



Commonwealth of Massachusetts Department of Early Education and Care

Board of Early Education & Care – December Meeting

December 13, 2023

Agenda

Routine Business

- Approval of Minutes from November 8, 2023 Meeting – VOTE

Items for Discussion and Action

- Child Care Financial Assistance
 - FY24 Reimbursement Rate Increases and Proposed Reforms
 - Contract Procurement Update
- 2023 Year in Review/2024 Preview

A background image featuring a collection of colorful wooden blocks in shades of red, yellow, blue, and green. One red block is prominently placed in the foreground, slightly to the left of the center. Behind it, a large number of other blocks are scattered and stacked, creating a sense of depth. The blocks are resting on a light-colored, reflective surface. A semi-transparent dark red banner with rounded corners is positioned horizontally across the middle of the image, containing the title text. The overall lighting is bright and even.

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FY24 Child Care Financial Assistance – Reimbursement Rate Increases and Proposed Reforms



Child Care Financial Assistance Reimbursement Rates

EEC reimburses early education and out-of-school time programs that serve families receiving EEC child care financial assistance with a daily per child reimbursement rate.

These rates subsidize costs and provide purchasing power for families receiving child care financial assistance.

EEC's daily reimbursement rate for child care financial assistance is based on multiple factors including:

Program Type



Child's Age



Location of Care



Type of Care



Current Daily Reimbursement Rates by Region with Percentile of Market Rate

Regions	Center-Based Providers*				FCC Providers	
	Infant	Toddler	Preschool	Full Day School Age	Under 2	Over 2
Region 1- Western	\$72.37 (65.1)	\$66.36 (76.8*)	\$50.46 (73.2)	\$46.39 (80.0)	\$47.07 (60.0)	\$40.58 (58.4)
Region 2- Central	\$75.95 (41.8)	\$68.36 (46.3)	\$54.25 (42.1)	\$46.41 (55.6)	\$53.79 (57.3)	\$42.71 (37.4)
Region 3- Northeast	\$89.51 (43.3)	\$78.12 (45.1)	\$54.97 (41.2)	\$47.98 (73.8)	\$53.79 (65.0)	\$42.79 (54.5)
Region 4- Metro	\$110.24 (47.3)	\$100.04 (42.9)	\$75.95 (37.4)	\$49.32 (69.4)	\$80.67 (73.1)	\$50.00 (31.8)
Region 5- Southeast and Cape	\$72.37 (54.6)	\$67.89 (61.6)	\$51.80 (48.9)	\$46.41 (72.5)	\$53.79 (44.6)	\$45.00 (34.2)
Region 6- Metro Boston	\$105.25 (36.6)	\$93.20 (47.6)	\$73.78 (64.0)	\$49.32 (54.6)	\$60.50 (48.4)	\$43.93 (33.9)

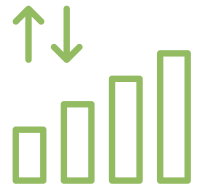
* Center-Based Provider rates reflect the FY23 Quality Add-On, which will be incorporated into FY24 base rates.

** Green shading indicates rates that are currently at or above the 50th percentile.

Highlights from the Cost Study

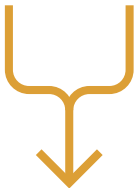


In most cases, the cost per child per day (assuming current compensation levels) was higher than the current EEC child care financial assistance reimbursement rate.



The cost to operate a program varied across regions, but not nearly as widely as current reimbursement rates:

- For centers, compared to the lowest-cost region (Western), the highest-cost region (Metro Boston) was approximately 18% more expensive for children under age 5 and 12% more expensive for school-age care.
- In contrast, the current reimbursement rates for Metro Boston are up to 52% more than the rates for the Western region.

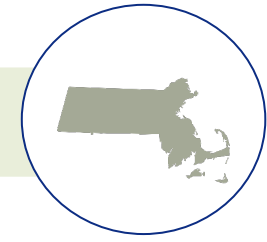


Some regions had very similar costs: the Western, Central and Southeast regions had very similar costs, and the two Boston-area regions (Metro Boston and Metro) had very similar costs.



Recommendations from Cost Study for Rate Structure

Geographic Coherence



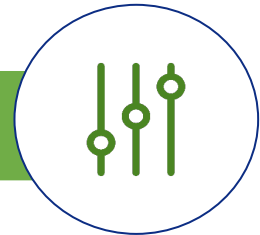
- Align rate regions with licensing regions

Economic Differentiation



- Based on key economic indicators (e.g., HUD data on rent, median household income, Social Vulnerability Index), simplifying to either two or three rates makes sense

Simplicity & Equity



- Use cost research to inform more equitable rates by age, region and type of care, and simplify rate structure

*The final cost study report can be found here:

FY24 & Beyond: Strategy for Rate Increases and Reforms



Recognize Rising Operational Costs

- Use portion of funds for cost-of-living-adjustments (COLA)



Use Cost-Informed Approach to Simplify Rate Structure and Address Geographic Inequity

- Consolidation of rates for regions that are similar according to cost data and other economic indicators
- Make progress toward rates covering the cost of care by region, provider type, and age



Progress toward Federal Market Rate Benchmark

- Ensure significant movement toward rates meeting or exceeding 50th percentile of market rate by region, provider type, and age



Support Quality Investments

- Integrate quality funding into base rates

Considerations for Consolidating Rates

- Consolidating rates can be a tool to **(a) align rates between regions** that are substantially similar across key economic indicators and **(b) simplify the rate structure**
- Economic analysis of EEC's six subsidy regions indicates:
 - Western, Central, and Southeastern Massachusetts (Regions 1, 2, and 5) are substantially similar
 - Metro and Metro Boston (Regions 4 and 6) are substantially similar
 - Northeastern Massachusetts (Region 3) is the largest EEC region and falls between Regions 1/2/5 and Regions 4/6 on key economic indicators
- When consolidating rates, **regions with the lowest rates in their group receive the largest increases** once consolidated, in order to match the rates of the other regions in their group
- The cost associated with consolidating rates (raising lower rates to align with higher rates in the group) means that **increased consolidation results in less** available funding for **“COLA” rate increases or targeted increases to further address cost of care**

FY24 Rate Increase Funding

FY24 Rate Increase Funding
\$65M Total (across 3 separate line-items)

1596-2434 -- \$25M

Line-item language
restricts funds to center-
based care only.

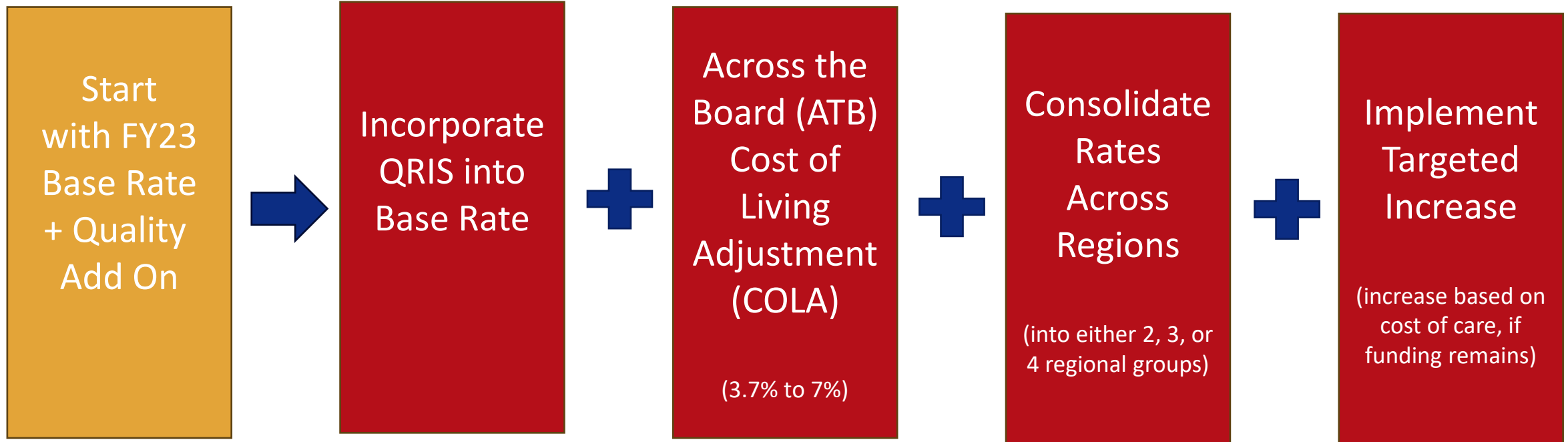
3000-1041 -- \$20M

Line-item language does
not restrict funds to
specific type of care.

3000-1042 -- \$20M

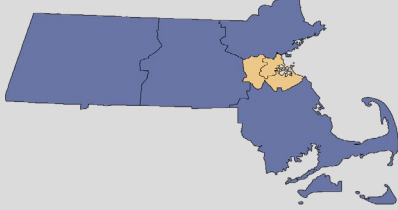
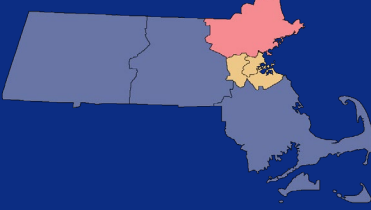
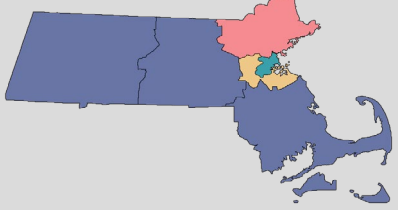
Line-item language
restricts funds to center-
based care only.

Sequence of Calculations



Rate Increase Options

Overview of Options

	Two Rates	Three Rates	Four Rates
			
Estimated Total Cost	\$64.8M	\$65M	\$64.5M
Cost-of-living Adjustment (COLA)	3.7%	5.5%	7%
Consolidation	2 rates	3 rates	4 rates
Targeted Increase	None	Raise center-based rates to at least 81% of cost of care	None

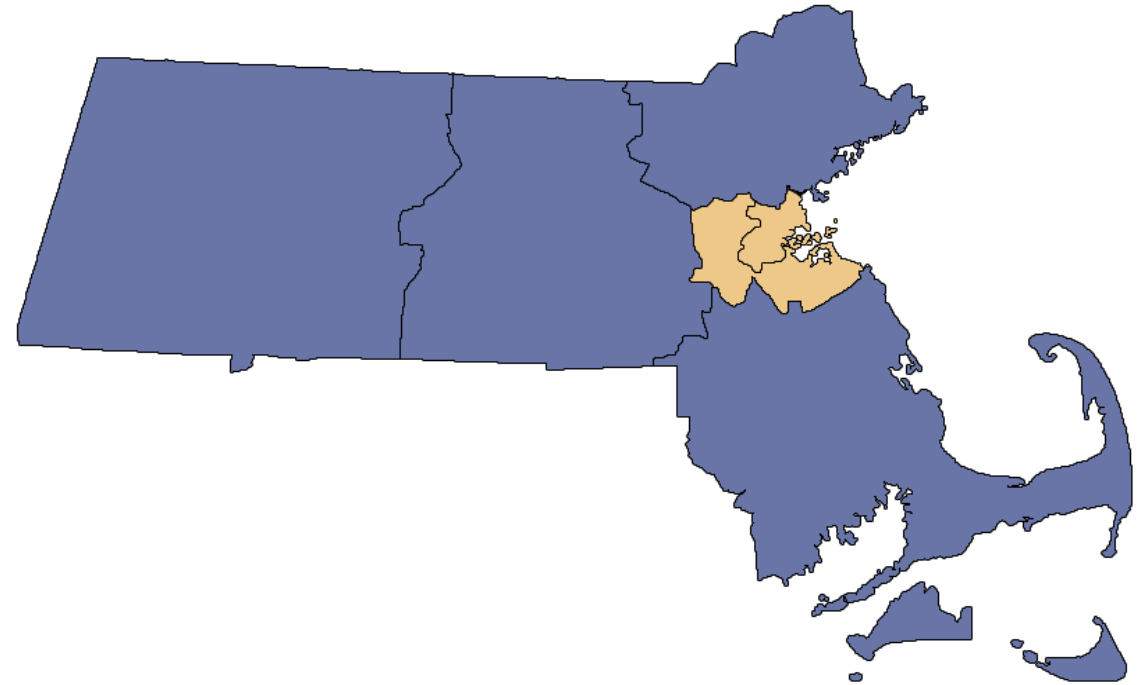
Two Rate Option – Variables & Considerations

Variables

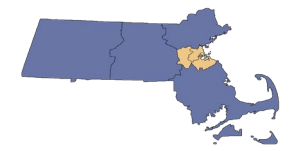
- Apply a 3.7% across-the-board (ATB) cost-of-living adjustment (COLA)
- Consolidate Metro and Metro Boston rates
- Consolidate Western, Central, Northeast and Southeast rates
- No targeted increase possible beyond rate consolidation

Considerations

- **86% of rates are at or above the 50th percentile** of market rate (rates below 50th: 1 infant, 2 preschool, and 2 FCC over age two)
- **44% of rates are at or above full cost of care.** The lowest % of cost of care **moves from 56% to 73%**
- **\$64.8M** is the estimated cost



Two Rates: Progress Towards 50th Percentile of Market Rate



3.7% COLA, Consolidate to Two Rates, No Targeted Adjustments

	Infant	Toddler	Preschool	School Age	FCC Under 2*	FCC Over 2*
Region 1 (Western)	Yes	Yes	Yes	Yes	Yes	Yes
Region 2 (Central)	Yes	Yes	Yes	Yes	Yes	Yes
Region 3 (Northeast)	Yes	Yes	45 th percentile	Yes	Yes	Yes
Region 4 (Metro)	Yes	Yes	42 nd percentile	Yes	Yes	33 rd percentile
Region 5 (Southeast)	Yes	Yes	Yes	Yes	Yes	38 th percentile
Region 6 (Metro Boston)	47 th percentile	Yes	Yes	Yes	Yes	Yes

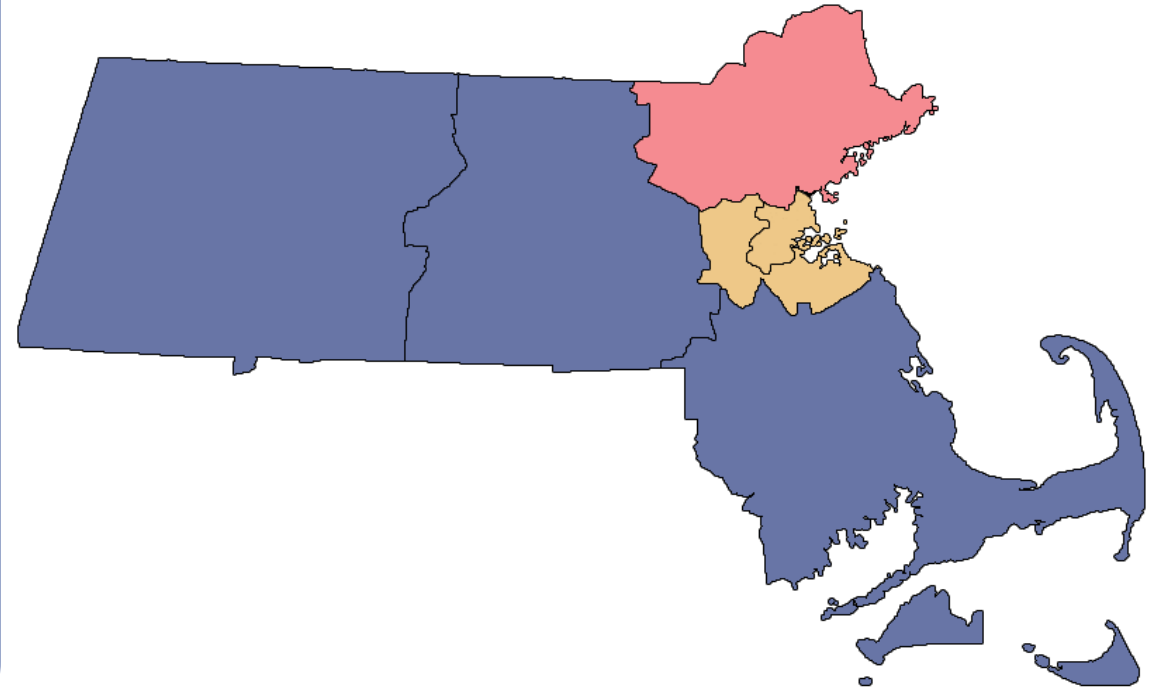
Three Rate Option – Variables & Considerations

Variables

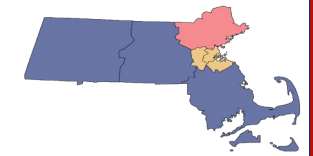
- Apply a 5.5% across-the-board COLA
- Consolidate Metro & Metro Boston
- Consolidate Western, Central, and Southeast
- Northeast remains separate
- Increase consolidated rates for center-based care to 81% of the highest cost of care in the group (no targeted increase for FCCs due to \$20M cap)

Considerations

- **89% of rates are at or above the 50th percentile** of market rate (rates below 50th: 2 preschool and 2 FCC over 2 rates)
- **44% of rates are at or above full cost of care.** The lowest % of cost of care **moves from 56% to 72%**
- **\$65M** is the estimated cost



Three Rates: Progress Towards 50th Percentile of Market Rate



5.5% COLA, Consolidate to Three Rates, Bring Center-Based Rates to at Least 81% of Cost

	Infant	Toddler	Preschool	School Age	FCC Under 2*	FCC Over 2*
Region 1 (Western)	Yes	Yes	Yes	Yes	Yes	Yes
Region 2 (Central)	Yes	Yes	Yes	Yes	Yes	Yes
Region 3 (Northeast)	Yes	Yes	46 th percentile	Yes	Yes	Yes
Region 4 (Metro)	Yes	Yes	46 th percentile	Yes	Yes	33 rd percentile
Region 5 (Southeast)	Yes	Yes	Yes	Yes	Yes	38 th percentile
Region 6 (Metro Boston)	Yes	Yes	Yes	Yes	Yes	Yes

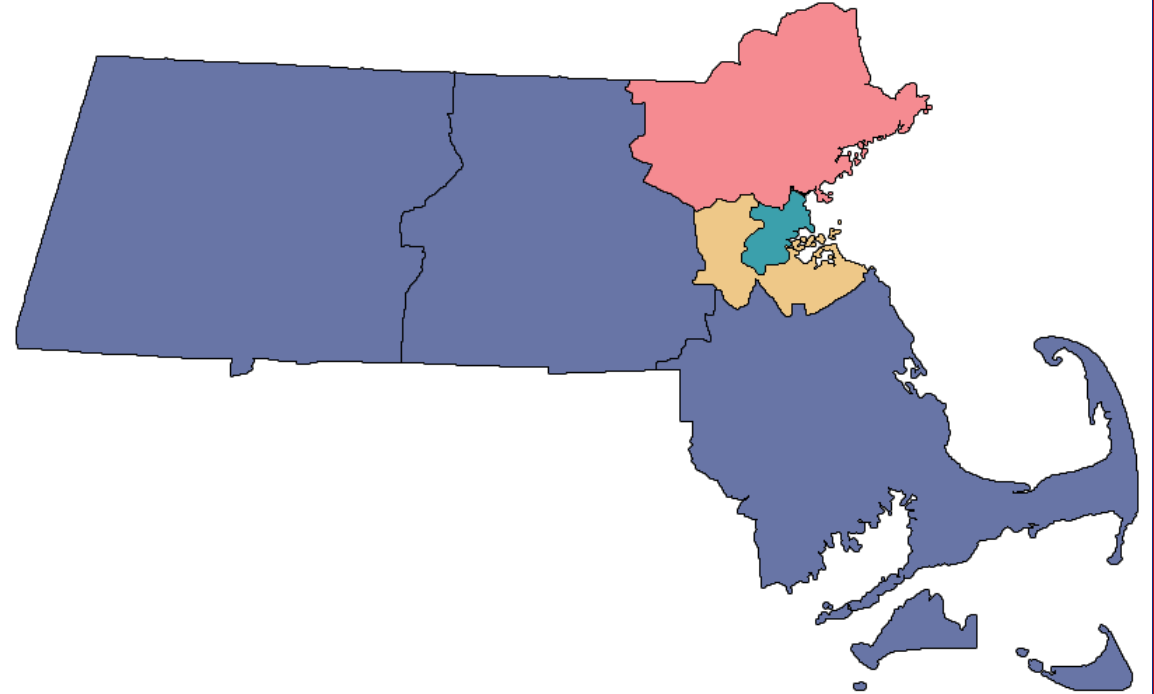
Four Rate Option – Variables & Considerations

Variables

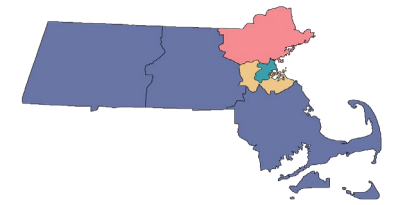
- Apply a 7% across-the-board COLA
- Consolidate Western, Central, and Southeast
- Northeast remains separate
- Metro remains separate
- Metro Boston remains separate
- No targeted rate increase beyond consolidation

Considerations

- **83% of rates are at or above the 50th percentile** of market (rates below 50th: 1 infant, 2 preschool and 3 FCC over 2 rates)
- **42% of rates are at or above full cost of care.** The lowest % of cost of care **moves from 56% to 66%**
- **\$64.5M** is the estimated cost



Four Rates: Progress Towards 50th Percentile of Market Rate



7% COLA, Consolidate to Four Rates

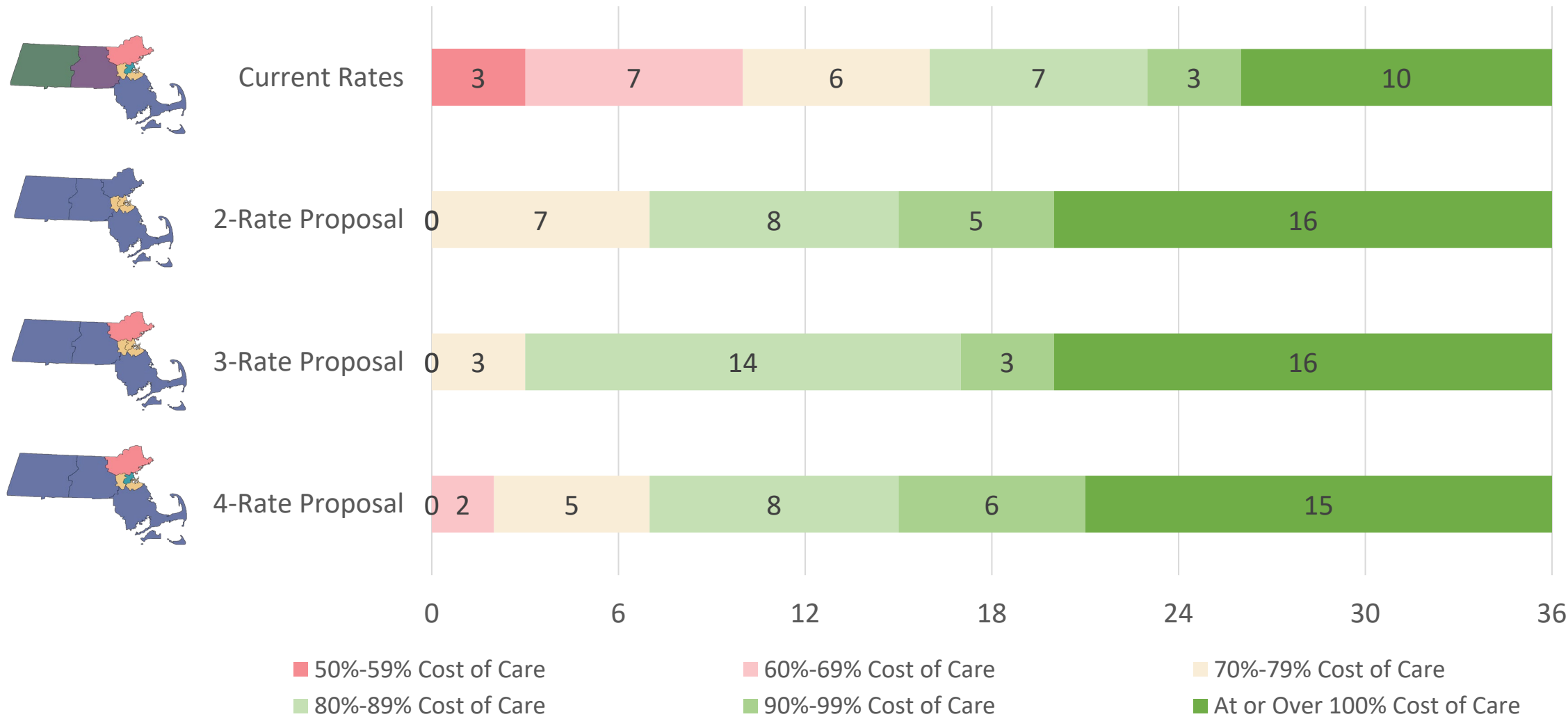
	Infant	Toddler	Preschool	School Age	FCC Under 2*	FCC Over 2*
Region 1 (Western)	Yes	Yes	Yes	Yes	Yes	Yes
Region 2 (Central)	Yes	Yes	Yes	Yes	Yes	Yes
Region 3 (Northeast)	Yes	Yes	47 th percentile	Yes	Yes	Yes
Region 4 (Metro)	Yes	Yes	47 th percentile	Yes	Yes	36 th percentile
Region 5 (Southeast)	Yes	Yes	Yes	Yes	Yes	38 th percentile
Region 6 (Metro Boston)	44 th percentile	Yes	Yes	Yes	Yes	41 st percentile



Considerations for Family Child Care

- We have developed a comparable proposal for FCC rates:
 - The same consolidation options are applied.
 - FCCs would receive the same COLA as center-based programs.
 - Remaining funds would be used on targeted increases based on the cost of care, to the extent possible, although the % cost of care may differ between center-based and family child care based on available funding for each care type.
 - The quality add-on is incorporated into FCC system administrator base rates and the QRIS add-on is incorporated into FCC system and provider rates.
- All FCC rates are subject to negotiation with SEIU Local 509.

Cost of Care Distribution



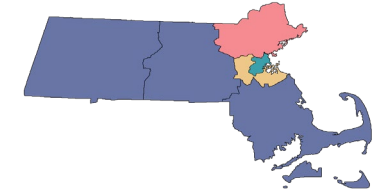
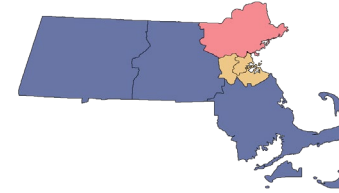
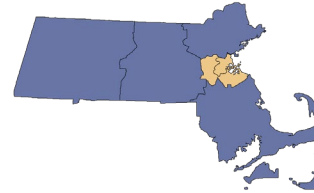
Additional Reimbursement Rate Recommendations

- Increase add-on rates for supportive, teen, and homeless reimbursements by \$1 to \$24 per day

All Regions	Supportive	Teen Parent	Homeless
FY23	\$23.00	\$23.00	\$23.00
FY24	\$24.00	\$24.00	\$24.00

- Adjust FCC system administrative (admin) rates to be consistent with the option selected:
 - The COLA is applied before consolidation.
 - The system admin rate would then be raised to match the highest system admin rate in the new consolidated group.

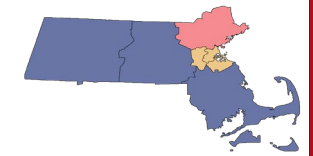
Two Year Rate Increase (%) by Region



Center-Based Infant

Regions	FY22 Base - FY23 Base + Quality Add On % Change	Two Rates		Three Rates		Four Rates	
		One Year (FY23-FY24) % Change	Two Year (FY22-FY24) % Change	One Year (FY23-FY24) % Change	Two Year (FY22-FY24) % Change	One Year (FY23-FY24) % Change	Two Year (FY22-FY24) % Change
Region 1- Western	10.1%	31.8%	45.2%	34.3%	47.9%	15.4%	27.1%
Region 2- Central	12.5%	25.6%	41.3%	28.0%	44.0%	10.0%	23.7%
Region 3- Northeast	12.7%	6.6%	20.1%	14.0%	28.5%	10.0%	24.0%
Region 4- Metro	21.9%	6.6%	29.9%	8.4%	32.2%	10.0%	34.1%
Region 5- Southeast	10.1%	31.8%	45.2%	34.3%	47.9%	15.4%	27.1%
Region 6- Metro Boston	22.8%	11.6%	37.1%	13.6%	39.5%	10.0%	35.1%

Three Rates: Percent Increase Year Over Year



Center-Based Infant

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$65.71	\$72.37	10.1%	\$97.18	34.3%	47.9%
Region 2- Central	\$67.51	\$75.95	12.5%	\$97.18	28.0%	44.0%
Region 3- Northeast	\$79.40	\$89.51	12.7%	\$102.07	14.0%	28.5%
Region 4- Metro	\$90.41	\$110.24	21.9%	\$119.52	8.4%	32.2%
Region 5- Southeast	\$65.71	\$72.37	10.1%	\$97.18	34.3%	47.9%
Region 6- Metro Boston	\$85.68	\$105.25	22.8%	\$119.52	13.6%	39.5%

Center-Based Toddler

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$60.26	\$66.36	10.1%	\$75.48	13.7%	25.3%
Region 2- Central	\$61.65	\$68.36	10.9%	\$75.48	10.4%	22.4%
Region 3- Northeast	\$69.05	\$78.12	13.1%	\$84.70	8.4%	22.7%
Region 4- Metro	\$82.08	\$100.04	21.9%	\$108.46	8.4%	32.1%
Region 5- Southeast	\$61.65	\$67.89	10.1%	\$75.48	11.2%	22.4%
Region 6- Metro Boston	\$79.86	\$93.20	16.7%	\$108.46	16.4%	35.8%

Center-Based Preschool

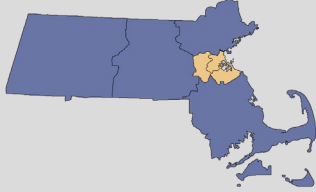
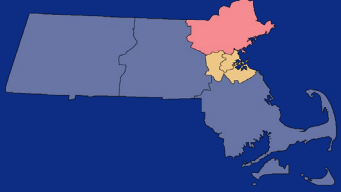
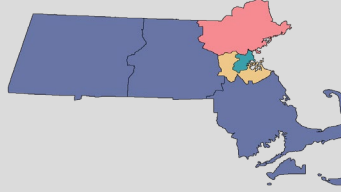
Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$45.82	\$50.46	10.1%	\$57.23	13.4%	24.9%
Region 2- Central	\$48.81	\$54.25	11.1%	\$57.23	5.5%	17.3%
Region 3- Northeast	\$49.91	\$54.97	10.1%	\$57.99	5.5%	16.2%
Region 4- Metro	\$63.22	\$75.95	20.1%	\$80.13	5.5%	26.7%
Region 5- Southeast	\$47.03	\$51.80	10.1%	\$57.23	10.5%	21.7%
Region 6- Metro Boston	\$50.37	\$73.78	46.5%	\$80.13	8.6%	59.1%

Center-Based School Age

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$42.13	\$46.39	10.1%	\$48.96	5.5%	16.2%
Region 2- Central	\$42.14	\$46.41	10.1%	\$48.96	5.5%	16.2%
Region 3- Northeast	\$43.57	\$47.98	10.1%	\$50.62	5.5%	16.2%
Region 4- Metro	\$44.79	\$49.32	10.1%	\$52.03	5.5%	16.2%
Region 5- Southeast	\$42.14	\$46.41	10.1%	\$48.96	5.5%	16.2%
Region 6- Metro Boston	\$44.79	\$49.32	10.1%	\$52.03	5.5%	16.2%

FY23-FY24 % change will be slightly lower for those already receiving QRIS

Summary of Options: Discussion

	Two Rates	Three Rates	Four Rates
			
Estimated Cost	\$64.8M	\$65M	\$64.5M
COLA	3.7%	5.5%	7%
Targeted Increase	None	Raise center-based to 81% cost of care	None
50th Percentile of MRS (36 rates)	86% of rates are at or above the 50 th percentile	89% of rates are at or above the 50 th percentile	83% of rates are at or above the 50 th percentile
Cost of Care (36 rates)	Lowest % of cost of care moves from 56% to 73%	Lowest % of cost of care moves from 56% to 72%	Lowest % of cost of care moves from 56% to 66%

Next Steps and Looking Forward

Next Steps

- Review public comment and feedback
- Vote at January Board meeting

Potential Future Directions (Beyond FY24)

- Examine rate structure for family child care, school age, and informal care
- Further consider target cost for alternative methodology (this work reflects the cost of care assuming current compensation levels, may want to set a higher threshold)
- Study further consolidation and regional alignment

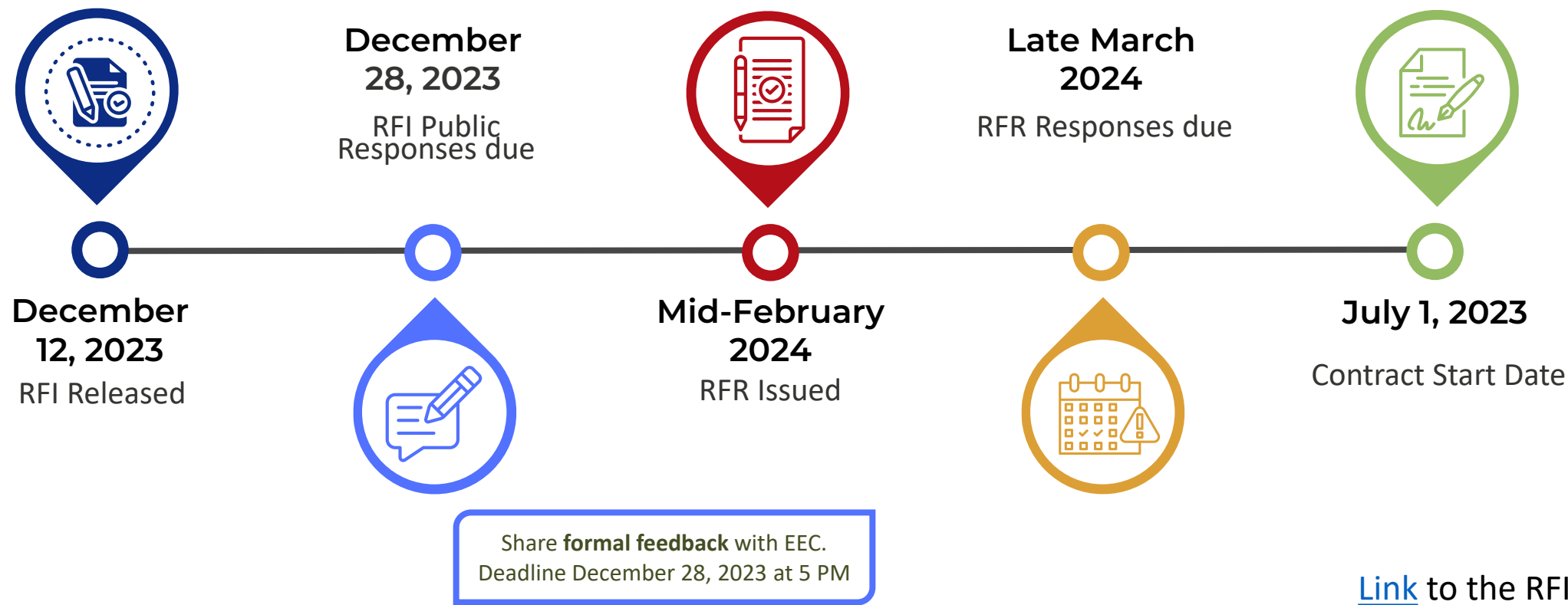


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Contract Procurement Update

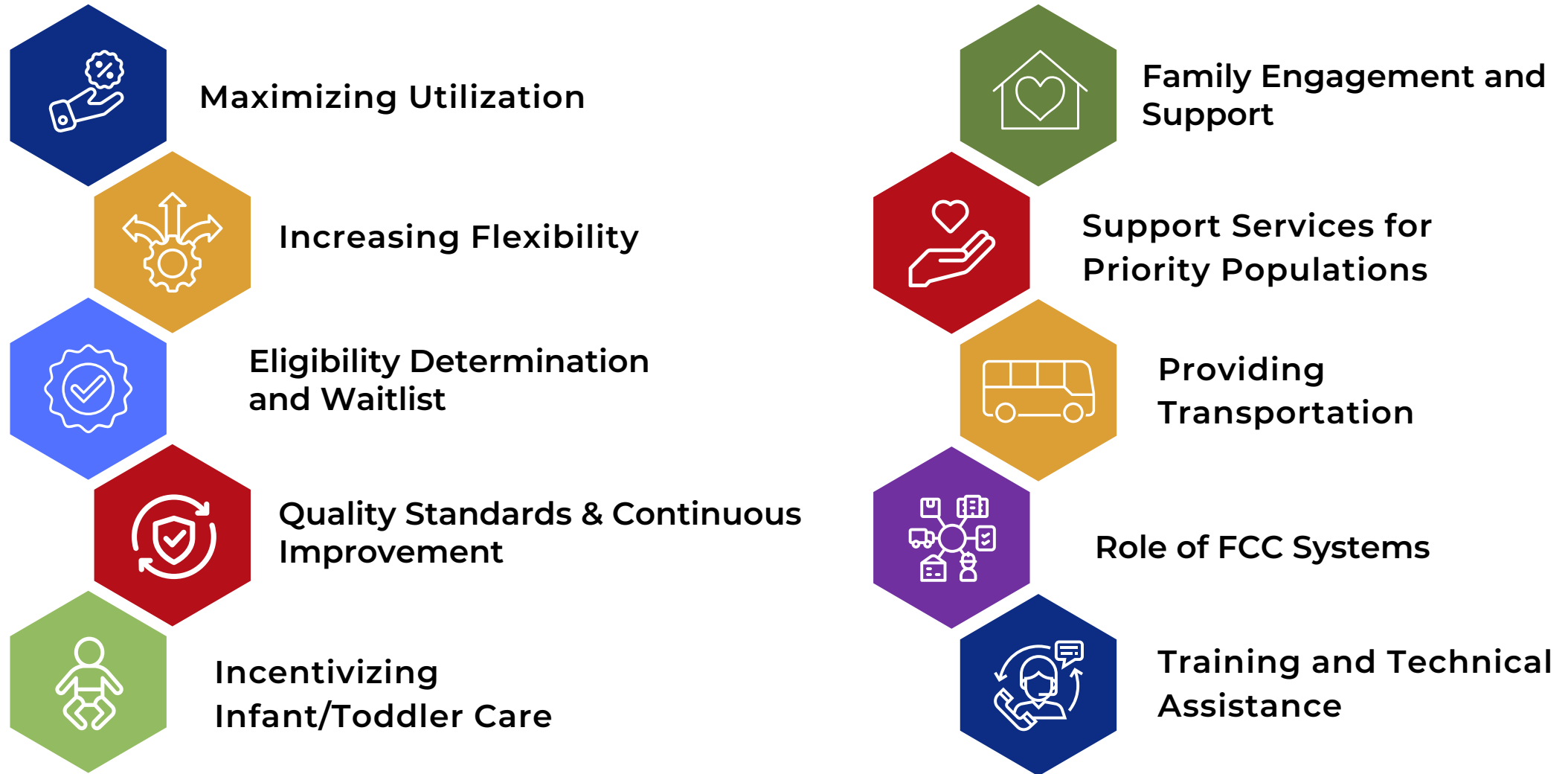


Target Procurement Dates



Key RFI Topics

Gathering Input from Contract Providers and Family Child Care Systems





3 2023 Year in Review/2024 Preview

2023 Progress – End of Year Review

Continued Investment in Agency Capacity & Structure

- Building on the new organizational structure set in 2022, filled over 50 key positions to further actualize the strategic action plan with a focus on equity and inclusion
- Recruitment and hiring in key areas: product management, research and data analytics, workforce support and development, family engagement and child care financial assistance
- Approved to add 28 new positions in FY24, which EEC is actively working to post and hire now



Modernizing Background Records Checks

- Continued modernization of EEC's Background Record Checks system to bring Residential and Placement programs (R&P) into the state's Navigator system and added an out-of-state background records check for residential program candidates
 - New average processing time for submissions: Placement Agencies = 1 day and 21 hours; Residential Programs = 4 days and 23 hours
- Launched one background record check consent form for all program types
- Planning for retirement of the Legacy system

Reimagining Child Care Financial Assistance (CCFA)

- Launched significant reforms to CCFA regulations and interim policies to simplify the application process, reduce paperwork, and better support homeless families, families with disabilities and families facing domestic violence
 - EEC is currently half-way through a comprehensive training program for Family Access Administrators on the changes
- Launched new family facing web pages at Mass.gov/CCFA
- Procured new contracts for resource and referral services with Child Care Resource and Referral agencies
- Kicked off procurement activities for Income-Eligible, Supportive, Homeless and Young Parent program contracts
- Simplified Child Care Resource and Referral Agency regions to streamline process for families/providers and align with licensing regions
- Launched text messaging to families in English/Spanish when financial assistance becomes available to streamline the application process
- Conducted outreach to families on the waitlist to ensure it is up-to-date
- Implemented an historic \$80M increase to the daily reimbursement rates to providers who serve families receiving CCFA

2023 Progress – End of Year Review

Supporting ECE Providers and Educators

- Career Pathways
 - Launched optional Director certification (currently available statewide), and Teacher/Lead Teacher in Western MA (others following)
 - Drafted competencies for the educator credential aligned with quality domains
 - Moving all EEC PDC professional development opportunities to EEC's StrongStart Online Professional Development System
- Access to Higher Education
 - In collaboration with DHE, revising the ECE Higher Education Scholarship Program to improve accessibility and expand eligibility
 - Partnership with MACC and Career Pathways grantees to expand credit for prior learning
- Workforce Pipeline
 - Hosted 3 Apprenticeship Convenings to identify opportunities for EEC investment
 - Enrolled fourth cohort of ECSO (27 programs, 156 classrooms) to provide intensive support for center-based program directors
 - Stable and Competitive Employment Opportunities
 - Continued C3 funding reaching 8,197 providers
 - Application data shows salary increases since 2021
 - ECE Staff Pilot providing access to child care financial assistance for 1,252 educators with 1,759 children
 - Added in LEAD a voluntary way for family child care assistants looking for employment to connect with providers who are hiring
- Expanded Program Supports
 - Expanded CPPI communities to a total of 21 working to expand local preschool access
 - Invested additional \$1.5 million in early childhood mental health consultation services (through ECMH grant)
 - Announced \$300,000 in Massachusetts FRESH grants for schools and early education and care programs
 - Awarded \$8.5 million to 20 organizations across the Commonwealth in FY23 EEOST capital funding
 - Administration's FY24-28 Capital Plan increases EEOST funding by \$4 million a year each year
 - Opened applications for \$14.3 million in capital funding for early education and care programs, first time includes for-profit programs

Foundational Regulatory Review

- Launched regulatory review process for EEC's R&P programs, as well as child care licensing



Major Topics for Board Input and Action in FY24

Commonwealth Cares for Children (C3)



Child Care Financial Assistance (CCFA)

Policy Reforms



Rate Increase & Reforms



Child Care Licensing Regulation Revision



Educator Credentialing & Certification



Residential Licensing Regulation Revisions



Promoting High Quality Early Education and Care: Moving from Theory to Action



Early Literacy



Community Preschool Partnership Initiative (CPPI)



KEY



Family Access



Program Stability



Program Quality

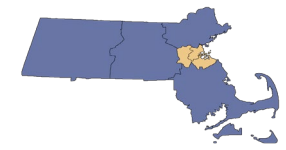


Workforce Supports



Appendix

Two Rates: Process for Calculating New Rates



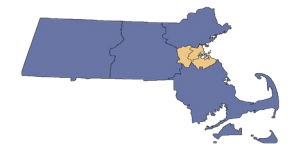
Center-Based Infant

Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	3.7% COLA	Rate After 3.7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$72.37	\$2.00	\$74.37	\$2.75	\$77.12	\$18.27	\$95.39	\$23.02	31.8%
Region 2- Central	\$75.95	\$2.10	\$78.05	\$2.89	\$80.94	\$14.45	\$95.39	\$19.44	25.6%
Region 3- Northeast	\$89.51	\$2.47	\$91.99	\$3.40	\$95.39	\$0.00	\$95.39	\$5.88	6.6%
Region 4- Metro	\$110.24	\$3.05	\$113.29	\$4.19	\$117.48	\$0.00	\$117.48	\$7.24	6.6%
Region 5- Southeast	\$72.37	\$2.00	\$74.37	\$2.75	\$77.12	\$18.27	\$95.39	\$23.02	31.8%
Region 6- Metro Boston	\$105.25	\$2.91	\$108.16	\$4.00	\$112.16	\$5.32	\$117.48	\$12.23	11.6%

Center-Based Toddler

Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	3.7% COLA	Rate After 3.7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$66.36	\$1.83	\$68.19	\$2.52	\$70.72	\$12.53	\$83.25	\$16.89	25.5%
Region 2- Central	\$68.36	\$1.89	\$70.25	\$2.60	\$72.85	\$10.40	\$83.25	\$14.89	21.8%
Region 3- Northeast	\$78.12	\$2.16	\$80.28	\$2.97	\$83.25	\$0.00	\$83.25	\$5.13	6.6%
Region 4- Metro	\$100.04	\$2.77	\$102.81	\$3.80	\$106.61	\$0.00	\$106.61	\$6.57	6.6%
Region 5- Southeast	\$67.89	\$1.88	\$69.77	\$2.58	\$72.35	\$10.90	\$83.25	\$15.36	22.6%
Region 6- Metro Boston	\$93.20	\$2.58	\$95.78	\$3.54	\$99.32	\$7.29	\$106.61	\$13.41	14.4%

Two Rates: Process for Calculating New Rates



Center-Based Preschool*

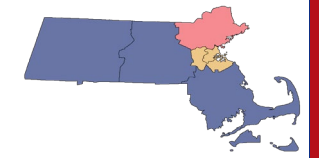
Region	FY23 Base Rate + Quality Add On	3.7% COLA	Rate After 3.7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$50.46	\$1.87	\$52.33	\$4.67	\$57.00	\$6.54	13.0%
Region 2- Central	\$54.25	\$2.01	\$56.26	\$0.74	\$57.00	\$2.75	5.1%
Region 3- Northeast	\$54.97	\$2.03	\$57.00	\$0.00	\$57.00	\$2.03	3.7%
Region 4- Metro	\$75.95	\$2.81	\$78.76	\$0.00	\$78.76	\$2.81	3.7%
Region 5- Southeast	\$51.80	\$1.92	\$53.72	\$3.28	\$57.00	\$5.20	10.0%
Region 6- Metro Boston	\$73.78	\$2.73	\$76.51	\$2.25	\$78.76	\$4.98	6.7%

Center-Based School Age*

Region	FY23 Base Rate + Quality Add On	3.7% COLA	Rate After 3.7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$46.39	\$1.72	\$48.11	\$1.65	\$49.76	\$3.37	7.3%
Region 2- Central	\$46.41	\$1.72	\$48.13	\$1.63	\$49.76	\$3.35	7.2%
Region 3- Northeast	\$47.98	\$1.78	\$49.76	\$0.00	\$49.76	\$1.78	3.7%
Region 4- Metro	\$49.32	\$1.82	\$51.14	\$0.00	\$51.14	\$1.82	3.7%
Region 5- Southeast	\$46.41	\$1.72	\$48.13	\$1.63	\$49.76	\$3.35	7.2%
Region 6- Metro Boston	\$49.32	\$1.82	\$51.14	\$0.00	\$51.14	\$1.82	3.7%

*QRIS not relevant for this age group

Three Rates: Process for Calculating New Rates



Center-Based Infant

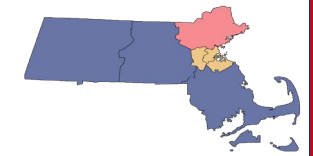
Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	5.5% COLA	Rate After 5.5% COLA	Consolidate Across Regions	Highest of the Two		Targeted Increase	Rate After Targeted Increase	Total Difference from FY23 Base + Quality Add On	Year Over Year Change
							Rate After Consol. Across Regions	Highest 81% of Cost Among Consol. Rates				
Region 1- Western	\$72.37	\$2.00	\$74.37	\$4.09	\$78.46	\$3.88	\$82.34	\$97.18	\$14.84	\$97.18	\$24.81	34.3%
Region 2- Central	\$75.95	\$2.10	\$78.05	\$4.29	\$82.34	\$0.00	\$82.34	\$97.18	\$14.84	\$97.18	\$21.23	28.0%
Region 3- Northeast	\$89.51	\$2.47	\$91.99	\$5.06	\$97.04	\$0.00	\$97.04	\$102.07	\$5.02	\$102.07	\$12.56	14.0%
Region 4- Metro	\$110.24	\$3.05	\$113.29	\$6.23	\$119.52	\$0.00	\$119.52	\$119.52	\$0.00	\$119.52	\$9.28	8.4%
Region 5- Southeast	\$72.37	\$2.00	\$74.37	\$4.09	\$78.46	\$3.88	\$82.34	\$97.18	\$14.84	\$97.18	\$24.81	34.3%
Region 6- Metro Boston	\$105.25	\$2.91	\$108.16	\$5.95	\$114.11	\$5.41	\$119.52	\$119.52	\$0.00	\$119.52	\$14.27	13.6%

Center-Based Toddler

Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	5.5% COLA	Rate After 5.5% COLA	Consolidate Across Regions	Highest of the Two		Targeted Increase	Rate After Targeted Increase	Total Difference from FY23 Base + Quality Add On	Year Over Year Change
							Rate After Consol. Across Regions	Highest 81% of Cost Among Consol. Rates				
Region 1- Western	\$66.36	\$1.83	\$68.19	\$3.75	\$71.95	\$2.17	\$74.11	\$75.48	\$1.37	\$75.48	\$9.12	13.8%
Region 2- Central	\$68.36	\$1.89	\$70.25	\$3.86	\$74.11	\$0.00	\$74.11	\$75.48	\$1.37	\$75.48	\$7.12	10.4%
Region 3- Northeast	\$78.12	\$2.16	\$80.28	\$4.42	\$84.70	\$0.00	\$84.70	\$84.70	\$0.00	\$84.70	\$6.58	8.4%
Region 4- Metro	\$100.04	\$2.77	\$102.81	\$5.65	\$108.46	\$0.00	\$108.46	\$108.46	\$0.00	\$108.46	\$8.42	8.4%
Region 5- Southeast	\$67.89	\$1.88	\$69.77	\$3.84	\$73.60	\$0.51	\$74.11	\$75.48	\$1.37	\$75.48	\$7.59	11.2%
Region 6- Metro Boston	\$93.20	\$2.58	\$95.78	\$5.27	\$101.04	\$7.42	\$108.46	\$108.46	\$0.00	\$108.46	\$15.26	16.4%



Three Rates: Process for Calculating New Rates



Center-Based Preschool*

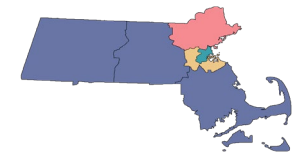
Region	FY23 Base Rate + Quality Add On	Highest of the Two		Consolidate Across Regions	Rate After Consol. Across Regions	Highest 81% of Cost Among Consol. Rates	Targeted Increase	Rate After Targeted Increase	Total Difference from FY23 Base + Quality Add On	Year Over Year Change
		5.5% COLA	Rate After 5.5% COLA							
Region 1- Western	\$50.46	\$2.78	\$53.24	\$4.00	\$57.23	\$57.23	\$0.00	\$57.23	\$6.77	13.42%
Region 2- Central	\$54.25	\$2.98	\$57.23	\$0.00	\$57.23	\$57.23	\$0.00	\$57.23	\$2.98	5.50%
Region 3- Northeast	\$54.97	\$3.02	\$57.99	\$0.00	\$57.99	\$57.99	\$0.00	\$57.99	\$3.02	5.50%
Region 4- Metro	\$75.95	\$4.18	\$80.13	\$0.00	\$80.13	\$80.13	\$0.00	\$80.13	\$4.18	5.50%
Region 5- Southeast	\$51.80	\$2.85	\$54.65	\$2.58	\$57.23	\$57.23	\$0.00	\$57.23	\$5.43	10.49%
Region 6- Metro Boston	\$73.78	\$4.06	\$77.84	\$2.29	\$80.13	\$80.13	\$0.00	\$80.13	\$6.35	8.60%

Center-Based School Age*

Region	FY23 Base Rate + Quality Add On	Highest of the Two		Consolidate Across Regions	Rate After Consol. Across Regions	Highest 81% of Cost Among Consol. Rates	Targeted Increase	Rate After Targeted Increase	Total Difference from FY23 Base + Quality Add On	Year Over Year Change
		5.5% COLA	Rate After 5.5% COLA							
Region 1- Western	\$46.39	\$2.55	\$48.94	\$0.02	\$48.96	\$48.96	\$0.00	\$48.96	\$2.57	5.55%
Region 2- Central	\$46.41	\$2.55	\$48.96	\$0.00	\$48.96	\$48.96	\$0.00	\$48.96	\$2.55	5.50%
Region 3- Northeast	\$47.98	\$2.64	\$50.62	\$0.00	\$50.62	\$50.62	\$0.00	\$50.62	\$2.64	5.50%
Region 4- Metro	\$49.32	\$2.71	\$52.03	\$0.00	\$52.03	\$52.03	\$0.00	\$52.03	\$2.71	5.50%
Region 5- Southeast	\$46.41	\$2.55	\$48.96	\$0.00	\$48.96	\$48.96	\$0.00	\$48.96	\$2.55	5.50%
Region 6- Metro Boston	\$49.32	\$2.71	\$52.03	\$0.00	\$52.03	\$52.03	\$0.00	\$52.03	\$2.71	5.50%

*QRIS not relevant for this age group

Four Rates: Process for Calculating New Rates



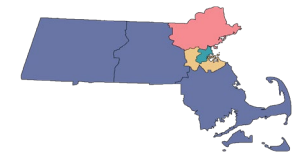
Center-Based Infant

Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	7% COLA	Rate After 7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$72.37	\$2.00	\$74.37	\$5.21	\$79.58	\$3.94	\$83.51	\$11.14	15%
Region 2- Central	\$75.95	\$2.10	\$78.05	\$5.46	\$83.51	\$0.00	\$83.51	\$7.56	10%
Region 3- Northeast	\$89.51	\$2.48	\$91.99	\$6.43	\$98.42	\$0.00	\$98.42	\$8.91	10%
Region 4- Metro	\$110.24	\$3.05	\$113.29	\$7.93	\$121.22	\$0.00	\$121.22	\$10.98	10%
Region 5- Southeast	\$72.37	\$2.00	\$74.37	\$5.21	\$79.58	\$3.94	\$83.51	\$11.14	15%
Region 6- Metro Boston	\$105.25	\$2.91	\$108.16	\$7.57	\$115.73	\$0.00	\$115.73	\$10.48	10%

Center-Based Toddler

Region	FY23 Base Rate + Quality Add On	Incorporate QRIS	Rate After Incorporating QRIS	7% COLA	Rate After 7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$66.36	\$1.83	\$68.19	\$4.77	\$72.97	\$2.20	\$75.17	\$8.81	13.3%
Region 2- Central	\$68.36	\$1.89	\$70.25	\$4.92	\$75.17	\$0.00	\$75.17	\$6.81	10.0%
Region 3- Northeast	\$78.12	\$2.16	\$80.28	\$5.62	\$85.90	\$0.00	\$85.90	\$7.78	10.0%
Region 4- Metro	\$100.04	\$2.77	\$102.81	\$7.20	\$110.00	\$0.00	\$110.00	\$9.96	10.0%
Region 5- Southeast	\$67.89	\$1.88	\$69.77	\$4.88	\$74.65	\$0.52	\$75.17	\$7.28	10.7%
Region 6- Metro Boston	\$93.20	\$2.58	\$95.78	\$6.70	\$102.48	\$0.00	\$102.48	\$9.28	10.0%

Four Rates: Process for Calculating New Rates



Center-Based Preschool*

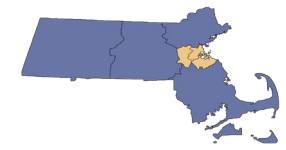
Region	FY23 Base Rate + Quality Add On	7% COLA	Rate After 7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$50.46	\$3.53	\$53.99	\$4.06	\$58.05	\$7.59	15.0%
Region 2- Central	\$54.25	\$3.80	\$58.05	\$0.00	\$58.05	\$3.80	7.0%
Region 3- Northeast	\$54.97	\$3.85	\$58.82	\$0.00	\$58.82	\$3.85	7.0%
Region 4- Metro	\$75.95	\$5.32	\$81.27	\$0.00	\$81.27	\$5.32	7.0%
Region 5- Southeast	\$51.80	\$3.63	\$55.43	\$2.62	\$58.05	\$6.25	12.1%
Region 6- Metro Boston	\$73.78	\$5.16	\$78.94	\$0.00	\$78.94	\$5.16	7.0%

Center-Based School Age*

Region	FY23 Base Rate + Quality Add On	7% COLA	Rate After 7% COLA	Consolidate Across Regions	Rate After Consolidating Across Regions	Total Difference Relative to FY23 Base Rate + Quality Add On	Year Over Year Change Relative to FY23 Base Rate + Quality Add On
Region 1- Western	\$46.39	\$3.25	\$49.64	\$0.02	\$49.66	\$3.27	7.0%
Region 2- Central	\$46.41	\$3.25	\$49.66	\$0.00	\$49.66	\$3.25	7.0%
Region 3- Northeast	\$47.98	\$3.36	\$51.34	\$0.00	\$51.34	\$3.36	7.0%
Region 4- Metro	\$49.32	\$3.45	\$52.77	\$0.00	\$52.77	\$3.45	7.0%
Region 5- Southeast	\$46.41	\$3.25	\$49.66	\$0.00	\$49.66	\$3.25	7.0%
Region 6- Metro Boston	\$49.32	\$3.45	\$52.77	\$0.00	\$52.77	\$3.45	7.0%

*QRIS not relevant for this age group

Two Rates: Percent Increase Year Over Year



Center-Based Infant

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$65.71	\$72.37	10.1%	\$95.39	31.8%	45.2%
Region 2- Central	\$67.51	\$75.95	12.5%	\$95.39	25.6%	41.3%
Region 3- Northeast	\$79.40	\$89.51	12.7%	\$95.39	6.6%	20.1%
Region 4- Metro	\$90.41	\$110.24	21.9%	\$117.48	6.6%	29.9%
Region 5- Southeast	\$65.71	\$72.37	10.1%	\$95.39	31.8%	45.2%
Region 6- Metro Boston	\$85.68	\$105.25	22.8%	\$117.48	11.6%	37.1%

Center-Based Toddler

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$60.26	\$66.36	10.1%	\$83.25	25.5%	38.2%
Region 2- Central	\$61.65	\$68.36	10.9%	\$83.25	21.8%	35.0%
Region 3- Northeast	\$69.05	\$78.12	13.1%	\$83.25	6.6%	20.6%
Region 4- Metro	\$82.08	\$100.04	21.9%	\$106.61	6.6%	29.9%
Region 5- Southeast	\$61.65	\$67.89	10.1%	\$83.25	22.6%	35.0%
Region 6- Metro Boston	\$79.86	\$93.20	16.7%	\$106.61	14.4%	33.5%

Center-Based Preschool

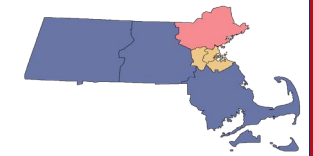
Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$45.82	\$50.46	10.1%	\$57.00	13.0%	24.4%
Region 2- Central	\$48.81	\$54.25	11.1%	\$57.00	5.1%	16.8%
Region 3- Northeast	\$49.91	\$54.97	10.1%	\$57.00	3.7%	14.2%
Region 4- Metro	\$63.22	\$75.95	20.1%	\$78.76	3.7%	24.6%
Region 5- Southeast	\$47.03	\$51.80	10.1%	\$57.00	10.0%	21.2%
Region 6- Metro Boston	\$50.37	\$73.78	46.5%	\$78.76	6.7%	56.4%

Center-Based School Age

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$42.13	\$46.39	10.1%	\$49.76	7.3%	18.1%
Region 2- Central	\$42.14	\$46.41	10.1%	\$49.76	7.2%	18.1%
Region 3- Northeast	\$43.57	\$47.98	10.1%	\$49.76	3.7%	14.2%
Region 4- Metro	\$44.79	\$49.32	10.1%	\$51.14	3.7%	14.2%
Region 5- Southeast	\$42.14	\$46.41	10.1%	\$49.76	7.2%	18.1%
Region 6- Metro Boston	\$44.79	\$49.32	10.1%	\$51.14	3.7%	14.2%

FY23-FY24 % change will be slightly lower for those already receiving QRIS

Three Rates: Percent Increase Year Over Year



Center-Based Infant

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$65.71	\$72.37	10.1%	\$97.18	34.3%	47.9%
Region 2- Central	\$67.51	\$75.95	12.5%	\$97.18	28.0%	44.0%
Region 3- Northeast	\$79.40	\$89.51	12.7%	\$102.07	14.0%	28.5%
Region 4- Metro	\$90.41	\$110.24	21.9%	\$119.52	8.4%	32.2%
Region 5- Southeast	\$65.71	\$72.37	10.1%	\$97.18	34.3%	47.9%
Region 6- Metro Boston	\$85.68	\$105.25	22.8%	\$119.52	13.6%	39.5%

Center-Based Toddler

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$60.26	\$66.36	10.1%	\$75.48	13.7%	25.3%
Region 2- Central	\$61.65	\$68.36	10.9%	\$75.48	10.4%	22.4%
Region 3- Northeast	\$69.05	\$78.12	13.1%	\$84.70	8.4%	22.7%
Region 4- Metro	\$82.08	\$100.04	21.9%	\$108.46	8.4%	32.1%
Region 5- Southeast	\$61.65	\$67.89	10.1%	\$75.48	11.2%	22.4%
Region 6- Metro Boston	\$79.86	\$93.20	16.7%	\$108.46	16.4%	35.8%

Center-Based Preschool

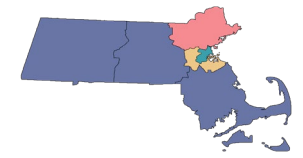
Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$45.82	\$50.46	10.1%	\$57.23	13.4%	24.9%
Region 2- Central	\$48.81	\$54.25	11.1%	\$57.23	5.5%	17.3%
Region 3- Northeast	\$49.91	\$54.97	10.1%	\$57.99	5.5%	16.2%
Region 4- Metro	\$63.22	\$75.95	20.1%	\$80.13	5.5%	26.7%
Region 5- Southeast	\$47.03	\$51.80	10.1%	\$57.23	10.5%	21.7%
Region 6- Metro Boston	\$50.37	\$73.78	46.5%	\$80.13	8.6%	59.1%

Center-Based School Age

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$42.13	\$46.39	10.1%	\$48.96	5.5%	16.2%
Region 2- Central	\$42.14	\$46.41	10.1%	\$48.96	5.5%	16.2%
Region 3- Northeast	\$43.57	\$47.98	10.1%	\$50.62	5.5%	16.2%
Region 4- Metro	\$44.79	\$49.32	10.1%	\$52.03	5.5%	16.2%
Region 5- Southeast	\$42.14	\$46.41	10.1%	\$48.96	5.5%	16.2%
Region 6- Metro Boston	\$44.79	\$49.32	10.1%	\$52.03	5.5%	16.2%

FY23-FY24 % change will be slightly lower for those already receiving QRIS

Four Rates: Percent Increase Year Over Year



Center-Based Infant

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$65.71	\$72.37	10.1%	\$83.51	15.4%	27.1%
Region 2- Central	\$67.51	\$75.95	12.5%	\$83.51	10.0%	23.7%
Region 3- Northeast	\$79.40	\$89.51	12.7%	\$98.42	10.0%	24.0%
Region 4- Metro	\$90.41	\$110.24	21.9%	\$121.22	10.0%	34.1%
Region 5- Southeast	\$65.71	\$72.37	10.1%	\$83.51	15.4%	27.1%
Region 6- Metro Boston	\$85.68	\$105.25	22.8%	\$115.73	10.0%	35.1%

Center-Based Toddler

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$60.26	\$66.36	10.1%	\$75.17	13.3%	24.7%
Region 2- Central	\$61.65	\$68.36	10.9%	\$75.17	10.0%	21.9%
Region 3- Northeast	\$69.05	\$78.12	13.1%	\$85.90	10.0%	24.4%
Region 4- Metro	\$82.08	\$100.04	21.9%	\$110.00	10.0%	34.0%
Region 5- Southeast	\$61.65	\$67.89	10.1%	\$75.17	10.7%	21.9%
Region 6- Metro Boston	\$79.86	\$93.20	16.7%	\$102.48	10.0%	28.3%

Center-Based Preschool

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$45.82	\$50.46	10.1%	\$58.05	15.0%	26.7%
Region 2- Central	\$48.81	\$54.25	11.1%	\$58.05	7.0%	18.9%
Region 3- Northeast	\$49.91	\$54.97	10.1%	\$58.82	7.0%	17.8%
Region 4- Metro	\$63.22	\$75.95	20.1%	\$81.27	7.0%	28.5%
Region 5- Southeast	\$47.03	\$51.80	10.1%	\$58.05	12.1%	23.4%
Region 6- Metro Boston	\$50.37	\$73.78	46.5%	\$78.94	7.0%	56.7%

Center-Based School Age

Region	FY22 Base Rate	FY23 Base Rate + Quality Add On	YOY Change (FY22 Base to FY23 + Quality Add On)	FY24 Proposed Rate	YOY Change FY23-FY24*	FY22 - FY24 % Change
Region 1- Western	\$42.13	\$46.39	10.1%	\$49.66	7.0%	17.9%
Region 2- Central	\$42.14	\$46.41	10.1%	\$49.66	7.0%	17.8%
Region 3- Northeast	\$43.57	\$47.98	10.1%	\$51.34	7.0%	17.8%
Region 4- Metro	\$44.79	\$49.32	10.1%	\$52.77	7.0%	17.8%
Region 5- Southeast	\$42.14	\$46.41	10.1%	\$49.66	7.0%	17.8%
Region 6- Metro Boston	\$44.79	\$49.32	10.1%	\$52.77	7.0%	17.8%

FY23-FY24 % change will be slightly lower for those already receiving QRIS