Programs

#### Sources:

1. National Home Visiting Resource Center. (2019). *2019 Home Visiting Yearbook*. Retrieved on June 11, 2020, from <https://nhvrc.org/yearbook/2019-yearbook/>
2. U.S. Census Bureau. (2019). *2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/acs/data/pums.html>

#### Notes:

The numerator reflects the total number of children under 3 who were served by home visiting in 2018. (Data in the home visiting yearbook are presented with the total number of children served by home visiting and the percentage of those children who were under three. We multiplied the percentage of children under three by the total number of children served to get the number of children under three who were served by home visiting.) The denominator reflects population level estimates from the 2018 ACS PUMS for the sample of children under the age of 3 whose family poverty value was below 150% of the federal poverty level (FPL). We used the 150% FPL cutoff as a proxy for the high-priority eligibility criteria typically used across home visiting programs (e.g., pregnant women, mothers under 21, single/never married mothers, parents with less than a high school education, and families with incomes below 100% FPL). Sample size estimates were calculated in Stata 16 using person-level weights. Children living in group quarters or whose family poverty status was not available (e.g., foster children or children who were unrelated to the head of household) were excluded from the calculation.

**Progress:** State is implementing an evidence-based program with demonstrated impact on positive parenting.

**Source:** National Home Visiting Resource Center. (2019). *2019 Home Visiting Yearbook*. Retrieved on June 11, 2020, from <https://nhvrc.org/yearbook/2019-yearbook/>

## State Variability and Generosity: Supplementing Federal Funding, Number of Programs, and Children Served

### **Measure 1: State supplements federal funding to implement home visiting programs**

**Definition:** State supplements federal funding to implement home visiting programs.

**Sources:**

1. Health Resources and Services Administration. (2019, September). *Maternal, Infant, and Early Childhood Home Visiting Awards FY19*. <https://mchb.hrsa.gov/maternal-child-health-initiatives/home-visiting/fy19-awards>
2. National Conference of State Legislatures. (2019, July 19). *Early Care and Education State Budget Actions FY 2019*. <https://www.ncsl.org/research/human-services/early-care-and-education-state-budget-actions-fy-2019.aspx>

### **Measure 2: Number of evidence-based program models with demonstrated impact in parenting being implemented in the state (out of a possible 10) (Data Interactive Only)**

**Definition:** The total number out of the ten evidence-based program models with demonstrated impact in parenting that are currently active in the state: (1) Attachment & Bio Behavioral Catch-Up (ABC), (2) Early Head Start-Home Based Option (EHS), (3) Family Check-Up for Children (FCU), (4) Family Connects (FC), (5) Family Spirit, (6) Healthy Families America (HFA), (7) Home Instruction for Parents of Preschool Youngsters (HIPPY), (8) Maternal Early Childhood Sustained Home Visiting Program (MECSH), (9) Nurse Family Partnership (NFP), and (10) Parents as Teachers (PAT).

**Sources:**

1. Administration for Children & Families. (n.d.). *Positive Parenting Practices. Home Visiting Evidence of Effectiveness*. Retrieved on June 11, 2020, from <https://homvee.acf.hhs.gov/index.php/outcomes/Positive%20Parenting%20Practices/In%20Brief>
2. National Home Visiting Resource Center. (2019). *2019 Home Visiting Yearbook*. Retrieved on June 11, 2020, from <https://nhvrc.org/yearbook/2019-yearbook/>

### **Measure 3: Estimated percentage of eligible children under age 3 served by home visiting programs**

**Definition:** Children under 3 served by home visiting programs out of all children under 3 in households with incomes below 150% of FPL.

**Sources:**

1. National Home Visiting Resource Center. (2019). *2019 Home Visiting Yearbook*. Retrieved on June 11, 2020, from <https://nhvrc.org/yearbook/2019-yearbook/>
2. U.S. Census Bureau. (2019). *2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS) [Data Set]*. <https://www.census.gov/programs-surveys/acs/data/pums.html>

**Calculation Notes:**

The numerator reflects the total number of children under 3 who were served by home visiting in 2018. (Data in the home visiting yearbook are presented with the total number of children served by home visiting and the percentage of those children who were under three. We multiplied the percentage of children under three by the total number of children served to get the number of children under three who were served by home visiting.)

The denominator reflects population level estimates from the 2018 ACS PUMS for the sample of children under the age of 3 whose family poverty value was below 150% of the federal poverty level (FPL). We used the 150% FPL cutoff as a proxy for the high-priority eligibility criteria

typically used across home visiting programs (e.g., pregnant women, mothers under 21, single/never married mothers, parents with less than a high school education, and families with incomes below 100% FPL). Sample size estimates were calculated in Stata 16 using person-level weights. Children living in group quarters or whose family poverty status was not available (e.g., foster children or children who were unrelated to the head of household) were excluded from the calculation.

The U.S. Census calculation of poverty is based on the total income of all individuals aged 15 or older who are related to the head of household through marriage, birth or adoption. Income from cohabiting partners who are not married and unrelated children (including foster children) are not included in the calculation of family income. This family income is compared to federal poverty thresholds based on related family size and composition.<sup>9</sup>

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<sup>9</sup> U.S. Census Bureau (n.d.). *How the Census Bureau measures poverty*. As of August 27, 2019. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>

## Strategy: Early Head Start

**Implementation Status:** As of October 1, 2020. North Carolina does not supplement federal funding for EHS programs and the estimated percent of income-eligible children with access to EHS is below the median state value (8.9%).

### State Supplements Federal Funding (as of FY 2020)

**Source:** National Head Start Association. (2020). *State investments in Head Start to support at-risk children and families* [Fact sheet]. Retrieved on May 30, 2020, from [https://www.nhsa.org/files/state\\_investments\\_in\\_head\\_start.pdf](https://www.nhsa.org/files/state_investments_in_head_start.pdf)

### Estimated Percentage of Income-Eligible Children With Access to Early Head Start

#### Sources:

1. U.S. Census Bureau. (2019). *2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/acs/data/pums.html>
2. U.S. Department of Health & Human Services, Office of Head Start. (n.d.). *2019 Early Head Start (EHS) Program Information Report*. Retrieved on August 5, 2020 from <https://hses.ohs.acf.hhs.gov/pir/>

#### Calculation Notes:

The numerator reflects the total number of EHS slots (regardless of funding source) available in all EHS programs (traditional EHS, American Indian, Alaska Native (AIAN) and migrant EHS) as provided in state-level 2019 PIRs. The denominator reflects population level estimates from the 2018 ACS PUMS for the sample of children under the age of 3 whose family poverty value was below 100% of the federal poverty level (FPL). Sample size estimates were calculated in Stata 16 using person-level weights. Children living in group quarters or whose family poverty status was not available (e.g., foster children or children who were unrelated to the head of household) were excluded from the calculation.

**Progress:** As of June 30, 2020.

**Source:** National Head Start Association. (2020). *State investments in Head Start to support at-risk children and families* [Fact sheet]. Retrieved on May 30, 2020, from [https://www.nhsa.org/files/state\\_investments\\_in\\_head\\_start.pdf](https://www.nhsa.org/files/state_investments_in_head_start.pdf)

## State Variability and Generosity: Supplementing Federal Funding, and Income-Eligible Children With Access to EHS

### Measure 1: State supplements federal funding for EHS programs

**Definition:** The state supplemented federal funding to support EHS programs in FY2020 (e.g., line item budget allocation).

**Source:** National Head Start Association. (2020). *State investments in Head Start to support at-risk children and families* [Fact sheet]. Retrieved on May 30, 2020 from [https://www.nhsa.org/files/state\\_investments\\_in\\_head\\_start.pdf](https://www.nhsa.org/files/state_investments_in_head_start.pdf)

## Measure 2: Estimated percentage of income eligible children with access to Early Head Start

**Definition:** The estimated percentage of income-eligible children (those in families whose poverty status was less than 100% FPL) with access to Early Head Start (as measured through the total number of funded EHS slots).

**Sources:**

1. U.S. Census Bureau. (2019). *2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS)* [Data Set]. <https://www.census.gov/programs-surveys/acs/data/pums.html>
2. U.S. Department of Health & Human Services, Office of Head Start. (n.d.). *2019 Early Head Start (EHS) Program Information Report*. Retrieved on August 5, 2020, from <https://hses.ohs.acf.hhs.gov/pir/>

**Calculation Notes:**

This percentage reported represents the percent of income-eligible children with access to Early Head Start but does not account for other eligibility factors. The numerator reflects the total number of EHS slots (regardless of funding source) available in all EHS programs (traditional EHS, American Indian, Alaska Native (AIAN) and migrant EHS) as provided in state-level 2019 PIRs.

The denominator reflects population level estimates from the 2018 ACS PUMS for the sample of children under the age of 3 whose family poverty value was below 100% of the federal poverty level (FPL). Sample size estimates were calculated in Stata 16 using person-level weights. Children living in group quarters or whose family poverty status was not available (e.g., foster children or children who were unrelated to the head of household) were excluded from the calculation.

The U.S. Census calculation of poverty is based on the total income of all individuals aged 15 or older who are related to the head of household through marriage, birth or adoption. Income from cohabiting partners who are not married and unrelated children (including foster children) are not included in the calculation of family income. This family income is compared to federal poverty thresholds based on related family size and composition.<sup>10</sup>

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<sup>10</sup> U.S. Census Bureau (n.d.). *How the Census Bureau measures poverty*. As of August 27, 2019. Retrieved on April 28, 2020 from <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>

## Strategy: Early Intervention Services

**Implementation Status:** As of 2018. North Carolina uses moderate criteria to determine eligibility but does not serve children who are at risk for later delays or disabilities.

**Source:** IDEA Infant & Toddler Coordinators Association. (2020). *Percentage of all children under the age of three receiving services by eligibility. (Single day count 10/1-12/1/2018)*. Prepared by the IDEA Infant & Toddler Coordinators Association in January 2020. Document provided to the Prenatal-to-3 Policy Impact Center by Maureen Greer, Executive Director at the IDEA Infant & Toddler Coordinators Association, via email on April 1, 2020.

**Progress:** As of 2018.

**Source:** IDEA Infant & Toddler Coordinators Association. (2020). *Percentage of all children under the age of three receiving services by eligibility. (Single day count 10/1-12/1/2018)*. Prepared by the IDEA Infant & Toddler Coordinators Association in January 2020. Document provided to the Prenatal-to-3 Policy Impact Center by Maureen Greer, Executive Director at the IDEA Infant & Toddler Coordinators Association, via email on April 1, 2020.

### **State Variability and Generosity: EI Eligibility Criteria and Children Served**

#### **Measure 1: Criteria used to determine eligibility for Early Intervention services**

**Definition:** Detailed description of a state's minimum threshold used to determine a child's eligibility for Early Intervention services.

**Sources:**

1. IDEA Infant & Toddler Coordinators Association. (2020). *Percentage of all children under the age of three receiving services by eligibility. (Single day count 10/1-12/1/2018)*. Prepared by the IDEA Infant & Toddler Coordinators Association in January 2020. Document provided to the Prenatal-to-3 Policy Impact Center by Maureen Greer, Executive Director at the IDEA Infant & Toddler Coordinators Association, via email on April 1, 2020.
2. North Carolina Infant Toddler Program. (2006, July 1). *New eligibility definition for the NC infant toddler program*. Retrieved on June 23, 2020, from <https://beearly.nc.gov/data/files/pdf/EligibilityDefn.pdf>

**Note:** Delays are diagnosed in specific developmental areas using appropriate diagnostic instruments and procedures, per federal law, though independent clinical judgment and informed professional opinion are also permitted.

#### **Measure 2: Categorical assessment of state's eligibility criteria**

**Definition:** Categorical assessment (i.e., broad, moderate, or narrow) of the criteria used to determine a child's eligibility for Early Intervention services.

**Source:** IDEA Infant & Toddler Coordinators Association. (2020). *Percentage of all children under the age of three receiving services by eligibility. (Single day count 10/1-12/1/2018)*. Prepared by the IDEA Infant & Toddler Coordinators Association in January 2020. Document provided to the Prenatal-to-3 Policy Impact Center by Maureen Greer, Executive Director at the IDEA Infant & Toddler Coordinators Association, via email on April 1, 2020.

**Notes:**

1. Eligibility categories were established by the ITCA Data Committee as of 2010. These categories are defined as:
  - (a) Most inclusive, category A, determines eligibility as "at risk, any delay, atypical development, one standard deviation in one domain, 20% delay in two or more domains, 22% in two or more domains, or 25% delay in one or more domains."
  - (b) Moderately inclusive, category B, determines eligibility as "25% in two or more domains, 30% delay in one or more domains, 1.3 standard deviations in two domains, 1.5 standard deviations in any domain, or 33% delay in one domain."
  - (c) Least inclusive, category C, determines eligibility, as "3% delay in two or more domains, 40% delay in one domain, 50% delay in one domain, 1.5 standard deviations in 2 or more domains, 1.75 standard deviations in one domain, 2 standard deviations in one domain, or 2 standard deviations in two or more domains."
2. States self-declare the category that most closely aligns with their eligibility criteria.

### **Measure 3: Percentage of all children under age 3 receiving EI services**

**Definition:** Percentage of all children under the age of three receiving early intervention services

**Source:** IDEA Infant & Toddler Coordinators Association. (2020). *Percentage of all children under the age of three receiving services by eligibility. (Single day count 10/1-12/1/2018)*. Prepared by the IDEA Infant & Toddler Coordinators Association in January 2020. Document provided to the Prenatal-to-3 Policy Impact Center by Maureen Greer, Executive Director at the IDEA Infant & Toddler Coordinators Association, via email on April 1, 2020.

**Notes:**

1. Single day count is from 10/1/2018 - 12/1/2018.
2. Percentages reflect the total count, including at-risk.
3. The definition of "at-risk" children is from IDEA ITCA data, which is based on 2018 data and analysis conducted in 2020.