

Commonwealth of Massachusetts

2018 Child Care Market Rate Survey

Final Report

June 2018



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Executive Summary

Overview of Child Care Market Rate Survey

The Department of Early Education and Care (EEC) is federally mandated by the Child Care Development Block Grant (CCDBG) Act to conduct a valid and reliable child care market rate survey (MRS) or alternative methodology for gathering data on child care rates every three years. The purpose of the mandated survey is to gather information to allow states to set their child care assistance programs subsidy reimbursement rates at a level that are sufficient to ensure equal access of child care services for children eligible for subsidy that is comparable to services available to children not eligible for subsidy.[[1]](#footnote-1) Federal guidance establishes the 75th percentile (of market rates) as the benchmark for providing equal access. Results are submitted as part of the Commonwealth’s Child Care Development Fund (CCDF) state plan.

In addition, all states are required to consider the cost of providing child care when conducting the MRS and setting subsidy rates. Guidance from the Administration for Children and Families (ACF) indicates that states may conduct a narrow cost analysis that measures whether base subsidy payment rates adequately cover the cost of higher quality child care services.

In consultation with stakeholders, EEC chose to include a narrow cost analysis. The survey included a set of optional questions focused on gathering information on the highest cost driver: personnel costs. The survey reviews differences in salaries based on staff education levels, a proxy for measuring the quality of care. In addition, at the end of the survey a voluntary Cost of Care Form section included more detailed questions on all child care program expenses. The Cost of Care Form is an initial effort for EEC to understand key cost drivers associated with operating child care in Massachusetts. Please refer to the report ***“2018 Cost of Care Form Final Report”*** for a summary of findings. Further exploration of the findings and future data collection efforts are needed for EEC to accurately understand the cost of providing care in the Commonwealth. Initial narrow cost analysis findings will also be included in the CCDF state plan.

For this year’s survey, EEC contracted with Public Consulting Group, Inc. (PCG) to conduct the MRS. A 2018 Child Care MRS Advisory Group consisting representatives from various Center-Based and Family Child Care (FCC) providers across the state. The Advisory group was instrumental in preparing the survey questions, design, providing survey testing, and outreach support. Survey questions covered research questions from the federal requirements as well as priority areas for EEC and stakeholders.

The 2018 Child Care MRS used a census survey. Under this strategy, all 8,651 licensed providers (FCC and Center-Based providers) were given the opportunity to take the survey. The survey was conducted using a web-based survey with outreach conducted by email, phone, and through EEC stakeholders. The survey yielded high response rates and a statically significant and representative sample by provider type, EEC subsidy reimbursement rate region, and ages of children served. More than a third (37%) of all licensed providers responded to the survey (1,849 FCC providers and 1,389 Center-Based providers).

Key Findings

MA EEC Child Care Access Rates

The focus of the MRS is to determine the child care market rates and state subsidy access rates by geography and provider type. For the purposes of this survey and analysis, the 75th percentile serves as the market rate and refers to what rate is found to cover 75% of prices offered by child care providers within a particular region. PCG followed guidance issued by the United States (U.S.) Administration for Children and Families (ACF) in using licensed capacity data to generate weighted 75th percentile rates (prices). In particular, PCG used EEC’s administrative data on licensed capacity to weight provider prices when calculating market percentiles. The federal government views the 75th percentile as a benchmark rather than a requirement. In other words, the 75th percentile describes the subsidy reimbursement rate that would enable a parent to afford 75% of the options for privately purchased care (or for children not eligible for subsidy) of a certain type within a specific region of the state.

* Center-Based providers: The current EEC child care subsidy rates are below the 75th and the 50th percentiles for Center-Based care in all regions of the state for children age 5 and younger.
* FCC providers (FCC): The current EEC child care subsidy reimbursement rates (effective July 1, 2018) are below the 75th percentile for FCC in all regions of the state for all age groups except before school rates in Regions 1 - Western and 4 - Metro and after school rates in Region 1 - Western. The current EEC subsidy rates (effective July 1, 2018) are above the 50th percentile for FCC in two regions of the state for infant care, three regions for toddler 1 care (age 15 months to under 2 years), and one region for school-age care.
* School-Age Care: For school-age children, the current EEC subsidy rates are above the 50th percentile in two regions for Center-Based after school care and one region for Center-Based school-age care.

Discounts and Fees

The survey also asked providers about other discounts and fees charged that would affect a parent’s ability to access child care. Questions includes discounts and fees ranging from those charged at enrollment to the program, such as registration, application, and waitlist fees to ongoing programmatic fees like late fees, field trips and special activities and food. These questions were optional for survey respondents.

The most frequently offered discount is a sibling discount, offered by 76 percent of question respondents (1,250 responses), followed by employee discounts, offered by 39 percent of question respondents (645 responses). 1,200 providers (37.1 percent) indicate they charge a registration fee upon enrollment. Center-Based providers are more likely to report charging a registration fee than FCC providers, with 934 Center-Based responses compared to 266 FCC responses. Center-Based providers more often cite charging an annual fee (500 responses) than a one-time only fee (385 responses). While FCC are more often cite charging a one-time only fee (166 responses) than an annual fee (55 responses).

The top three reported add-on fees are Late Pick-up Fees (1,509 providers), Bank Fees (1,093 providers), and Late Payment Fees (955 providers). Seasonally, FCC providers report charging additional rates for public school vacations (132 responses), while Center-Based providers report charging additional rates during summer vacation (207 responses).

While providers do not charge for additional support services, 1,771 providers indicate they provide additional support services for children in care. The most commonly reported support services are diapering/toileting assistance for older children (1,099 responses) and behavior supports for children with challenging behaviors (1,097).

State Child Care Subsidy Participation

Additionally, the survey included questions about subsidy participation. While the majority of questions in this section were optional, a mandatory question included if a program accepts state subsidized children in care. More than 2,000 providers (2,088 providers) indicate they accept state subsidy. This is a higher rate (66.5 percent of respondents) of subsidy participants than EEC-maintained Administrative data suggests at 56.1 percent.

Self-reported acceptance of subsidy types by survey respondents also did not align with EEC Administrative data. For these optional questions, it is possible providers reported based on subsidy type they would be willing to take, rather than actually accept, or were unclear about the definitions of different subsidy types.

Of the 866 providers responding to the optional question related to familiarity with EEC’s subsidy program, 55 percent indicated they were familiar with the program. When asked what would incentivize participation in EEC subsidy programs, nearly half of respondents (48 percent of 863 respondents) indicate “None of the above” or nothing; the next most frequently cited method to incentivize participation is to “Increase subsidy reimbursement rates” (39 percent of 863 respondents).

Of the 1,967 providers reporting they participate in subsidy, 85.9 percent (1,689 responses) note they do not cap subsidy enrollment rates. For those who do cap subsidy enrollment, the majority cap enrollment at a rate between 0-25 percent (129 providers). The reason most frequently cited for capping subsidy enrollment relates to the financial impact on the program (79 responses); for example, subsidy rate is too low, or rates do not cover costs.

Respondents not participating in the state subsidy program (vouchers and/or contract) indicated that the main reason preventing them from participation is capacity if full of private pay children; this is 57 percent (560 responses) of providers responding to the optional question (970 total responses).

Education and Quality

Finally, the survey asked provided to provide information on the number of staff employed with various job titles, the total number of full time and part time staff at each title and the hourly wage by highest level of education. Overall, and not surprisingly, as a worker’s education level increases, so too does their average hourly salary. The goal of the analysis is to review differences in salaries based on staff education levels, a proxy for measuring the quality of care. Within FCC providers, Assistant Teachers earn an average of $11.62-$13.86 per hour, depending on their level of education as compared to “Lead Teachers” and Directors that earn a reported average of $13.71-$17.33 per hour, and $19.27-$24.43 per hour respectively. Note that all job titles were available for respondents to provide information. Though most FCC Directors also serve in the role of “Lead Teacher” or “Teacher,” this report provides analysis on the titles separately, based on how providers responded.

Introduction

The Child Care Development Block Grant (CCDBG) Act requires states to conduct a valid and reliable Child Care Market Rate Survey (MRS) alternative methodology for gathering data on child care rates every three years. The purpose of the mandated survey is to gather information to allow states to set their child care assistance program subsidy reimbursement rates at a level that are sufficient to ensure equal access of child care services for children eligible for subsidy that is comparable to services available to children not eligible for subsidy.[[2]](#footnote-2) Federal guidance establishes the 75th percentile (of market rates) as the benchmark for providing equal access. Results of the study are submitted as part of the Child Care Development Fund (CCDF) state plan.

Using a combination of funding from the Child Care Development Block Grant (CCDBG) Act of 1990 and the Social Security Act, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 created the Child Care and Development Fund (CCDF) to focus on providing child care subsidies and to ensure equal access to, and parental choice in, child care for low-income families. The CCDBG Act of 2014, which reauthorized the laws governing CCDF, reiterated the emphasis on parental choice and equal access to high quality child care services by modifying and strengthening some of the requirements surrounding the MRS mandate. The Administration for Child and Families (ACF) provides guidance for states to best meet the requirements and the needs of providers, children, and their families. The MRS methodology must include collection of prices and analysis on the variations in cost. Variations include: geographic location, category of provider, age of children or levels of quality.

In Massachusetts, the federal child care subsidy funds are disbursed through the Department of Early Education and Care (EEC). EEC’s child care subsidy reimbursement rate structure is designed as a daily reimbursement rate to providers serving children eligible for subsidy based on multiple factors: geographic location, program type, child’s age, and type of care. The six geographic regions include Region 1 - Western, Region 2 - Central, Region 3 - Northeast, Region 4 - Metro, Region 5 - Southeast and Cape, Region 6 - Metro Boston. ***Appendix A***. ***MA EEC Subsidy Reimbursement Rate Regions and Municipalities*** provides a map and crosswalk of EEC subsidy reimbursement rate regions and municipalities as well as the fiscal year 2018 and 2019 daily reimbursement rates.

To address the federal mandate, EEC contracted with Public Consulting Group, Inc. (PCG) to conduct the survey and analysis for the 2018 MRS. The 2018 MRS questions collected information on the variation of child care prices in Massachusetts based on the state’s subsidy reimbursement rate structure. The survey and this analysis captures geographic variations by subsidy reimbursement rate regions, provider type and ages served. Rate information collected from the survey is delineated by provider type, as established by Massachusetts child care licensing standards: licensed FCC and Center-Based providers. In addition, data collected is delineated by age groups served for each provider type. Center-Based rate questions included infant (birth to 15 months), toddler (15 months to two years nine months), preschool (two years nine months to five years), and school-age (five-13 years or 15 if special needs). The same age groups were surveyed for FCC providers, although the toddler age groups were further separated into two: 15 months to under two years, and two years to two years nine months. EEC also sought to collect information from providers on:

1. The collection of other fees and discounts,
2. Factors that influence a provider’s decision to accept subsidies for low-income families,
3. Staffing composition, and
4. Provider costs and revenues associated with the delivery of care (Cost of Care Form).

In addition to analysis of differences in prices charged, all states are required to consider the cost of providing child care when conducting the MRS and setting subsidy rates. Guidance from the Administration for Children and Families (ACF) indicates that states may conduct a narrow cost analysis that measures whether base subsidy payment rates adequately cover the cost of higher quality child care services.

With consultation with child care and early education stakeholders, EEC chose to include a narrow cost analysis. The survey included a set of optional questions focused on gathering information on the highest cost driver: personnel costs. The survey reviews differences in salaries based on staff education levels, a proxy for measuring the quality of care. In addition, at the end of the survey a voluntary Cost of Care Form section included more detailed questions on all child care program expenses. Please refer to the report ***“2018 Cost of Care Form Final Report”*** for a summary of findings. A total of 214 FCC providers and 104 Center-Based providers responded to the optional Cost of Care Form. Given the Cost of Care Form was included this year as an additional voluntary section, response rates were low, yielding results that are not statistically significant or representative of providers across the Commonwealth. The Cost of Care Form is an initial effort for EEC to understand key cost drivers associated with operating child care in Massachusetts. Further exploration of the findings and future data collection efforts are needed for EEC to accurately understand the cost of providing care in the Commonwealth. Initial narrow cost analysis findings will also be included in the CCDF state plan.

PCG and EEC convened a 2018 Child Care MRS Advisory Group to provide input on the design of the survey, outreach, and feedback on key deliverables during the study. The Advisory Group comprised of representatives from the state’s provider community and included representatives from the FCC provider union (SEIU Local 509), FCC providers, FCC Systems, and Center-Based providers. Members also represented different geographic areas across the Commonwealth. The Advisory Group met throughout the survey design, implementation, and analysis process. During the survey design phase, the Group assisted in the preparation of the survey questions and testing them with other child care providers for ease of readability and applicability to their programs. Survey questions covered research questions from the federal requirements as well as priority areas for EEC and stakeholders. During implementation, the Group reviewed response rates by provider type and region to provide suggested outreach strategies, engaged in direct outreach, and provided guidance on messaging and scripts for soliciting survey respondents. The Group also provided input on the analysis of market rate findings and interpretation of finding on other sections of the report related to discounts and fees, subsidy participation, staffing composition and cost of care. The active involvement of stakeholders in this year’s Advisory Group contributed to a well-designed survey with high response rates from the child care provider community statewide.

This report provides both the data analysis and key findings for the State Plan, but also provides EEC and interested stakeholder’s insight on whether subsidy rates are adequately ensuring equal access to high quality child care in the Commonwealth. The following section provides and overview of the survey methodology and response rates.

Methodology

Overview

The 2018 Child Care MRS focused on collecting provider data to evaluate the adequacy of EEC’s state child care subsidy rates. The survey design mirrored the EEC subsidy reimbursement rate structure: survey questions and market rate percentiles were calculated by provider type and child age group served within EEC’s six subsidy reimbursement rate regions. To further ensure a representative sample of providers from the state, PCG and EEC monitored responses and targeted outreach to providers using the following characteristics:

* Subsidy Participation: whether the provider accepts EEC subsidy (i.e. private pay only provider or subsidy participating providers)
* Organizational Structure of the Program: whether the FCC provider is affiliated with an FCC System, or a center-based child care provider is a part of a program with multiple child care center locations (“multi-site”) or the FCC or center-based provider is independently owned.

The 2018 survey successfully achieved a statically valid and reliable sample of responses that were representative of different types of providers across the state.

Survey Design

PCG and EEC, in collaboration with the 2018 Child Care Market Rate Advisory Group, decided to utilize a census survey methodology which required outreach to all licensed providers in the state rather than a random sample survey approach which targets outreach to a particular sub-group of all licensed providers. In order to achieve a sample size large enough to achieve statistical significance, a random sample survey approach requires researchers to accurately predict the level of response that they will see from providers to their survey. Using previous response rates from MA EEC MRS studies including the random sample methodology approach taken in 2015, EEC and PCG determined that a census approach would likely yield higher response rates. In addition, shifting to a census approach allowed all providers the opportunity to participate in the survey. Due to the voluntary nature of participating in the MRS, non-response bias (i.e. bias that is created when certain groups of providers chose to not participate in the survey) is higher in a census survey; however, this bias was mitigated through targeted follow-up outreach to subgroups of providers with responses rates that were lower than the sample goal or where the distribution of a particular subgroup in the sample was not reflective of the distribution of the subgroup in the universe of providers.

Using a census survey approach, PCG calculated the target sample size needed to achieve statistical significance for each region of the state for each provider type (FCC providers and Center-Based providers) using a 95 percent confidence level and a margin of error of +/- 5.0. This means that, if the survey were repeated, PCG can be confident that 95 percent of the time our results will be within plus or minus 5 percentage points of the “true mean” of the full population. Targeted sample sizes were identified by geographic region, using EEC’s six subsidy reimbursement rate regions, and by the type of care. Below are descriptions of each of EEC’s geographic regions, as described by the Urban Institute’s “Review of Child Care Needs of Eligible Families.” [3][[3]](#footnote-3)

* Region 1 (Western): The Western region encompasses most of the western half of the state, including Springfield, Greenfield, Holyoke, Pittsfield, and many smaller towns and rural areas.
* Region 2 (Central): The Central region is the area between greater Boston and Western Massachusetts. Its biggest city is Worcester.
* Region 3: (Northeastern): The Northeast is the region that lies between Boston and the New Hampshire border.
* Region 4: (Metro): Greater Boston includes the suburbs of Boston that are located to the west and south of the central city.
* Region 5: (Southeastern): The Southeast region is comprised of areas south of Boston, including New Bedford, Fall River, Cape Cod, and the surrounding islands.
* Region 6: (Boston): The Metro Boston region includes Boston proper and most adjoining cities.

EEC provided PCG with information on each of the state’s licensed child care programs, including program name, address, telephone number, email address, program identification number, program type (FCC providers vs. Center-Based providers), license status, and EEC subsidy reimbursement rate region assignment. PCG used the Program Identification Number as the unique ID to for tracking purposes. To gather a statistically representative sample, PCG utilized targeted follow-up outreach reminders based on provider type and region. In addition, PCG monitored level of representation of the sample collected on the following subgroup characteristics: participation in EEC subsidy (vs. private pay only), and program structure i.e. FCC System or Center-Based multi-site affiliation (vs. independent). The goal was to collect sample data (responses) from the same or similar proportion of providers in these subgroups as is in the full licensed population (e.g. if in region 1, 50% of FCC providers accept state subsidy, the sample of responses should also include about half of providers that accept state subsidy). The following tables identify the number of provider responses needed by EEC subsidy rate region and provider type to achieve statistically significant results.

**Table 1. FCC Provider Response Targets**

| **Region** | **Provider Universe** | **Target Sample**  **(95% CL, +/- 5.0 margin of error)** |
| --- | --- | --- |
| Region 1- Western | 857 | 266 |
| Region 2- Central | 1,004 | 279 |
| Region 3- Northeast | 1,325 | 298 |
| Region 4- Metro | 1,138 | 288 |
| Region 5- Southeast | 798 | 260 |
| Region 6- Metro Boston | 692 | 248 |
| **All** | **5,814** | **1,639** |

**Table 2. Center-Based Child Care Response Targets**

| **Region** | **Provider Universe** | **Target Sample**  **(95% CL, +/- 5.0 margin of error)** |
| --- | --- | --- |
| Region 1- Western | 346 | 183 |
| Region 2- Central | 255 | 154 |
| Region 3- Northeast | 436 | 205 |
| Region 4- Metro | 937 | 273 |
| Region 5- Southeast | 516 | 221 |
| Region 6- Metro Boston | 348 | 183 |
| **All** | **2,838** | **1,219** |

Survey Instrument

Survey questions were developed and approved by EEC and the 2018 Child Care MRS Advisory Group. The Advisory Group met two times to provide a detailed review of each proposed survey question, including the terminology used and the design and layout of response options. In addition, members of the group pilot tested the survey in English and Spanish for readability and ease of use. They also solicited other providers to test the survey and provide feedback. The final survey included questions related to the following topic areas:

* Capacity and Enrollment by Age
* Program Hours and Characteristics (e.g., QRIS, accreditation participation)
* Rates/Prices Charged to Private Pay Families
* Subsidy and Voucher Participation
* Staff Compensation and Education
* Additional Fees and Services Offered

Please see ***Appendix E. 2018 Market Rate Survey Questionnaire*** for the final 2018 Child Care MRS Questionnaire.

The survey was designed in an online survey tool, Survey Gizmo, in English and Spanish. However, it was offered online, by phone and in paper format. To streamline the survey for providers, it included skip logic so that a provider saw a series of questions based on their answers to key branching questions. For example, rate questions (i.e. questions about the minimum price providers charge for child care) included a key branching question that allowed providers to indicate the frequency that they charge parents for care. If a provider indicated that they charge a weekly rate, the survey branched subsequent questions to just those related to weekly rates. Providers were given the option to enter rates on an hourly, daily, weekly, and monthly frequency. To further minimize data entry errors, the survey instrument included several requirements for mandatory responses and validated fields.

As described previously, for the narrow cost analysis, the end of the survey included a voluntary Cost of Care Form section that included detailed questions on all child care program expenses. Please refer to the report ***“2018 Cost of Care Form Final Report”*** for a summary of findings.

Outreach Efforts

In collaboration with EEC and the Advisory Group, PCG designed and implemented a comprehensive outreach campaign to notify all licensed providers across the Commonwealth of the opportunity to participate in the 2018 MRS. The MRS collection period ran for eight and a half weeks in March through May 2018. To initiate the survey collection period, PCG sent an initial recruitment email to all licensed providers. Emails were sent from a dedicated email address for this year’s outreach efforts, [ma2018MRS@pcgus.com](mailto:ma2018MRS@pcgus.com); in addition, a dedicated toll-free number was made available to all providers for questions or to take the survey by phone. All notifications included a link to the survey and unique Program Identification number (program ID) for survey outreach tracking purposes. Subsequent reminders included a post card reminder and weekly emails sent to non-responsive providers only (using program ID tracking). The email notifications, post cards and the introductory language of the survey provided 1) an overview of the purpose of the survey, 2) description of the voluntary and anonymous nature of participation and 3) an assurance that all responses are analyzed at the aggregate level.

PCG dedicated a three-staff Data Collection Call Team to collect survey data by phone from providers that did not enter data into the on-line questionnaire. These staff members made multiple call attempts between 10:00 a.m. and 7:00 p.m. daily to providers that had not yet completed the survey, throughout the survey collection period. The Call Team made more than 8,500 outbound phone calls to providers across the state to offer the survey by phone. When possible, the Call Team scheduled calls to take the survey by phone during times that were most convenient for providers. In addition, the call team answered inbound calls from providers seeking to take the survey by phone and providers with questions about the survey.

PCG developed a survey administration guide and a webinar to train call center staff on 1) the purpose of the survey, 2) outreach plan, 3) survey scripts, 4) data collection protocols, 5) survey disposition protocols, and 6) frequently asked provider questions. Throughout the collection period, members of the call team were focused on reaching out to programs to improve response rates based on the primary subgroups (region, provider type and ages of children served) and secondary subgroups (participation in EEC subsidy and program structure). On a weekly basis, PCG produced a response rate report for EEC and the Advisory Group on response rates by subgroups. Working closely with EEC and the Advisory Group, PCG continuously updated outreach call lists and targeted recruitment for subgroups with low response rates. For example, if response rates were lower in a specific region and provider type (i.e. farthest away from reaching the statistically significant target for the sample), PCG would prioritize the call list with non-responsive providers from that specific region. In addition, EEC and the Advisory Group engaged child care associations and organizing groups including the FCC Systems, Child Care Resource & Referral (CCR&R) agencies, large Center-Based provider listservs (available to EEC leadership and the Advisory Group), and pre-scheduled provider gatherings, social media, and personal email outreach to encourage participation. PCG worked with EEC to also deploy a series of Department-led outreach strategies and techniques to increase response rates including a video recording by EEC Commissioner Thomas Weber, shared via YouTube and social media. The video focused on the importance of the survey and the influence responses have on the Department’s subsidy reimbursement rate structure. EEC Regional Directors of Field Operations, who manage licensing and monitoring of providers statewide, worked with licensors to encourage the subgroup of providers that do not participate in EEC’s child care subsidy program (private pay only) to participate in the survey. Private pay providers are traditionally the most difficult to reach population both for MA EEC MRS data collection and nationally in other states that deploy voluntary child care MRS studies. Private pay data is critical in the analysis of market prices charged to parents and families; they represent the portion of the market whose prices are charged for children not eligible for subsidy. The Advisory Group also provided guidance and feedback throughout the data collection period on outreach call scripts, email reminder language, time of day for calls, and day of the week for email reminder blasts.

In addition, a survey incentive was used to boost response rates. Respondents were given the option to enter their contact information to enter a raffle for a $100 Visa gift card. Providers that took the optional Cost of Care Form were also given the option to enter a raffle to win an additional $50 Visa gift card.

The continuous monitoring of response rates by subgroups and targeted outreach approach allowed PCG to improve response rates and the representativeness of the final sample, thereby reducing non-response bias and improving the reliability of the results.

Data Cleaning

In total, 5,080 raw survey responses were submitted (3,094 marked as fully complete- all survey questions were reviewed, and 1,986 partial responses, where the respondent completed a portion of the questions and did not reach the end of the survey). PCG conducted a thorough data cleaning process to pull valid responses and remove duplicates and outliers. The following steps were taken:

* Step 1: Move partial raw survey responses that included a unique ID and rate data to a complete and valid response.
* Step 2: Matched Program ID to administrative data to confirm that the response was received from a valid licensed open provider and removed duplicates.
* Step 3: Removed providers that are no longer operating.
* Step 4: Recalculated total response rates by region and provider type. Please see the following section for a summary of response rates, margin of error, and level of representativeness.

The data cleaning process resulted in a total of 1,849 FCC and 1,389 Center-Based provider responses. Following data cleaning, PCG conducted a series of rate analysis steps including:

* Step 1: Converting data entry errors of hours of operation into correct A.M. and P.M. designations.
* Step 2: Moving clear data entry errors for rate data into the correct unit (hourly, daily, weekly, monthly).
* Step 3: Converting all rate data into a daily rate, so that rate rates could be compared across provider types and against the EEC subsidy reimbursement rate structure.

All rates that were quoted in the survey were converted into daily rates using data collected on hours and days of operation. Following the methodology used in the 2015 MRS, the rate conversion methodology illustrated in the table below was used to convert reported rates into daily rates. Daily rates more than two standard deviations from the mean in their corresponding categories were classified as outliers and removed from the percentile calculations.

**Table 3. Price Conversion Methodology**

|  |  |
| --- | --- |
| **Reported Rate Frequency** | **Conversion Methodology** |
| **Hourly** | (Hourly Rate) x (Hours Open Per Day) |
| **Daily** | None |
| **Weekly** | (Weekly Rate) ÷ (Days Open Per Week) |
| **Monthly** | (Monthly Rate) ÷ 4.33 weeks ÷ (Days Per Week) |

For a more details summary of rate conversion and outlier removal calculation, please see ***Appendix B. Reported Rate Attributes.***

Overview of Responses

Response rates for the 2018 survey were statically significant and representative of the provider population. More than a third (3,238 or 37%) of providers across the Commonwealth (1,849 FCC providers and 1,389 Center-Based providers) submitted usable responses for the 2018 MRS. The following section provides an overview of response rates by region and includes figures on statistical significance (margin of error).

***Response Rates by Region & Provider Type***

The tables below display the results of our outreach strategy. More than a third (3,238 or 37%) of providers across the Commonwealth (1,849 FCC providers and 1,389 Center-Based providers) submitted usable responses for the 2018 MRS. These results mark a significant increase in participation in Massachusetts’ MRS (1,400 providers participated in 2015). Each region reached over 89% of their target for both FCC and Center-Based child care providers.

**Table 4. FCC Provider Response Rates**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Region** | **Provider Universe** | **Target Sample**  **(95% CL, +/- 5 MoE)** | **Survey Responses** | **Percent of**  **Target Sample Achieved** |
| Region 1- Western | 855 | 265 | 266 | 100% |
| Region 2- Central | 1,002 | 278 | 325 | 117% |
| Region 3- Northeast | 1,320 | 298 | 458 | 154% |
| Region 4- Metro | 1,136 | 287 | 273 | 95% |
| Region 5- Southeast and Cape | 795 | 259 | 255 | 98% |
| Region 6- Metro Boston | 690 | 247 | 272 | 110% |

**Table 5. Center-Based Child Care Response Rates**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Region** | **Provider Universe** | **Target Sample (95% CL, +/- 5 MoE)** | **Survey Responses** | **Percent of**  **Target Sample Achieved** |
| Region 1- Western | 345 | 182 | 168 | 92% |
| Region 2- Central | 253 | 153 | 136 | 89% |
| Region 3- Northeast | 433 | 204 | 235 | 115% |
| Region 4- Metro | 935 | 272 | 433 | 159% |
| Region 5- Southeast and Cape | 516 | 220 | 247 | 112% |
| Region 6- Metro Boston | 348 | 183 | 170 | 93% |

***Statistical Significance***

As described in the tables above, PCG’s goal was to reach a sample size large enough to achieve statistical significance at a 95% confidence level and a margin of error of +/- 5 for each region of the state for both FCC providers and Center-Based providers. This goal was achieved in all regions of the state for FCC providers and nearly reached in all regions of the state for Center-Based providers, with the Region 2 - Central Center-Based care sample achieving a margin of error of 5.7. A margin of error ranging between 4 and 6 is considered statistically significant according to best practices.[[4]](#footnote-4)

**Table 6. Margin of Error FCC Providers**

| **Region** | **Provider Universe** | **Target Sample**  **(95% CL, +/- 5 MoE)** | **Survey Responses** | **Percent of**  **Target Sample Achieved** | **Margin of Error** |
| --- | --- | --- | --- | --- | --- |
| Region 1- Western | 855 | 265 | 266 | 100% | 5.0 |
| Region 2- Central | 1,002 | 278 | 325 | 117% | 4.5 |
| Region 3- Northeast | 1,320 | 298 | 458 | 154% | 3.7 |
| Region 4- Metro | 1,136 | 287 | 273 | 95% | 5.2 |
| Region 5- Southeast and Cape | 795 | 259 | 255 | 98% | 5.1 |
| Region 6- Metro Boston | 690 | 247 | 272 | 110% | 4.6 |

**Table 7. Margin of Error Center-Based Child Care**

| **Region** | **Provider Universe** | **Target Sample**  **(95% CL, +/- 5 MoE)** | **Survey Responses** | **Percent of**  **Target Sample Achieved** | **Margin of Error** |
| --- | --- | --- | --- | --- | --- |
| Region 1- Western | 345 | 182 | 168 | 92% | 5.4 |
| Region 2- Central | 253 | 153 | 136 | 89% | 5.7 |
| Region 3- Northeast | 433 | 204 | 235 | 115% | 4.3 |
| Region 4- Metro | 935 | 272 | 433 | 159% | 3.5 |
| Region 5- Southeast and Cape | 516 | 220 | 247 | 112% | 4.5 |
| Region 6- Metro Boston | 348 | 183 | 170 | 93% | 5.4 |

***Level of Representativeness***

As described above, several secondary subgroups of providers were examined to ensure that our response sample is representative of the total population (or “universe”) of providers in Massachusetts. The distribution of providers who do not accept subsidy, or “private pay only” providers, to subsidy receiving providers was identified as the highest priority of these other subgroup characteristics. As the results below indicate, the proportion of private pay only providers in our response sample closely mirrors the proportion of private pay only providers in the total universe of providers by region and provider type. For every region of the state where the majority of providers in the total universe are private-pay only, the majority of the response sample is also private pay only. Likewise, for every region where the minority of providers are private pay only, the minority of the response sample is also private pay only. For example, in Region 1 – Western, Center-Based private pay only providers are the minority at only 19% of the total population (81% are subsidized providers). Mirroring this distribution, in Region 1 – Western, Center-Based private pay only providers are the minority (18%) in our response sample (82% are subsidized providers). At a difference of only 1%, the response sample is highly representative of the universe of Center-Based providers in Region 1 - Western. Overall, with less than an 18% difference in the distribution of the response sample compared to the actual population across all regions of the state, the survey response sample offers a reasonable aligned picture of the market.

**Table 8. Level of Representativeness by Region**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **FCC Providers** | | | **Center-Based Providers** | | |
| **Region** | **Private Pay Universe %** | **Private Pay Response %** | **FCC Provider Difference** | **Private Pay Universe %** | **Private Pay Response %** | **Center-Based Difference** |
| Region 1- Western | 45% | 31% | 14% | 19% | 18% | 1% |
| Region 2- Central | 45% | 32% | 13% | 37% | 31% | 6% |
| Region 3- Northeast | 35% | 17% | 18% | 39% | 36% | 3% |
| Region 4- Metro | 75% | 58% | 17% | 56% | 59% | -3% |
| Region 5- Southeast and Cape | 46% | 32% | 14% | 31% | 29% | 2% |
| Region 6- Metro Boston | 21% | 14% | 7% | 31% | 30% | 1% |

Focused Communities

EEC recognizes that the state’s subsidy reimbursement rate regional structure groups municipalities and neighborhoods with different demographics into a single region that receive the same daily reimbursement rate for child care. For children and families living in a municipality or neighborhood that has a higher median income, the EEC regional subsidy reimbursement rate is likely to be insufficient to cover the cost of child care options in those families’ municipality or neighborhood. With the understanding of the disadvantages of a regional subsidy reimbursement rate model, in addition to focusing on regional responses, PCG and EEC identified a list of high-priority adjacent municipalities or neighborhoods within a region that have a high-income disparity. For example, in Region 1 - Western, the City of Springfield’s median income is $34,731[[5]](#footnote-5) and in the neighboring Town of Wilbraham, the median income is $87,303. A Region 1 - Western percentile calculation considers the provider prices charged in both towns; Wilbraham’s high-income community may disproportionately affect the percentile calculation for the state subsidy reimbursement rate for that region. Furthermore, higher income communities, the number of private pay only provider (i.e. do not participate in EEC child care subsidy program) are lower, as is the total population of providers. For example, for there are only 6 private pay only Center-Based providers in Andover, MA vs 46 providers in Lawrence, MA. The input of the few private pay providers is even more important to capture in the sample to understand the price of child care statewide.

The following table outlines the municipalities and neighborhoods designated as a focused community for targeted outreach to include in the final sample. These focused communities were selected in 2015 based on median income. To maintain consistency with the 2015 MRS, the same focused communities were monitored in the 2018 MRS for private pay only provider participation. Note that within Region 6 - Metro Boston, the City of Boston’s neighborhoods have similar income disparities as what you would find in adjacent municipalities in other parts of the state. Therefore, the entirety of the City of Boston was identified as focused community. Responses by focused community were tracked throughout the collection period. The tables below outline the percent of target achieved. Response rates varied both across and within regions. Response rates for focused communities were low but given the small number of private pay providers in many communities, as well as the difficulty of reaching providers that do not participate in the EEC child care subsidy program, a low response rate is expected. Since focused communities were not a primary or secondary strata/subgroup, this low response rate does not affect the validity of the survey findings. In addition to using focused communities to inform targeted outreach to achieve a representative sample, PCG analyzed average rates reported in the 2018 MRS in the focused communities. Please refer to ***Appendix D.*** ***Focused Communities Average Rates*** for the summary of findings of focused communities’ average rates. Further analysis of the effects of income disparity at the city, town, neighborhood or even zip code level could be explored for future analysis. Some states conduct a “cluster analysis” where market prices are analyzed in grouping based on zip code level and/or other economic and demographic characteristics. [[6]](#footnote-6)

**Table 9. FCC Provider - Focused Community Response Rates**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Community** | **Total Providers** | **Total Private Pay Only Providers** | **Survey Target** | **Surveys Completed by Private Pay Only Providers** | **% of Target** |
| 1 | Springfield | 252 | 39 | 39 | 7 | 18% |
| Wilbraham | 10 | 7 | 7 | 0 | 0% |
| 2 | Worcester | 286 | 51 | 42 | 11 | 26% |
| Shrewsbury | 26 | 26 | 26 | 6 | 23% |
| 3 | Andover | 6 | 6 | 6 | 2 | 33% |
| Lawrence | 347 | 46 | 45 | 7 | 16% |
| 4 | Framingham | 87 | 53 | 43 | 13 | 30% |
| Natick | 29 | 29 | 29 | 5 | 17% |
| 5 | Brockton | 115 | 31 | 31 | 5 | 16% |
| East Bridgewater | 19 | 14 | 14 | 0 | 0% |
| 6 | Boston | 690 | 145 | 50 | 37 | 74% |

**Table 10. Center-Based Child Care - Focused Community Response Rates**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Community** | **Total Providers** | **Total Private Pay Only Providers** | **Survey Target** | **Surveys Completed by Private Pay Only Providers** | **% of Target** |
| 1 | Springfield | 69 | 4 | 4 | 0 | 0% |
| Wilbraham | 7 | 2 | 2 | 0 | 0% |
| 2 | Worcester | 47 | 9 | 9 | 3 | 33% |
| Shrewsbury | 7 | 2 | 2 | 1 | 50% |
| 3 | Andover | 24 | 14 | 14 | 9 | 64% |
| Lawrence | 26 | 0 | 0 |  | N/A |
| 4 | Framingham | 31 | 11 | 11 | 8 | 73% |
| Natick | 20 | 17 | 17 | 8 | 47% |
| 5 | Brockton | 20 | 2 | 2 | 2 | 100% |
| East Bridgewater | 5 | 3 | 3 | 1 | 33% |
| 6 | Boston | 348 | 107 | 36 | 51 | 142% |

Lessons Learned

Although the 2018 MRS methodology and design included best practices in survey research, several lessons learned were found that can inform future surveys conducted by EEC. In terms of the survey design, PCG believes the 2018 MRS was successful in providing clear questions that were easy for providers to understand. The success of survey language can be attributed to the involvement of the Advisory Group and providers that tested the survey in both English and Spanish. This year, rate questions were included first on the survey, this was a benefit since providers that abandoned the survey, and only completed the first few questions could still be used the rate analysis. There were also areas for improvement on the survey design. Many respondents provided an incorrect EEC Program ID. Future surveys could benefit from including a second unique ID, EEC’s License ID, or provider address to have a secondary data source to identify the respondent. In 2018, PCG was able to match 73 incorrectly entered Program IDs to License IDs. In addition, future MRS studies should include standardized answer fields, limit open text fields, and always include a yes/no option for optional questions. For the small subset of optional questions with open text fields, PCG was unable to remove outliers and analyze data in a meaningful way since responses were not standardized.

In terms of outreach strategies, the 2018 Child Care Market Rate Advisory Group was instrumental in achieving a high response rate. Weekly response rate reports by primary and secondary provider subgroups allowed PCG, EEC and the Advisory Group the ability to adjust outreach strategies week-to-week, catering outreach messages and the sender of reminders to the specific groups. We found that FCC Systems Outreach, EEC Leadership Outreach and Advisory Group outreach to their peer groups were highly effective in increasing response rates. Outreach from the aforementioned groups had a direct impact on the number of responses received immediately following outreach.

75th Percentile Calculations

Generated Percentiles vs. ACF Guidance on Weighting by Capacity

The CCDBG Act of 2014 requires that states certify that their subsidy reimbursement rates are at level that provides equal access to child care for subsidy recipients as families not receiving child care assistance. The Federal Administration for Children and Families (ACF) Office of Child Care (OCC) benchmarks equal access for child care at the 75th percentile of market rates[[7]](#footnote-7). This means that the 75th percentile price is recognized by ACF as a proxy for equal access to care. At this rate, a subsidy receiving family would be able to access 75% of available child care slots or programs in the market (based on price alone[[8]](#footnote-8)).

To further explain the significance and calculations for the 75th percentile, we should note that a percentile in general is defined as “a value on a scale of 100 that indicates the percent of a distribution that is equal to or below it.[[9]](#footnote-9)” More simply put, a percentile is a number identifying where a certain percentage of scores fall below that number. The below graphic, for instance shows the 50th percentile highlighted in blue, where half (or 50%) of the scores fall below score 6.



The 75th percentile, then would be the score where 75% of scores are highlighted. ACF defines the 75th percentile as “the price at or below which 75 percent of child care providers reported charging for services.[[10]](#footnote-10)” This is illustrated below by highlighting all scores below rate 3.



To identify the 75th percentile (or any other percentile) of child care market rates, PCG considered two calculation methods: 1) using a generated percentile by provider or 2) weighting by capacity.

|  |  |
| --- | --- |
| **Sample Provider** | **Sample:**  **Infant Care** |
| ABC Kids | $50.47 |
| All Kids Care | $48.25 |
| A Plus Care | $47.75 |
| Kiddo Care | $47.00 |
| Kiddie Town | $44.50 |
| Kids Peace | $39.00 |
| Kindness Care | $38.25 |

*Generated Calculation by Provider:*

**75th Percentile**

The generated 75th percentile is calculated using a mathematical formula (either by hand or using statistical analysis software) to determine an exact number that may not be reflective of an actual, reported market rate. For instance, take the example to the right, which represents infant care providers’ daily rates for a region. Using these rates, the direct calculation would identify the 75th percentile rate as **$48.00**; a rate that is not an actual price reported by a provider in the MRS. In contrast with our next methodology, this calculation treats each provider’s reported rate equally. It does not account for the supply of care (e.g., the number of child care slots) that these prices represent in the market.

*Weighted by Capacity*

The alternative option, and the one used for calculating percentiles for this MRS, follows current ACF guidance by weighting prices by child care slots (the supply of care). ACF recommends using one of three measures of supply to weight prices: 1) licensed capacity by program, 2) active enrollment by program, or 3) desired program capacity. For this study, prices are weighted by licensed capacity (or “licensed slots”) because these data are uniformly recorded in EEC administrative records for every licensed provider in the state. Using this method helps to account for supply in the child care market, since providers that are licensed to serve more children will have a larger share of the market than providers licensed to serve fewer children. The ACF guidance has been adopted by many states and is the national standard for calculating market rate percentiles. Below is an example of how this works, using the sample infant daily care rates that we reviewed for the generated calculation by provider.

75th Percentile

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sample Provider** | **Reported Rate** | **Infant Licensed Capacity** | **Cumulative # Licensed Slots** | **% of Licensed Slots Covered by Rate** |
| ABC Kids | $50.47 | 10 | 52 | 100% |
| All Kids Care | $48.25 | 3 | 42 | 81% |
| A Plus Care | $47.75 | 12 | 39 | 75% |
| Kiddo Care | $47.00 | 2 | 27 | 52% |
| Kiddie Town | $44.50 | 4 | 25 | 48% |
| Kids Peace | $39.00 | 13 | 21 | 40% |
| Kindness Care | $38.25 | 8 | 8 | 15% |
| *Total* |  | *52* |  |  |

In the above example, the 75th percentile is determined by the cumulative number of licensed slots that can be covered by a specific provider’s rate. Specifically, the 75th percentile is determined using the following steps:

*Step One:* Order all providers in your sample by their reported rate from highest to lowest.

*Step Two:* List each provider’s licensed capacity with their reported rate.

*Step Three:* Add the cumulative number of licensed slots for each provider starting with the lowest reported rate to the highest. For example: Kindness Care has the lowest rate and 8 licensed slots. Kids Peace has the next lowest rate and 13 licensed slots. With *just* Kindness Care, there are 8 licensed slots that are covered by their $38.25 rate. A rate of $39.00 (the Kids Peace rate) will cover 21 licensed slots (13 at Kids Peace and 8 at Kindness Care). In this example, there are 52 total licensed infant slots when all providers in the region are considered.

*Step Four:* Divide the cumulative number of licensed slots available by provider by the *total* amount of licensed slots in the region (52). This is where you find your needed percentile. A rate of $47.75 (A Plus Care’s rate) in this example would cover the price of 75% of licensed slots in the region, making it the 75th percentile of market rates in the region for infant care.

Please refer to ***Appendix C. Part-Time Rates*** for more information about part-time percentiles as reported by providers in the survey.

FCC Provider 75th Percentiles

Using the previously discussed weighted by capacity calculations to determine percentiles, we have provided below the reported 75th and 50th percentile prices for Infant (birth to 15 months), Toddler 1 (15 months to under 2 years), Toddler 2, (2 years to 2 years 9 months), Pre-school (2 years 9 months to 5 years), and School-Age (5 years to 13 years, or 16 if special needs) care for all regions of the state. We have also provided the current[[11]](#footnote-11) EEC subsidy reimbursement rates for FCC providers. Please note that the FCC providers subsidy reimbursement rate structure is divided into two different daily rates, one for children under two years old and one for children aged two and older. Subsidy rates provided are not inclusive of reimbursement rates for FCC providers who affiliated with an FCC System since those rates include an administrative fee that may or may not be passed to the FCC provider. Additionally, the rates represent the full daily payment to providers, which may be paid through a combination of the state and the family’s co-payment (e.g., if a family of an under 2 child in Region 1 - Western had a copayment of $5, the provider would receive $5 from the parent and the remaining $33.56 of the payment rate listed below from the state for a total daily payment of $38.56).

*Below Two Years of Age Percentiles*

EEC subsidy reimbursement rates are below the 75th percentile prices for FCC providers for ages 2 and under in all regions of the state. EEC subsidy reimbursement rates are above the infant 50th percentile prices in Regions 3 – Northeast and 4 - Metro, and the toddler 1 50th percentile prices in Regions 2 - Central, 3 - Northeast, and 4 - Metro.

**Table 11. Family Child Care Provider Market Rate Percentiles – Below Two Years of Age**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(Under Age 2)** | **Infant**  **75th Percentile** | **Infant**  **50th Percentile** | **Toddler 1 75th Percentile** | **Toddler 1 50th Percentile** |
| Region 1 – Western | $38.56 | $45.00 | $40.00 | $43.00 | $39.00 |
| Region 2 – Central | $44.07 | $50.00 | $45.00 | $50.00 | $44.00 |
| Region 3 – Northeast | $44.07 | $50.00 | $43.00 | $46.00 | $40.00 |
| Region 4 – Metro | $66.10 | $70.00 | $60.00 | $69.30 | $60.00 |
| Region 5 – Southeast and Cape | $44.07 | $55.00 | $50.00 | $50.00 | $45.00 |
| Region 6 – Boston Metro | $49.57 | $60.00 | $50.00 | $60.00 | $50.00 |

*Two Years and Above Percentiles*

EEC subsidy reimbursement rates are below the 75th percentile prices for FCC providers for children ages 2 and above in all regions of the state. EEC subsidy reimbursement rates are above the 50th percentile prices for school -age care in Region 3 - Northeast.

**Table 12. Family Child Care Provider Market Rate Percentiles – Two Years and Above**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(2 and Over)** | **Toddler 2 75th Percentile** | **Toddler 2 50th Percentile** | **Preschool 75th Percentile** | **Preschool 50th Percentile** | **School- Age 75th Percentile** | **School- Age 50th Percentile** |
| Region 1 – Western | $33.25 | $40.50 | $37.00 | $40.00 | $36.00 | $40.00 | $35.00 |
| Region 2 – Central | $33.25 | $48.00 | $40.00 | $46.00 | $40.00 | $45.00 | $39.00 |
| Region 3 – Northeast | $35.07 | $45.00 | $36.00 | $45.00 | $36.00 | $43.75 | $35.00 |
| Region 4 – Metro | $35.07 | $65.00 | $56.00 | $65.00 | $52.00 | $60.00 | $45.00 |
| Region 5 – Southeast and Cape | $33.25 | $50.00 | $45.00 | $50.00 | $42.50 | $50.00 | $40.00 |
| Region 6 – Boston Metro | $35.07 | $50.00 | $45.00 | $50.00 | $40.00 | $50.00 | $40.00 |

*Before and After School Percentiles*

EEC subsidy reimbursement rates are below the 75th percentile prices for FCC before and after school providers in all regions of the state except Regions 1 – Western and 4 - Metro. EEC subsidy reimbursement rates are above the 50th percentile in all regions except Region 6 – Boston Metro. Note that before and after school subsidy reimbursement rates are calculated at 60% of the FCC provider subsidy rate for children age 2 years and older.

**Table 13. Family Child Care Provider Market Rate Percentiles – Before and After School**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(2 and Over Pt. Time)** | **Before School**  **75th Percentile** | **Before School**  **50th Percentile** | **After School 75th Percentile** | **After School 50th Percentile** |
| Region 1 – Western | $19.95 | $18.00 | $12.00 | $18.00 | $12.00 |
| Region 2 – Central | $19.95 | $20.00 | $14.50 | $20.00 | $15.00 |
| Region 3 – Northeast | $21.04 | $25.00 | $20.00 | $25.00 | $20.00 |
| Region 4 – Metro | $21.04 | $20.00 | $17.00 | $30.00 | $20.00 |
| Region 5 – Southeast and Cape | $19.95 | $24.00 | $15.00 | $25.00 | $15.00 |
| Region 6 – Boston Metro | $21.04 | $35.00 | $30.00 | $30.00 | $25.00 |

Center-Based Child Care 75th Percentiles

Center-Based child care percentiles are calculated for Infant (birth to 15 months), Toddler (15 months to 2 years 9 months), Pre-School (2 years 9 months to 5 years), and School-Age (five years and up, including before and after) care. In contrast to FCC provider subsidy reimbursement rates, Center-Based subsidy reimbursement rates directly align with each of the age groups/types of care just mentioned, including before and after school care.

*Infant and Toddler Care Percentiles*

Subsidy reimbursement rates are below the 75th and 50th percentile prices for infants and toddlers in all regions of the state. Region 4 - Metro has the widest dollar figure difference between the subsidy rate and 75th percentile market rate for both infant and toddler care.

**Table 14. Center-Based Provider Market Rate Percentiles – Infant and Toddler**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Infant Subsidy** | **Infant**  **75th Percentile** | **Infant**  **50th Percentile** | **Toddler Subsidy** | **Toddler**  **75th Percentile** | **Toddler 50th Percentile** |
| Region 1 – Western | $56.65 | $64.00 | $58.40 | $51.95 | $62.00 | $54.00 |
| Region 2 – Central | $58.20 | $75.00 | $66.00 | $53.15 | $71.00 | $59.00 |
| Region 3 – Northeast | $65.00 | $89.60 | $79.80 | $59.47 | $80.40 | $66.33 |
| Region 4 – Metro | $70.39 | $103.00 | $91.20 | $63.92 | $97.00 | $83.80 |
| Region 5 – Southeast and Cape | $56.65 | $68.80 | $61.00 | $53.15 | $62.80 | $57.00 |
| Region 6 – Boston Metro | $73.86 | $90.00 | $80.00 | $68.85 | $90.00 | $75.00 |

*Preschool and Full Day School-Age Percentiles*

Subsidy reimbursement rates are below the 75th and 50th percentile prices for preschoolers in all regions. The full day school-age subsidy rate is also below the 75th and 50th percentile prices in all regions, with the exception of Region 6 – Boston Metro. The full day school-age subsidy rate in Region 6 – Boston Metro is equal to the 50th percentile price for that age group in that region.

**Table 15. Center-Based Provider Market Rate Percentiles – Preschool and Full Day School-Age**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Preschool Subsidy** | **Preschool 75th Percentile** | **Preschool 50th Percentile** | **Full Day School-Age Subsidy** | **School-Age 75th Percentile** | **School- Age 50th Percentile** |
| Region 1 – Western | 39.51 | $46.97 | $41.34 | $36.33 | $39.00 | $37.00 |
| Region 2 – Central | 39.51 | $54.00 | $47.00 | $36.33 | $55.00 | $41.00 |
| Region 3 – Northeast | 42.18 | $66.97 | $55.00 | $37.56 | $50.00 | $40.00 |
| Region 4 – Metro | 43.42 | $80.55 | $66.00 | $38.62 | $60.00 | $45.00 |
| Region 5 – Southeast and Cape | 39.51 | $53.40 | $45.00 | $36.33 | $45.54 | $40.00 |
| Region 6 – Boston Metro | 43.42 | $70.00 | $55.00 | $38.62 | $42.00 | $38.62 |

*Before and After School Percentiles*

Both before and after school subsidy reimbursement rates are below the 75th and 50th percentile prices for Center-Based child care in all regions, with the exception of Regions 1 - Western and 6 – Boston Metro, where the EEC subsidy reimbursement rates are equal to the 50th percentile prices for after school care.

**Table 16. Center-Based Provider Market Rate Percentiles – Before and After School**

| **Region** | **Before School Subsidy** | **Before School 75th Percentile** | **Before School 50th Percentile** | **After School Subsidy** | **After School 75th Percentile** | **After School 50th Percentile** |
| --- | --- | --- | --- | --- | --- | --- |
| Region 1 – Western | $8.59 | $10.00 | $9.00 | $18.03 | $18.50 | $18.03 |
| Region 2 – Central | $8.59 | $12.00 | $10.50 | $18.03 | $21.62 | $20.00 |
| Region 3 – Northeast | $9.11 | $12.40 | $11.80 | $20.17 | $27.00 | $23.00 |
| Region 4 – Metro | $9.35 | $20.00 | $12.00 | $20.71 | $27.02 | $23.70 |
| Region 5 – Southeast and Cape | $8.59 | $18.00 | $10.00 | $18.03 | $25.00 | $20.00 |
| Region 6 – Boston Metro | $9.35 | $20.00 | $15.00 | $20.71 | $23.09 | $20.71 |

Subsidy Reimbursement Rate Percentiles

**FCC Provider Subsidy Reimbursement Rate Percentiles**

The following tables identify the level of access (in percentiles) that the current FCC provider subsidy reimbursement rates afford subsidy receiving families in the private price market.

*FCC Subsidy Reimbursement Rate Percentiles (Full Time, 2 Years of Age and Under)*

Current subsidy reimbursement rates in Region 3 - Northeast and Region 4 - Metro for children 2 years of age and under allow access to over 50% of slots in the market; while reimbursement rates for this age group in all other regions of the state allow access to less than 50% of slots in the market.

**Table 17. Family Child Care Provider Subsidy Reimbursement Rate Percentiles- Full Time, 2 Years of Age and Under**

|  |  |  |  |
| --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(Under Age 2)** | **Infant Percentile** | **Toddler 1 Percentile** |
| Region 1 – Western | $38.56 | 42.6% | 49.0% |
| Region 2 – Central | $44.07 | 47.2% | 50.5% |
| Region 3 – Northeast | $44.07 | 56.1% | 65.9% |
| Region 4 – Metro | $66.10 | 69.8% | 73.0% |
| Region 5 – Southeast and Cape | $44.07 | 32.9% | 38.4% |
| Region 6 – Boston Metro | $49.57 | 27.4% | 39.9% |

*FCC Subsidy Reimbursement Rate Percentiles (Full Time, 2 Years of Age and Above)*

Current subsidy reimbursement rates for children 2 years of age and above in Region 3 - Northeast allow the greatest access to care compared to all other regions (approximately 50% of slots in the market).

**Table 18. Family Child Care Provider Subsidy Reimbursement Rate Percentiles- Full Time, 2 Years of Age and Above**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(2 and Over)** | **Toddler 2 Percentile** | **Preschool Percentile** | **School-Age Percentile** |
| Region 1 – Western | $33.25 | 18.9% | 25.1% | 37.2% |
| Region 2 – Central | $33.25 | 11.3% | 22.1% | 32.2% |
| Region 3 – Northeast | $35.07 | 45.2% | 47.9% | 51.0% |
| Region 4 – Metro | $35.07 | 10.0% | 16.3% | 22.8% |
| Region 5 – Southeast and Cape | $33.25 | 12.0% | 22.1% | 21.1% |
| Region 6 – Boston Metro | $35.07 | 18.1% | 23.9% | 30.7% |

*FCC Subsidy Reimbursement Rate Percentiles (Part-Time, Before and After School Care)*

Current subsidy reimbursement rates exceed the 70th percentile in many regions of the state for before and after school care, with Region 1 – Western reimbursement rates allowing for the greatest amount of access to care.

**Table 19. Family Child Care Provider Subsidy Reimbursement Rate Percentiles- Part-Time, Before and After School Care**

|  |  |  |  |
| --- | --- | --- | --- |
| **Region** | **EEC Subsidy**  **(2 and Over Pt. Time)** | **Before School Percentile** | **After School Percentile** |
| Region 1 – Western | $19.95 | 78.1% | 77.9% |
| Region 2 – Central | $19.95 | 72.1% | 66.5% |
| Region 3 – Northeast | $21.04 | 64.9% | 62.7% |
| Region 4 – Metro | $21.04 | 76.8% | 60.5% |
| Region 5 – Southeast and Cape | $19.95 | 71.1% | 57.6% |
| Region 6 – Boston Metro | $21.04 | 38.2% | 33.8% |

**Center-Based Child Care Subsidy Reimbursement Rate Percentiles**

The following tables identify the level of access (in percentiles) that the current Center-Based subsidy reimbursement rates afford subsidy receiving families in the private price market.

*Center-Based Care Subsidy Reimbursement Rate Percentiles (Under Age 5)*

Current subsidy reimbursement rates for Center-Based care in Regions 1 – Western, 2 – Central, and 6 – Boston Metro allow the greatest access to care for children under age 5. The reimbursement rates in these regions allow access to 20-30% of slots in the market.

**Table 20. Center-Based Provider Subsidy Reimbursement Rate Percentiles- Under Age 5**

| **Region** | **Infant Subsidy** | **Infant Percentile** | **Toddler Subsidy** | **Toddler Percentile** | **Preschool Subsidy** | **Preschool Percentile** |
| --- | --- | --- | --- | --- | --- | --- |
| Region 1 – Western | $56.65 | 29.0% | $51.95 | 26.2% | $39.51 | 27.4% |
| Region 2 – Central | $58.20 | 20.0% | $53.15 | 22.2% | $39.51 | 10.8% |
| Region 3 – Northeast | $65.00 | 5.3% | $59.47 | 9.1% | $42.18 | 14.8% |
| Region 4 – Metro | $70.39 | 9.8% | $63.92 | 9.3% | $43.42 | 9.7% |
| Region 5 – Southeast and Cape | $56.65 | 9.8% | $53.15 | 16.5% | $39.51 | 18.4% |
| Region 6 – Boston Metro | $73.86 | 24.4% | $68.85 | 22.0% | $43.42 | 21.2% |

*Center-Based Care Subsidy Reimbursement Rate Percentiles (School-Age)*

Current subsidy reimbursement rates for Center-Based care in Regions 1 – Western, 2 – Central, and 6 – Boston Metro allow the greatest access to care for school-age children. The reimbursement rates in these regions allow access to 20-60% of slots in the market.

**Table 21. Center-Based Provider Subsidy Reimbursement Rate Percentiles- School-Age**

| **Region** | **Before School Subsidy** | **Before School Percentile** | **After School Subsidy** | **After School Percentile** | **School-Age Subsidy** | **School- Age Percentile** |
| --- | --- | --- | --- | --- | --- | --- |
| Region 1 – Western | $8.59 | 22.0% | $18.03 | 51.2% | $36.33 | 36.7% |
| Region 2 – Central | $8.59 | 36.4% | $18.03 | 40.7% | $36.33 | 17.9% |
| Region 3 – Northeast | $9.11 | 18.6% | $20.17 | 20.5% | $37.56 | 22.8% |
| Region 4 – Metro | $9.35 | 22.5% | $20.71 | 27.1% | $38.62 | 16.6% |
| Region 5 – Southeast and Cape | $8.59 | 15.9% | $18.03 | 29.4% | $36.33 | 17.4% |
| Region 6 – Boston Metro | $9.35 | 37.1% | $20.71 | 59.2% | $38.62 | 50.3% |

Other Survey Sections

In addition to gathering data on child care rates that was the primary purpose of the MRS, EEC and PCG included survey questions related to acceptance of subsidies, discounts, fees, and support services. With the exception of one subsidy question, survey questions on these topics were optional for respondents. In regard to discounts, it should be noted Massachusetts law prohibits providers from charging the Commonwealth a higher rate than they charge the general public, which includes discounted rates. If a provider offers a discounted rate that is lower than the subsidy reimbursement rate, EEC pays the lower value for any subsidized child. Additionally, EEC subsidy policies do not allow the majority of additional fees to be charged to subsidized parents, so the sections below are to get a sense of what may be charged to private pay parents.

Subsidy

*General Acceptance of EEC Subsidized Children*

|  |
| --- |
| ***Survey Question (Required):*** Does your program accept state subsidized children (through a direct EEC Vouchers and/or contracts)? |

Of the 3,238 total survey respondents, 3,141 providers (97 percent) responded to the question of accepting state subsidies. Of the 3,141 responses, a total of 2,088 providers (66.5 percent of respondents) indicated their programs accept state subsidized children. This is a higher percentage than EEC Administrative data records as the percent of providers who currently serve state subsidized children, as shown below.

**Table 22. Comparison of Self-Reported Acceptance of Subsidy vs. EEC Administrative Data**

|  | **Accepts Subsidies** | **Percent of Total Universe of Providers** | **Size of Universe** |
| --- | --- | --- | --- |
| Self-Reported | 2,088 | 66.5% | 3,141 |
| Admin. Data | 4,855 | 56.1% | 8,651 |

Of the 2,088 providers self-reporting that they accept state subsidized children, nearly 61 percent were FCC providers (1,269 responses) and 39 percent were Center-Based providers (819 responses).

**Table 23. Subsidy Acceptance by Program Type (n = 3,141)**

| **Response** | **FCC Providers** | **Center-Based** | **Total** | **Percent** |
| --- | --- | --- | --- | --- |
| Yes | 1,269 | 819 | 2,088 | 66.5% |
| No | 534 | 519 | 1,053 | 33.5% |
| Total | 1,803 | 1,338 | 3,141 | 100% |

Most providers who self-reported that they accept state subsidized children are located in Region 3- Northeast. Providers in Region 4- Metro were the least likely to self-report that they accept state subsidized children.

**Table 24. Regional Representation of Providers Accepting Subsidy (n = 2,088)**

| **Region** | **Percent of Subsidy Providers** | **Response Count** |
| --- | --- | --- |
| Region 1 – Western | 14.6% | 304 |
| Region 2 – Central | 15.0% | 314 |
| Region 3 – Northeast | 25.4% | 531 |
| Region 4 – Metro | 13.8% | 289 |
| Region 5 – Southeast and Cape | 15.3% | 320 |
| Region 6 – Metro Boston | 15.8% | 330 |

*Types of EEC Subsidy Programs Accepted*

|  |
| --- |
| ***Survey Question (Optional):*** For which of the following types of children receiving state subsidy do you provide care? Select all that apply |

All of the 2,088 respondents that said that they accepted state subsidized children responded to this question about the types of subsidy programs accepted. Overall, providers indicate the subsidy type they accept most frequently is Income Eligible Vouchers (1,614 responses), followed by Department of Children and Families (DCF) Vouchers (1,309 responses). This is consistently reflected in FCC provider responses (961 responses and 900 responses); however, Center-Based providers report accepting Income Eligible Vouchers (653 responses) and DTA Voucher Referrals (461 responses) most frequently.

Upon analysis, self-reported subsidy acceptance rates in the survey are inconsistent with EEC Administrative data. For example, for services in April 2018 when the survey was being completed, EEC reports that there are 1,687 DCF vouchers in existence and many providers accept more than one voucher. This makes 1,309 providers self-reporting acceptance of DCF vouchers inconsistently high and unlikely. Similarly, for services in April 2018, EEC reports that there are 11,076 DTA vouchers and 22,450 Income Eligible vouchers in existence which makes self-reported acceptance rates for those programs inconsistently low. It is possible survey respondents were confused by the question, perhaps interpreting the question as the type of subsidy they would like to accept, or respondents were unclear about the different types of subsidy.

**Table 25. Type of Subsidy Accepted by Provider Type (n = 2,088)**

| **Subsidy Type** | **Percent Accepted** | **Total Count Accepted** | **Count by Provider Type** | |
| --- | --- | --- | --- | --- |
| **FCC Providers** | **Center-Based** |
| Income Eligible Voucher | 77.3% | 1,614 | 961 | 653 |
| DCF Voucher | 62.7% | 1,309 | 900 | 409 |
| DTA Voucher Referral | 54.8% | 1,145 | 684 | 461 |
| DCF Contract | 47.0% | 981 | 690 | 291 |
| Income Eligible Contract | 45.5% | 949 | 633 | 316 |
| Homeless | 38.0% | 793 | 577 | 216 |
| Teen Parent Contract | 26.0% | 543 | 477 | 66 |

In all regions, Income Eligible Vouchers is cited as the most common subsidy type served and Teen Parent Contract as the least common subsidy type served. Providers in Region 3- Northeast responded at a higher rate than other regions to this question which is consistent with EEC Administrative data and the previous survey question noting Region 3- Northeast has the highest saturation of providers serving state subsidized children.

**Table 26. Type of Subsidy Accepted by Region (n = 2,088)**

| **Region** | **Income Eligible Voucher** | **DCF Voucher** | **DTA Voucher Referral** | **DCF Contract** | **Income Eligible Contract** | **Homeless** | **Teen Parent Contract** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Region 1 – Western | 233 | 191 | 161 | 141 | 135 | 111 | 65 |
| Region 2 – Central | 244 | 205 | 156 | 162 | 135 | 111 | 87 |
| Region 3 – Northeast | 423 | 339 | 313 | 287 | 284 | 258 | 157 |
| Region 4 – Metro | 203 | 151 | 135 | 85 | 93 | 66 | 38 |
| Region 5 – Southeast and Cape | 247 | 219 | 169 | 157 | 134 | 109 | 86 |
| Region 6 – Metro Boston | 264 | 204 | 211 | 149 | 168 | 138 | 110 |
| TOTAL | 1,614 | 1,309 | 1,145 | 981 | 949 | 793 | 543 |

*Familiarity with EEC Subsidy Programs*

|  |
| --- |
| ***Survey Question (Optional):*** Are you familiar with EEC's child care subsidy programs? |

Of the 3,238 total survey respondents, 867 providers (26 percent) responded to the optional question related to familiarity of EEC subsidy programs. 55 percent (479 respondents) are familiar of EEC subsidy programs, while 44.6 percent (387 respondents) are unfamiliar with EEC subsidy programs. While FCC providers (432 providers) and Center-Based providers (434 providers) responded fairly equally to this question, Center-Based providers are more likely to be familiar with EEC subsidy programs.

**Table 27. Familiarity of EEC Subsidy Program by Provider Type (n = 867)**

| **Response** | **Total** | **Percent** | **FCC Providers** | **Center-Based Providers** |
| --- | --- | --- | --- | --- |
| Yes | 479 | 55.2% | 228 | 251 |
| No | 387 | 44.6% | 204 | 183 |
| Total | 866 | 99.9% | 432 | 434 |

Region 4- Metro providers responded most frequently to this question. In all regions, the majority of providers are familiar with EEC subsidy programs. Region 6- Metro Boston showed the smallest difference between providers familiar and unfamiliar with EEC subsidy programs, with a difference of just 3 providers.

**Table 28. Familiarity of EEC Subsidy Program by Region (n = 867)**

|  |  |  |
| --- | --- | --- |
| **Region** | **Yes** | **No** |
| Region 1 – Western | 53 | 44 |
| Region 2 – Central | 66 | 47 |
| Region 3 – Northeast | 66 | 55 |
| Region 4 – Metro | 176 | 137 |
| Region 5 – Southeast and Cape | 75 | 64 |
| Region 6 – Metro Boston | 43 | 40 |
| Total | 479 | 387 |

|  |
| --- |
| ***Survey Question (Optional):*** What would you recommend to increase awareness? |

Of the 3,238 total survey respondents, 390 providers (12 percent) included an optional write-in response to increase awareness of EEC’s child care subsidy program. Write-in responses were reviewed and categorized by related theme. “Other” represents the 104 write-in responses that did not fit the emerging themes. Common themes to increase awareness include contacting providers directly (80 responses) and sending informational emails (972 responses).

**Table 29. Methods to Increase Awareness of EEC Subsidy Programs (n = 380)**

| **Methods to Increase Awareness Themes** | **Count** |
| --- | --- |
| Other | 104 |
| Contact providers directly | 80 |
| Send Informational Emails | 72 |
| I don't Know | 58 |
| Hold a webinar/class/training/workshop | 35 |
| Increase rate/pay rate in timely manner | 18 |
| Discuss during orientation, training, and licensing visits | 17 |
| Improve website information | 6 |
| Total | 390 |

*Incentivizing Participation in EEC Subsidy Programs*

|  |
| --- |
| ***Survey Question (Optional):*** Which would incentivize your participation in the EEC subsidy system? Select all that apply. |

Of the 3,238 total survey respondents, 863 providers (26 percent) responded to the question about incentives to participate in the subsidy system. When selecting from a list of options, 48.8 percent of respondents (421 providers) indicate “None of the above” options would incentivize them to participate in EEC subsidy. This is the most cited response for Center-Based providers (243 responses). FCC providers respond most frequently (214 responses) “Increased subsidy reimbursement rates” would incentive their participation in EEC subsidy programs.

**Table 30. Method to Incentivize Participation in EEC Subsidy Programs by Provider Type (n = 863)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Method to Incentivize Participation** | **Total** |  | **Percent** | **FCC Providers** | **Center-Based** |
| None of the above | 421 |  | 48.8% | 178 | 243 |
| Increased subsidy reimbursement rates | 338 |  | 39.2% | 214 | 124 |
| Opportunity for additional resources including professional development | 153 |  | 17.7% | 85 | 68 |
| Opportunity for additional support services (Example: Technical assistance, referral services, assistance with child/family needs) | 144 |  | 16.7% | 61 | 83 |
| Assistance with quality initiatives (Example: Assistance with participation in QRIS or accreditation) | 126 |  | 14.6% | 64 | 62 |
| Assistance with subsidy management and administration | 99 |  | 11.5% | 40 | 59 |
| Increase in food reimbursement | 86 |  | 10.0% | 69 | 17 |
| Other | 78 |  | 9.0% | 48 | 30 |
| Increase in transportation reimbursement rate | 17 |  | 2.0% | 9 | 8 |

Three regions cite “None of the above” as the top method for incentivizing participation in EEC subsidy programs: Regions 2- Central, 3- Northeast, 4-Metro. Three regions cite “Increased subsidy reimbursement rate” as the top method for incentivizing participation in EEC subsidy programs: Regions 1- Western, 5- Southeast and Cape, and 6- Metro Boston.

**Table 31. Method to Incentivize Participation in EEC Subsidy Programs by Region (n = 863)**

| **Reason** | **Region** | | | | | | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **1-**  **Western** | **2-**  **Central** | **3-**  **Northeast** | **4-**  **Metro** | **5-**  **Southeast**  **And Cape** | **6-**  **Metro**  **Boston** |
| None of the above | 42 | 62 | 71 | 161 | 53 | 32 | 421 |
| Increased subsidy reimbursement rates | 47 | 41 | 37 | 103 | 69 | 41 | 338 |
| Opportunity for additional resources including professional development | 20 | 14 | 21 | 50 | 26 | 22 | 153 |
| Opportunity for additional support services (Example: Technical assistance, referral services, assistance with child/family needs) | 18 | 10 | 18 | 53 | 25 | 20 | 144 |
| Assistance with quality initiatives (Example: Assistance with participation in QRIS or accreditation) | 14 | 11 | 14 | 45 | 24 | 18 | 126 |
| Assistance with subsidy management and administration | 15 | 6 | 10 | 41 | 15 | 12 | 99 |
| Increase in food reimbursement | 16 | 12 | 11 | 19 | 18 | 10 | 86 |
| Other | 5 | 15 | 10 | 27 | 14 | 7 | 78 |
| Increase in transportation reimbursement rate | 3 | 2 | 2 | 7 | 2 | 1 | 17 |

*Capping Subsidy Enrollment*

|  |
| --- |
| ***Survey Question (Optional):***Does your program cap or limit the number of children with subsidies that you will serve? |

Of the 3,238 total survey respondents, 1,967 providers (60.7 percent) responded to the question on limiting the number of subsidized children served. Of the 1,967 respondents to this question, 85.9 percent indicate they do not cap enrollment of subsidized children (1,689 responses); 14 percent of providers do cap subsidized student enrollment (278 responses). Region 4- Metro reports capping subsidy enrollment at a higher rate than other regions.

**Table 32. Providers Capping Subsidy Enrollment by Region (n = 1,967)**

| **Region** | **Total Regional Response** | **Yes** | **No** |
| --- | --- | --- | --- |
| Region 1 – Western | 286 | 25 | 261 |
| Region 2 – Central | 296 | 33 | 263 |
| Region 3 – Northeast | 503 | 56 | 447 |
| Region 4 – Metro | 273 | 83 | 190 |
| Region 5 – Southeast and Cape | 299 | 30 | 269 |
| Region 6 – Metro Boston | 310 | 51 | 259 |
| Total | 1,967 | 278 | 1,689 |

The majority of FCC and Center-Based providers indicate they do not cap subsidy enrollment: 53 percent of FCC Providers do not cap subsidy, while 32.7 percent of Center-Based providers do not cap enrollment.

**Table 33. Providers Capping Subsidy Enrollment by Program Type (n = 1,967)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **FCC Providers** | | **Center-Based Providers** | |
| **Count** | **Percent** | **Count** | **Percent** |
| No | 1057 | 53.7% | 632 | 32.1% |
| Yes | 146 | 7.4% | 132 | 6.7% |
| Total | 1203 | 61.2% | 764 | 38.8% |

|  |
| --- |
| ***Survey Question (Optional for those responding “Yes” to Does your program cap or limit the number of children with subsidies that you will serve?”):*** What percent is subsidized? |

Center-Based providers were more likely to cap their subsidy enrollment at 25 percent of their program capacity or less compared to FCC providers. Overall, 85 percent of Center-Based providers cap subsidy enrollment to 25 percent or less, while only 44 percent of FCC providers cap enrollment at the same rate.

**Figure 1. Subsidy Enrollment Cap Rate by Provider Type (n = 259)**

Region 4- Metro provided the highest response rate to this question and reports capping enrollment at 25% subsidy most frequently.

**Table 34. Subsidy Enrollment Cap Rate by Region (n-size= 259)**

| **Region** | **0 - 25%** | **26% - 50%** | **51% - 75%** | **76% - 100%** | **Total by Region** |
| --- | --- | --- | --- | --- | --- |
| Region 1 – Western | 10 | 4 | 4 | 6 | 24 |
| Region 2 – Central | 19 | 6 | 1 | 5 | 31 |
| Region 3 – Northeast | 15 | 12 | 8 | 13 | 48 |
| Region 4 – Metro | 51 | 16 | 6 | 9 | 82 |
| Region 5 – Southeast and Cape | 17 | 4 | 4 | 5 | 30 |
| Region 6 – Metro Boston | 17 | 8 | 8 | 11 | 44 |
| Total by Cap Rate | 129 | 50 | 31 | 49 | 259 |

|  |
| --- |
| ***Survey Question (Optional):***My program caps or limits the number of children participating in subsidy because: |

Of the 3,238 total survey respondents, 212 providers (6.5 percent) responded to the question on reasons why the program caps subsidy children with a write-in response. The most common write-in response related to capping enrollment of subsidized children relates to the financial constraints and budget concerns. Thirty-seven percent of respondents (79 responses) note financial concerns of subsidy rates being too low or rates not covering costs.

**Table 35. Reasons for Capping Subsidy Enrollment (n-size= 212)**

| **Reason (Write-In)** | **Count** | **Percent** |
| --- | --- | --- |
| Financial (Subsidy rate is too low/rates don't cover costs) | 79 | 37.3% |
| Other (Uncategorized) | 62 | 29.2% |
| Limited by License | 23 | 10.8% |
| Cap Limit Provided (e.g. “Capped at 8”) | 19 | 9.0% |
| Cap Set by Umbrella Organization | 12 | 5.7% |
| Limited Space and Staffing | 9 | 4.2% |
| Enrollment Filled with Private Pay/Waitlist of Private Pay | 8 | 3.8% |
| Total | 212 | 100.0% |

*Reasons for Not Accepting Subsidy*

|  |
| --- |
| ***Survey Question (Optional for those responding “No” to “Does your program accept state subsidized children (through a direct EEC Voucher and/or contracts?)):***Please select the reasons that may prevent you from participating in state subsidy programs (vouchers and/or contracts). |

Of the 1,053 providers responding to the survey who do not accept subsidy, 970 providers (92.1 percent) responded to the question on reasons preventing acceptance of subsidies. “Capacity is full of private pay” (560 responses) is the most commonly cited reason for not accepting subsidy for both FCC and Center-Based providers. The second most common reason FCC providers cite for not accepting subsidy is “Subsidy reimbursement rates are not sufficient” (197 responses). For Center-Based providers, the second most common reason is “No demand for subsidized care in the program’s area” (158 responses).

**Table 36. Reasons for Not Accepting Subsidy By Provider Type (n = 970)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Reason for Not Accepting Subsidy** | **Total** | **Percent** | **FCC Providers** | **Center-Based Providers** |
| Capacity is full with private pay | 560 | 57.7% | 309 | 251 |
| Subsidy reimbursement rates are not sufficient | 305 | 31.4% | 197 | 108 |
| Program has a long waitlist of private pay families | 265 | 27.3% | 124 | 141 |
| No demand for subsidized care in the program's area | 253 | 26.1% | 95 | 158 |
| Too much administrative work involved | 199 | 20.5% | 107 | 92 |
| I don't know enough about EEC's subsidy program to participate | 171 | 17.6% | 92 | 79 |
| Required participation in QRIS | 148 | 15.3% | 64 | 84 |
| Other | 137 | 14.1% | 59 | 78 |
| Reimbursement received too long after service is provided | 123 | 12.7% | 78 | 45 |
| Required NAEYC accreditation (contract only) | 111 | 11.4% | 30 | 81 |
| Challenges collecting copayments from subsidy recipient families | 93 | 9.6% | 49 | 44 |
| Turn-over among subsidy recipient families | 60 | 6.2% | 35 | 25 |
| Disagree with policies associated with the subsidy program | 45 | 4.6% | 28 | 17 |
| Child behavioral challenges | 37 | 3.8% | 20 | 17 |
| Significant family needs | 30 | 3.1% | 20 | 10 |

Across regions, “Capacity is full with private pay” is the most commonly cited reason for not accepting subsidy. Region 4- Metro has the highest number of responses to this question by region; they cite “No demand for subsidized care in the program’s area” as the second most common reason for not accepting subsidy.

**Table 37. Reasons for Not Accepting Subsidy by Region (n = 970)**

| **Reason for Not Accepting Subsidy** | **Region** | | | | | | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **1-**  **Western** | **2-**  **Central** | **3-**  **Northeast** | **4-**  **Metro** | **5-**  **Southeast**  **And Cape** | **6-**  **Metro**  **Boston** |
| Capacity is full with private pay | 67 | 74 | 88 | 200 | 86 | 45 | 560 |
| Subsidy reimbursement rates are not sufficient | 37 | 46 | 41 | 92 | 61 | 28 | 305 |
| Program has a long waitlist of private pay families | 30 | 28 | 32 | 107 | 40 | 28 | 265 |
| No demand for subsidized care in the program's area | 16 | 30 | 38 | 115 | 35 | 19 | 253 |
| Too much administrative work involved | 19 | 28 | 28 | 78 | 28 | 18 | 199 |
| I don't know enough about EEC's subsidy program to participate | 23 | 15 | 21 | 70 | 28 | 14 | 171 |
| Required participation in QRIS | 15 | 21 | 21 | 55 | 21 | 15 | 148 |
| Other | 19 | 17 | 20 | 47 | 20 | 14 | 137 |
| Reimbursement received too long after service is provided | 14 | 23 | 18 | 37 | 22 | 9 | 123 |
| Required NAEYC accreditation (contract only) | 10 | 11 | 20 | 43 | 16 | 11 | 111 |
| Challenges collecting copayments from subsidy recipient families | 9 | 20 | 8 | 30 | 18 | 8 | 93 |
| Turn-over among subsidy recipient families | 7 | 13 | 9 | 16 | 9 | 6 | 60 |
| Disagree with policies associated with the subsidy program | 4 | 10 | 8 | 13 | 2 | 8 | 45 |
| Child behavioral challenges | 3 | 8 | 4 | 10 | 8 | 4 | 37 |
| Significant family needs | 3 | 8 | 3 | 8 | 2 | 6 | 30 |

|  |
| --- |
| ***Survey Question (Optional for those responding “Yes” to “Does your program accept state subsidized children (through a direct EEC Voucher and/or contracts?)):***Please select the reasons that may prevent you from participating in state subsidy programs (vouchers and/or contracts). |

Of the 2,088 providers responding to the survey who indicate they accept subsidy, 1,679 (80 percent) responded to the question on reasons preventing acceptance of subsidies. Nearly 75 percent of respondents (1,251 responses) answered “Not Applicable, I serve or am willing to serve all subsidized children”. For both FCC and Center-Based providers, this is the most commonly cited response. For FCC providers, the second most commonly cited response for not accepting subsidy is “Capacity is full of private pay” (149 responses). For Center-Based providers, the second most commonly cited response is “Subsidy reimbursement rates are not sufficient” (109 responses).

**Table 38. Reasons for Not Accepting Subsidy By Provider Type (n = 1,679)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Reason for Not Accepting Subsidy** | **Total** | **Percent** | **FCC Providers** | **Center-Based** |
| NA, I serve or am willing to serve all subsidized children | 1,251 | 74.5% | 784 | 467 |
| Capacity is full with private pay | 241 | 14.4% | 149 | 92 |
| Subsidy reimbursement rates are not sufficient | 231 | 13.8% | 122 | 109 |
| Program has a long waitlist of private pay families | 121 | 7.2% | 59 | 62 |
| Reimbursement received too long after service is provided | 90 | 5.4% | 55 | 35 |
| Other | 86 | 5.1% | 45 | 41 |
| No demand for subsidized care in the program's area | 73 | 4.3% | 45 | 28 |
| Required participation in QRIS | 69 | 4.1% | 36 | 33 |
| Too much administrative work involved | 64 | 3.8% | 32 | 32 |
| Challenges collecting copayments from subsidy recipient families | 59 | 3.5% | 20 | 39 |
| Turn-over among subsidy recipient families | 58 | 3.5% | 34 | 24 |
| Child behavioral challenges | 56 | 3.3% | 40 | 16 |
| Required NAEYC accreditation (contract only) | 32 | 1.9% | 18 | 14 |
| Significant family needs | 32 | 1.9% | 25 | 7 |
| Disagree with policies associated with the subsidy program | 27 | 1.6% | 8 | 19 |

Across regions, “NA, I serve or am willing to serve all subsidized children” was the most commonly cited response. In Regions 3- Northeast, 4- Metro, and 5- Southeast and Cape, the second most common reason for not accepting subsidy is “Subsidy reimbursement rates are not sufficient”. In Regions 1- Western, 2- Central, and 6- Metro Boston, providers cite “Capacity is full of private pay” as the second most common reason.

**Table 39. Reasons for Not Accepting Subsidy by Region (n = 1,679)**

| **Reason for Not Accepting Subsidy** | **Region** | | | | | | **Total** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **1-**  **Western** | **2-**  **Central** | **3-**  **Northeast** | **4-**  **Metro** | **5-**  **Southeast**  **And Cape** | **6-**  **Metro**  **Boston** |
| NA, I serve or am willing to serve all subsidized children | 182 | 173 | 373 | 138 | 181 | 204 | 1251 |
| Capacity is full with private pay | 35 | 54 | 28 | 52 | 41 | 31 | 241 |
| Subsidy reimbursement rates are not sufficient | 22 | 45 | 33 | 58 | 45 | 28 | 231 |
| Program has a long waitlist of private pay families | 14 | 20 | 13 | 39 | 15 | 20 | 121 |
| Reimbursement received too long after service is provided | 11 | 16 | 17 | 17 | 17 | 12 | 90 |
| Other | 11 | 20 | 10 | 15 | 14 | 16 | 86 |
| No demand for subsidized care in the program's area | 7 | 12 | 17 | 27 | 7 | 3 | 73 |
| Required participation in QRIS | 6 | 9 | 17 | 22 | 7 | 8 | 69 |
| Too much administrative work involved | 3 | 11 | 8 | 23 | 13 | 6 | 64 |
| Challenges collecting copayments from subsidy recipient families | 6 | 11 | 12 | 12 | 10 | 8 | 59 |
| Turn-over among subsidy recipient families | 8 | 15 | 6 | 14 | 10 | 5 | 58 |
| Child behavioral challenges | 11 | 17 | 7 | 8 | 6 | 7 | 56 |
| Required NAEYC accreditation (contract only) | 1 | 6 | 8 | 9 | 5 | 3 | 32 |
| Significant family needs | 8 | 8 | 7 | 5 | 2 | 2 | 32 |
| Disagree with policies associated with the subsidy program | 2 | 8 | 6 | 7 | 3 | 1 | 27 |

Discounts

|  |
| --- |
| ***Survey Question (optional):*** If your program offers any of the following discounts, complete the table below. |

Of the 3,238 total survey respondents, 1,644 providers (50.8 percent) responded to the question on discounts. Sibling Discount is the most commonly cited discount offered with 1,250 providers having indicated that they offered a sibling discount. The table below outlines the most frequently offered discounts by provider characteristics.

**Table 40. Most Frequently Offered Discounts (n = 1,644)**

| **Discount** | **Total** | **Percent of Total Sample Population (n)** | **FCC Providers** | **Center-Based Providers** |
| --- | --- | --- | --- | --- |
| Sibling Discount | 1,250 | 76% | 536 | 714 |
| Employee Discounts | 645 | 39.2% | 60 | 585 |
| Scholarships | 332 | 20.2% | 37 | 295 |
| Sliding Scale Rates | 282 | 17.2% | 113 | 169 |
| Other | 308 | 18.7% | 121 | 187 |

Of the “Other” discounts write-in responses, Military discounts (20 providers), Corporate/Membership discounts (21 providers), and Prepay discounts (11 providers) are the most common responses after the response of “NA” (142 providers).

Since responses to the question about discounts included open text fields for the count of children receiving these discounts and additional comments, providers inconsistently recorded responses which made it difficult to interpret the data. For example, in response to “Sibling Discounts”, providers responded with counts (ranging between 1 and 283 children), percentages (ranging from 10 to 25 percent), and with text (ranging from responses “Maybe a 2nd child discount” to “None at this time” to “For SA”). Therefore, PCG was unable to remove outliers and analyze data in open response fields in a meaningful way.

Sibling Discount and Employee Discounts are consistently the top two types of discounts offered across all regions. In Regions 1- Western, 2-Central, and 3-Northeast, Sliding Scale Rate is the next most common discount, while in Regions 4- Metro and 6- Metro Boston, Scholarships is the next most common discount. Region 5- Southeast and Cape cite “Other” as the next most common discount.

**Table 41. Most Frequently Offered Discounts (n = 1,644)**

| **Region** | **Sibling Discount** | **Employee Discounts** | **Scholarships** | **Sliding Scale Rates** | **Other** |
| --- | --- | --- | --- | --- | --- |
| Region 1 – Western | 131 | 61 | 40 | 41 | 35 |
| Region 2 – Central | 168 | 61 | 12 | 28 | 26 |
| Region 3 – Northeast | 272 | 118 | 32 | 72 | 64 |
| Region 4 – Metro | 352 | 233 | 141 | 63 | 81 |
| Region 5 – Southeast and Cape | 197 | 113 | 58 | 34 | 66 |
| Region 6 – Metro Boston | 130 | 59 | 49 | 44 | 36 |
| Total | 1,250 | 645 | 332 | 282 | 308 |

Additional Fees

*Registration Fees*

|  |
| --- |
| ***Survey Question (Optional):***Do you charge any add-on fees in addition to your full rate? If so, please select them from the following list and provide additional detail if requested.  *Registration Fee: One time only*  *Registration Fee: Annual*  *Registration Fee: Other- please explain in Additional Explanation* |

Of the 3,238 total survey respondents, 1,200 providers (37.1 percent) responded to this question and indicated that they charge a registration fee. Of the providers charging a registration fee, 22.2 percent are FCC providers (266) and 77.8 percent are Center-Based providers (934). Center-Based providers are more likely to charge an annual registration fee, while FCC providers are more likely to charge a one-time only registration fee. It should be noted that EEC policy does not allow providers to charge subsidized families for registration fees.

**Figure 2. Frequency of Charging Registration Fee by Provider Type (n = 1,200)**

Providers accepting subsidized children are more likely to report charging a registration fee (57.7 percent) than private pay only providers (42.3 percent). Subsidy acceptance and private pay attributes are based on EEC administrative data.

**Figure 3. Frequency of Charging Registration Fee by Subsidy vs. Private Pay Only (n = 1,200)**

Providers in Regions 1-Western, 2- Central, and 6- Metro Boston are more likely to report charging one-time only registration fees. Providers in Regions 3- Northeast, 4- Metro, and 5-Southeast and Cape are more likely to report charging annual registration fees.

**Table 42. Frequency of Charging Registration Fee by Region (n = 1,200)**

| **Region** | **One Time Only** | **Annual** | **Other** |
| --- | --- | --- | --- |
| Region 1 – Western | 64 | 31 | 6 |
| Region 2 – Central | 68 | 57 | 17 |
| Region 3 – Northeast | 79 | 135 | 21 |
| Region 4 – Metro | 182 | 193 | 21 |
| Region 5 – Southeast and Cape | 103 | 108 | 18 |
| Region 6 – Metro Boston | 55 | 31 | 11 |
| Total | 551 | 555 | 94 |

Since responses to the question about registration fees included open text fields for the fee amount and additional comments, providers inconsistently recorded responses which made it difficult to interpret the data. For example, in response to “Annual Registration Fee”, providers responded with a distinct fee amounts (ranging between $0 and $500), fee ranges (for example “80/125” or “$50-100), and with text (ranging from responses “Varies” to “Deposit on last week of care”). Therefore, PCG was unable to remove outliers and analyze data in open response fields in a meaningful way.

*Add-On Fees*

|  |
| --- |
| ***Survey Question (Optional):***Do you charge any add-on fees in addition to your full rate? If so, please select them from the following list and provide additional detail if requested.  *Waitlist fee*  *Deposits (i.e. to hold future slot)*  *Application fees*  *Field trips*  *Special activity fees (i.e., gymnastics, computer education, etc.)*  *Optional services (i.e., photographer, etc.)*  *Food (meals, snacks)*  *Materials/Supplies fees*  *Late payment fees*  *Transportation*  *Late pick-up fees*  *Bank fees (i.e., bounced checks)*  *Supplies*  *Bundled Fee- please specify what is included in the Additional Explanation*  *Other, please specify in the Additional Explanation* |

Of the 3,238 total survey respondents, 2,109 providers (65.1 percent) responded to the optional question related to add-on fees. The most frequently cited add-on fees are Late Pick-up Fees (1,509 providers), Bank Fees (1,093 providers), and Late Payment Fees (955 providers). This is consistently reported by FCC and Center-Based providers. It should be noted that EEC policy allows providers to charge subsidized families reasonable Late Pick-up Fees and Bank Fees (for bounced checks only). Providers are not allowed to change subsidized families most of the other fees listed below unless it is for services not offered to every child as part of the regular early education or out-of-school time program.

**Figure 4. Frequency of Add-on Fees by Provider Type (n = 2,109)**

Across regions, Late Pick-up Fees is the most commonly cited add-on fee. Region 4-Metro reports charging Deposit Fees as the second most cited add-on fee, while all other regions report Bank Fees as the second most cited add-on fee.

**Table 43. Frequency of Add-on Fees by Region (n = 2,109)**

| **Fee** | **Region** | | | | | | **Total** | **Percent of Total (n)** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Western** | **2-**  **Central** | **3-**  **Northeast** | **4-**  **Metro** | **5-**  **Southeast**  **And Cape** | **6-**  **Metro**  **Boston** |
| Late Pick Up Fees | 218 | 228 | 245 | 374 | 261 | 183 | 1,509 | 71.6% |
| Bank Fees | 142 | 175 | 193 | 256 | 210 | 117 | 1,093 | 51.8% |
| Late Payment Fees | 129 | 153 | 167 | 262 | 159 | 85 | 955 | 45.3% |
| Deposits | 86 | 115 | 112 | 264 | 110 | 93 | 780 | 37.0% |
| Field Trips | 53 | 65 | 60 | 99 | 63 | 41 | 381 | 18.1% |
| Optional Services | 14 | 36 | 30 | 51 | 25 | 9 | 165 | 7.8% |
| Application Fees | 11 | 7 | 26 | 88 | 8 | 25 | 165 | 7.8% |
| Special Activities | 10 | 18 | 38 | 54 | 29 | 14 | 163 | 7.7% |
| Transportation | 12 | 9 | 30 | 11 | 32 | 8 | 102 | 4.8% |
| Other | 9 | 14 | 21 | 31 | 5 | 18 | 98 | 4.6% |
| Food | 8 | 13 | 20 | 27 | 9 | 8 | 85 | 4.0% |
| Waitlist | 6 | 8 | 18 | 26 | 6 | 20 | 84 | 4.0% |
| Materials | 8 | 5 | 19 | 10 | 8 | 6 | 56 | 2.7% |
| Supplies | 1 | 2 | 9 | 4 | 1 | 2 | 19 | 0.9% |
| Bundled Fees | 1 | 2 | 7 | 2 | 1 | 1 | 14 | 0.7% |

Since responses to the question about add-on fees included open text fields for the fee amount and additional comments, providers inconsistently recorded responses which made it difficult to interpret the data. For example, in response to “Field Trip” add-on fees, providers responded with a distinct fee amounts (ranging between $2 and $500), fee ranges (for example “less than $20” or “$15-45”), and with text (ranging from responses “Varies by trip” to “Whatever a parent feels is appropriate” to “Price of Admission”). Therefore, PCG was unable to remove outliers and analyze data in open response fields in a meaningful way.

*Seasonal Fees*

|  |
| --- |
| ***Survey Question (Optional):*** Given the part day and full day rates given above, do you charge an additional rate for the following?  *Early Release days*  *Public School Closure days*  *Public School Vacation*  *Summer Break*  *Other* |

Of the 3,238 total survey respondents, 580 providers (17.9 percent) responded to the optional seasonal fee question. 272 FCC providers and 308 Center-Based providers reported charging additional seasonal tuition rates. 58 percent of providers who responded to this question charge additional rates for summer vacation; this is the most frequently cited seasonal fee for centers (207 responses). For FCC providers, the most commonly cited seasonal fees are for Public School Vacations (132 responses).

**Table 44. Additional Rates Charged Seasonally by Provider Type (n = 580)**

| **Additional Rates** | **Total Frequency** | **Percent of Total n-size** | **FCC Providers** | **Center-Based Providers** |
| --- | --- | --- | --- | --- |
| Early Release | 205 | 35.3% | 107 | 98 |
| Public School Closure Days | 244 | 42.1% | 130 | 114 |
| Public School Vacation | 322 | 55.5% | 136 | 186 |
| Summer Vacation | 339 | 58.4% | 132 | 207 |
| Additional-Other | 98 | 16.9% | 75 | 23 |

In Regions 1- Western, 3- Northeast, 5-Southeast and Cape, and 6- Metro Boston, providers cite charging additional rates for public school vacation most frequently. In Regions 2- Central and 4- Metro, providers report charging for summer break most frequently.

**Table 45. Additional Rates Charged Seasonally by Region (n = 580)**

| **Region** | **Early Release days** | **Public School Closure days** | **Public School Vacation** | **Summer Break** | **Other** |
| --- | --- | --- | --- | --- | --- |
| Region 1 – Western | 36 | 40 | 41 | 34 | 8 |
| Region 2 – Central | 50 | 54 | 57 | 67 | 12 |
| Region 3 – Northeast | 47 | 57 | 85 | 83 | 28 |
| Region 4 – Metro | 26 | 22 | 45 | 66 | 21 |
| Region 5 – Southeast and Cape | 36 | 47 | 63 | 56 | 14 |
| Region 6 – Metro Boston | 10 | 24 | 31 | 33 | 15 |
| Total | 205 | 244 | 322 | 339 | 98 |

Support Services

|  |
| --- |
| ***Survey Question (Optional):*** Do you provide any of the following additional support services? (select all that apply)  *Behavior Supervision/Supports for children with challenging behaviors*  *Communication Supports to children who are non-verbal or have language delays*  *Diapering/Toileting Assistance for an older child*  *Eating Assistance for a child who has food or texture sensitivities or physical challenges*  *Health Monitoring for a child with a chronic medical condition*  *Medication Management- for a child requiring ongoing medication & maintain recordkeeping*  *Mobility Assistance to help a child with a wheelchair, crutches, or limited ability to walk*  *Vision Supports and program changes to include a child with impaired vision*  *Nursing Care – Access to a nurse for children requiring medical monitoring or intervention*  *Physical Therapy - access for physical or occupational therapy services or providing activities to support child’s therapy goals*  *Occupational therapy for a child with sensory processing challenges*  *Other - Write In: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* |

Of the 3,238 total survey respondents, 1,771 providers (54.6 percent) responded to the question related to support services. Overall, the two most common support services offered by providers are diapering/toileting assistance for older children (1,099 responses) and behavior supports for children with challenging behaviors (1,097). These are consistently the two most common support services provided across regions, though Regions 3- Northeast, 4-Metro, 5- Southeast and Cape, and 6- Metro Boston cite behavior supports for children with challenging behaviors more frequently than diapering and toileting assistance.

**Table 46. Support Services Offered by Region (n = 1,771)**

| **Region** | **Region** | | | | | | **Total** | **Percent of Total (n)** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1-**  **Western** | **2-**  **Central** | **3-**  **Northeast** | **4-**  **Metro** | **5-**  **Southeast**  **And Cape** | **6-**  **Metro**  **Boston** |
| Diapering/Toileting Assistance for an older child | 148 | 166 | 242 | 222 | 176 | 145 | 1,099 | 62.1% |
| Behavior Supervision/Supports for children with challenging behaviors | 144 | 154 | 244 | 227 | 164 | 164 | 1,097 | 61.9% |
| Communication Supports to children who are non-verbal or have language delays | 119 | 132 | 228 | 176 | 141 | 145 | 941 | 53.1% |
| Medication Management- for a child requiring ongoing medication & maintain recordkeeping | 113 | 117 | 230 | 182 | 135 | 147 | 924 | 52.2% |
| Eating Assistance for a child who has food or texture sensitivities or physical challenges: | 123 | 129 | 230 | 165 | 126 | 140 | 913 | 51.6% |
| Health Monitoring for a child with a chronic medical condition | 88 | 88 | 171 | 115 | 82 | 87 | 631 | 35.6% |
| Physical Therapy - access for physical or occupational therapy services or providing activities to support child’s therapy goals | 64 | 47 | 114 | 46 | 52 | 51 | 374 | 21.1% |
| Occupational therapy for a child with sensory processing challenges | 69 | 53 | 102 | 38 | 49 | 51 | 362 | 20.4% |
| Mobility Assistance to help a child with a wheelchair, crutches, or limited ability to walk | 45 | 43 | 99 | 61 | 68 | 36 | 352 | 19.9% |
| Vision Supports and program changes to include a child with impaired vision | 46 | 48 | 98 | 47 | 47 | 41 | 327 | 18.5% |
| Other | 55 | 43 | 41 | 79 | 58 | 37 | 313 | 17.7% |
| Nursing Care- Access to a nurse for children requiring medical monitoring or intervention | 26 | 26 | 61 | 18 | 35 | 21 | 187 | 10.6% |

By provider type, FCC providers cite providing diapering/toileting assistance for older children as the most frequently provided support service (677 responses), while Center-Based providers cite providing behavior support services for children with challenging behaviors most frequently (526 responses).

**Figure 5. Support Service Provided by Provider Type (n = 1,771)**

Private pay only providers cite providing diapering/toileting assistance for older children (283 responses) more frequently than subsidy providers, who more frequently report providing behavior support services for children with challenging behaviors (852 responses). Subsidy acceptance and private pay attributes are based on EEC administrative data.

**Figure 6. Support Service Provided by Subsidy vs. Private Pay Only (n = 1,771)**

Of the 304 write-in responses for “Other” services provided, the most common response is related to partnering with Early Intervention (92 responses), followed by partnering with outside organizations such as school districts or social service organizations (64 responses).

**Table 47. Other Support Services Offered, Write-in (n = 304)**

|  |  |  |
| --- | --- | --- |
| **Other- write-in** | **Count** | **Percent** |
| Early Intervention Partnerships | 92 | 30.3% |
| Partnerships with Outside agencies/Specialists come into Program | 64 | 21.1% |
| NA | 11 | 3.6% |
| Uncategorized Other | 137 | 45.1% |
| Total | 304 | 100.0% |

Salary Cost by Level of Quality

As part of the CCDF state plan section regarding the Market Rate Survey, states must also include an analysis of the estimated cost of care to support (1) child care providers’ implementation of the health, safety, quality, and staffing requirements and (2) higher quality care, as defined by the Lead Agency using a quality rating and improvement system (QRIS) or other system of quality indicators at each level of quality.[[12]](#footnote-12) EEC’s licensing regulations meet and exceed the CCDBG requirements for health, safety, quality, and staffing requirements, therefore, the reported costs summarized in this section for licensed providers in the sample account for the costs related to supporting the requirements. Staff education level is generally thought to be a key indicator of quality. To understand the estimated cost of higher quality care, the following section reviews salary cost by staff’s highest education level and QRIS level. For this analysis the QRIS level for respondents is matched by EEC administrative data on EEC granted QRIS level (not QRIS self-assessment levels). Therefore, only those respondents participating in QRIS are included in the QRIS-specific analysis.

Please refer to the ***“2018 Cost of Care Form Final Report”*** report for the summary of findings related to cost drivers for the subset of providers that responded to the optional Cost of Care form.

*Salaries by Level of Education*

All salary rates below the current Massachusetts minimum wage ($11.00) were removed from this analysis. For FCC provider Assistants, outliers earning more than $120,000 (nearly triple the average FCC provider Director/Owner salary) were also removed. No other outliers were removed.

Overall, and not surprisingly, as a worker’s education level increases, so too does her or his average hourly salary. For FCC providers and Center-Based providers, the tables below outline the mean and median hourly salary by position and education level.

*Center-Based Providers*

|  |
| --- |
| ***Survey Question (optional):*** Please complete the following table below for your staff. Full-time staff work 30+ hours weekly; Part-time staff work 29 hours or less weekly (table includes listing of job titles, number of full-time, number of part-time, starting hourly wage by education level (less than high school, high school/GED, associate degree, bachelor’s degree and above. |

As expected, wages increase with higher education levels at Center-Based providers for nearly every position in the survey. Only Site Leaders did not see an increase in the mean wage at every education level. The widest variation of hourly wage range occurred in the Director position, with a $6.49 hourly wage difference between someone with less than a high school education and someone with a bachelor’s degree or higher.

The difference for salaries for the lowest and highest level of education also increases as position level increases. For example, the difference in a starting mean salary for an Assistant Teacher with less than a high school education and an Assistant teacher with a Bachelor degree or higher is $2.43 per hour. The difference for Teachers by these education levels is $3.30; for Lead Teachers, the difference is $4.06. The difference in pay jumps to $6.49 per hour for a Director with a Bachelor degree or higher when compared to a Director with a high school education or less. While the higher a professional’s education level, the more her or his starting salary, the salary increases become greater as she or he increases her or his position.

For School-Age programs, the difference in starting salaries by education level also increases as position level increases. An Assistant Leader a Bachelor degree or higher will earn $1.90 more per hour than an Assistant Teacher with less than a high school education. For a Group Leader, the difference in wages is $2.76. A Site Leader with a Bachelor degree or higher will earn $4.05 more per hour than a Site Leader with less than a high school education.

As education level is an indicator of quality, the cost is higher for providers to employ higher quality child care professionals with higher levels of education. For a Center-Based program to invest in hiring Lead Teachers with Bachelor degrees over Lead Teachers with an Associate degree it would have to spend $2.20 per hour more in the starting salary for each Lead Teacher. Even for a small program with one Lead Teacher working 40 hours per week, this is an additional $4,576 in annual payroll expenses.

For comparison, Lead Teachers, Teachers and Assistant Teachers working in Center-Based programs with a Bachelor’s degree or higher earn a starting salary of between $$28,850-$36,275 annually (salary calculations using mean hourly wage multiplied by 2,080 hours annually), while first year teachers in Massachusetts’ public schools, where a bachelor’s degree is also required, teachers earn $38,570 annually[[13]](#footnote-13). However, the average annual salary for a teacher jumps significantly to $71,620. In the public-school system, experience and education contribute to significant salary growth.

| **Table 48. Center-Based Provider Infant-Toddler Preschool Position Hourly Salary by Education Level** | | | | |
| --- | --- | --- | --- | --- |
| **Position** | **Education Level** | **n** | **Mean** | **Median** |
| **Assistant Teacher** | **Less than High School** | 283 | $11.44 | $11.00 |
| **High School/ GED** | 480 | $11.99 | $11.25 |
| **Associates Degree** | 400 | $12.84 | $12.25 |
| **Bachelors or higher** | 386 | $13.87 | $13.50 |
| **Teacher** | **Less than High School** | 145 | $12.45 | $12.00 |
| **High School/ GED** | 418 | $13.00 | $13.00 |
| **Associates Degree** | 506 | $14.16 | $14.00 |
| **Bachelors or higher** | 545 | $15.75 | $15.00 |
| **Lead Teacher** | **Less than High School** | 94 | $13.38 | $13.00 |
| **High School/ GED** | 275 | $14.09 | $14.00 |
| **Associates Degree** | 422 | $15.24 | $15.00 |
| **Bachelors or higher** | 561 | $17.44 | $16.80 |
| **Director** | **Less than High School** | 57 | $16.92 | $15.50 |
| **High School/ GED** | 124 | $17.47 | $16.63 |
| **Associates Degree** | 227 | $18.84 | $18.00 |
| **Bachelors or higher** | 540 | $23.41 | $21.88 |
| **Assistant Group Leader** | **Less than High School** | 102 | $11.27 | $11.00 |
| **High School/ GED** | 117 | $11.77 | $11.00 |
| **Associates Degree** | 89 | $12.33 | $12.00 |
| **Bachelors or higher** | 83 | $13.17 | $11.69 |
| **Group Leader** | **Less than High School** | 73 | $11.68 | $11.00 |
| **High School/ GED** | 202 | $12.06 | $12.00 |
| **Associates Degree** | 190 | $12.98 | $12.50 |
| **Bachelors or higher** | 185 | $14.44 | $14.00 |
| **Site Leader** | **Less than High School** | 34 | $14.21 | $13.45 |
| **High School/ GED** | 121 | $13.89 | $14.00 |
| **Associates Degree** | 153 | $15.49 | $15.00 |
| **Bachelors or higher** | 225 | $18.26 | $17.00 |

*Family Child Care*

|  |
| --- |
| ***Survey Question (optional):*** Do you give yourself a salary? If so, how much do you pay yourself annually? What is your level of education? Do you have an assistant? If so, how much do you pay him/her, how frequently and what is his/her level of education? |

FCC providers also see a positive correlation between the mean hourly wage and the education level of staff. Like the Center-Based providers above, the largest range between education happens at the highest level. Director/Owner wages for those with graduate degrees earn on average $8.80 more per hour than their counterparts with less than a high school education.

| **Table 49. FCC Provider Hourly Salary by Education Level** | | | | |
| --- | --- | --- | --- | --- |
| **Position** | **Education Level** | **n** | **Mean** | **Median** |
| **Director/Owner** | **Less than High School** | 1 | $14.42 | $14.42 |
| **High School/ GED** | 10 | $17.44 | $15.38 |
| **Some College** | 18 | $18.69 | $17.55 |
| **Associates Degree** | 13 | $18.76 | $17.50 |
| **Bachelor's Degree** | 36 | $20.03 | $19.23 |
| **Graduate Degree** | 10 | $23.22 | $24.04 |
| **Assistant** | **Less than High School** | 1 | $12.50 | $12.50 |
| **High School/ GED** | 47 | $13.24 | $12.50 |
| **Some College** | 41 | $13.77 | $13.00 |
| **Associates Degree** | 12 | $13.40 | $13.13 |
| **Bachelors or higher** | 38 | $15.58 | $15.00 |

*Position by QRIS Level*

Like the above salary analysis by education level, data from respondents indicating salary figures below minimum wage were excluded. In addition, outliers earning more than $120,000 (which is nearly triple the average FCC provider Director/Owner salary) were also removed. No other outliers were removed.

Overall, there is no clear relationship between the average employee pay rates and QRIS levels. This means, based on the available data in this analysis, providers with higher QRIS levels (indicator for higher quality), do not consistently pay staff higher wages than programs with lower QRIS levels. However, some sample sizes are too small to rely on. For example, very few salaries were reported for QRIS Level 4 across position types; the largest response sample size for Level 4 programs was 14 providers. The differences in pay rates is also not consistent by QRIS level as indicated in the tables below.

For example, Center-Based Lead Teachers in programs with a QRIS Level 3 earn the highest average wage at $17.51. This is $2.60 more per hour than Lead Teachers in programs with a QRIS Level 4. As noted above, this may be attributed to the limited sample size of programs with a Level 4 rating. However, consistently wages increase by QRIS Levels 1, 2, and 3 for positions: Assistant Teacher, Teacher, Lead Teacher and Director.

For School-Age positions, Assistant Group Leader, Group Leader, and Site Leader, salaries in programs rated Level 2 earn more than the same position type in programs rated Level 1. However, for these position types, Level 3 programs earn less than the same position type in programs rated Level 2. Again, the response rates for programs rated Level 4 are scarce.

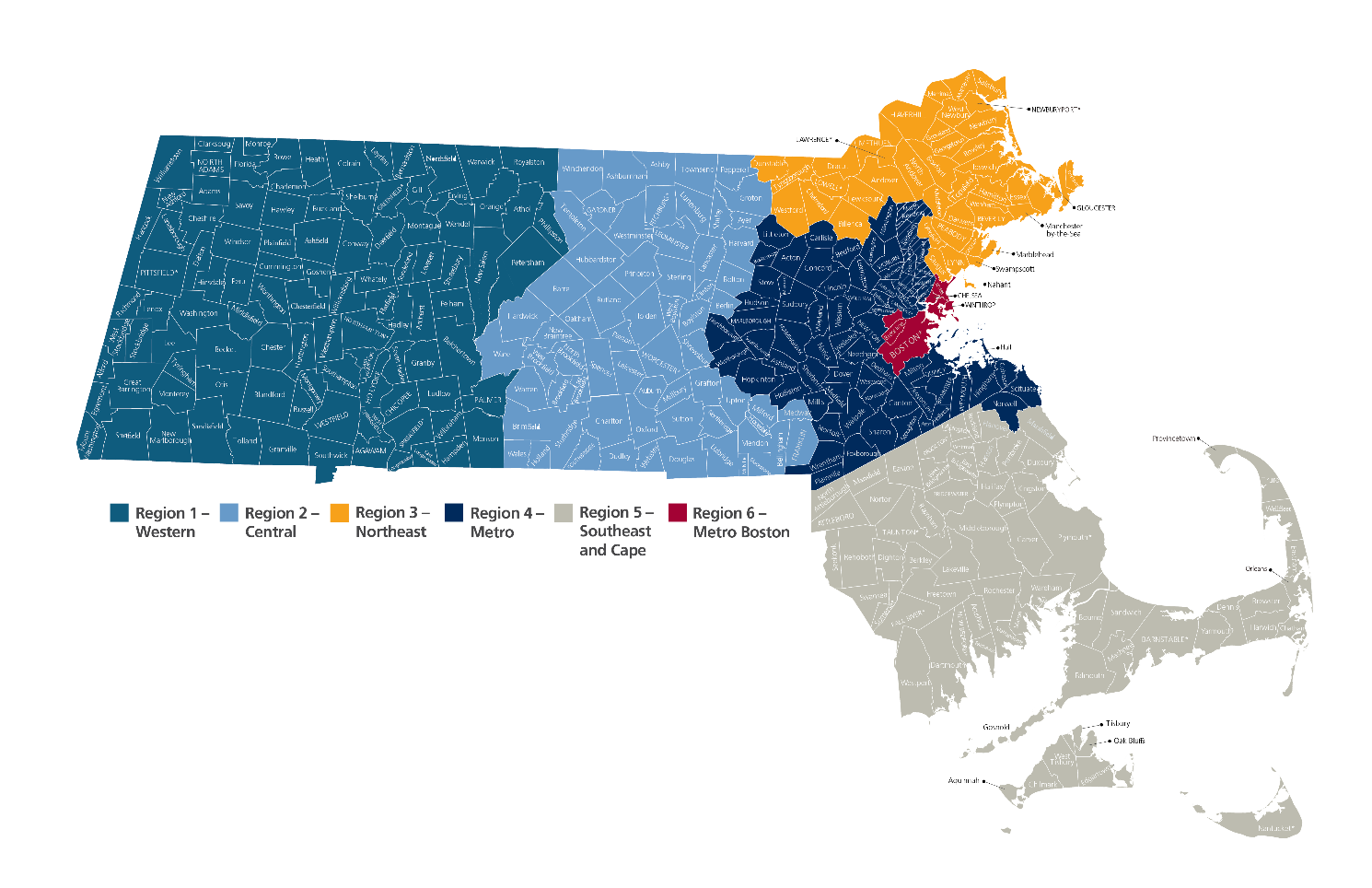
| **Table 50. Center-Based Provider Infant-Toddler Preschool Position Hourly Salary by QRIS Level** | | | | |
| --- | --- | --- | --- | --- |
| **Position** | **QRIS Level** | **n** | **Mean** | **Median** |
| **Assistant Teacher** | **Level 1** | 275 | $12.50 | $12.00 |
| **Level 2** | 89 | $13.24 | $12.50 |
| **Level 3** | 46 | $13.32 | $12.50 |
| **Level 4** | 11 | $12.04 | $11.50 |
| **Teacher** | **Level 1** | 292 | $14.31 | $13.78 |
| **Level 2** | 101 | $14.59 | $13.74 |
| **Level 3** | 49 | $15.32 | $14.33 |
| **Level 4** | 14 | $14.09 | $14.25 |
| **Lead Teacher** | **Level 1** | 272 | $16.14 | $15.00 |
| **Level 2** | 93 | $16.58 | $16.00 |
| **Level 3** | 55 | $17.51 | $16.00 |
| **Level 4** | 9 | $14.91 | $15.00 |
| **Director** | **Level 1** | 265 | $21.97 | $20.00 |
| **Level 2** | 91 | $22.51 | $20.00 |
| **Level 3** | 43 | $23.38 | $22.00 |
| **Level 4** | 11 | $18.75 | $18.00 |
| **Assistant Group Leader** | **Level 1** | 70 | $12.23 | $11.25 |
| **Level 2** | 26 | $12.07 | $11.44 |
| **Level 3** | 8 | $12.03 | $11.38 |
| **Level 4** | 2 | $11.19 | $11.19 |
| **Group Leader** | **Level 1** | 116 | $12.88 | $12.67 |
| **Level 2** | 40 | $13.98 | $13.00 |
| **Level 3** | 14 | $12.59 | $12.13 |
| **Level 4** | 3 | $12.89 | $12.67 |
| **Site Leader** | **Level 1** | 125 | $16.70 | $15.33 |
| **Level 2** | 44 | $17.58 | $15.69 |
| **Level 3** | 18 | $17.10 | $16.06 |
| **Level 4** | 5 | $17.93 | $18.00 |

The sample size for Level 1 and Level 2 FCC providers is similar with 29 and 25 responses respectively. Here, the Director’s salary for a Level 1 program is $0.55 higher than the average Director’s salary for Level 2. The same is true for Assistants in FCC providers. Assistants in programs with a Level 1 rating earn $3.37 more per hour than Assistants in programs rated Level 2.

| **Table 51. FCC Provider Hourly Salary by QRIS Level** | | | | |
| --- | --- | --- | --- | --- |
| **Position** | **QRIS Level** | **n** | **Mean** | **Median** |
| **Director/Owner** | **Level 1** | 29 | $19.42 | $17.31 |
| **Level 2** | 25 | $18.87 | $19.23 |
| **Level 3** | 2 | $26.83 | $26.83 |
| **Level 4** | 0 | N/A | N/A |
| **Assistant** | **Level 1** | 47 | $14.13 | $13.00 |
| **Level 2** | 38 | $13.94 | $13.00 |
| **Level 3** | 4 | $13.00 | $12.50 |
| **Level 4** | 1 | $17.50 | $17.50 |

Appendix A. MA EEC Subsidy Reimburesment Rate Regions & Municipalities

**Figure 1. Map of EEC Subsidy Reimbursement Rate Regions**



**Table 1. EEC Subsidy Reimbursement Rate Regions Crosswalk**

| **Region 1 - Western** | **Region 2 - Central** | **Region 3 - Northeast** | **Region 4 - Metro** | **Region 5 - Southeast and Cape** | **Region 6 - Boston Metro** |
| --- | --- | --- | --- | --- | --- |
| Adams | Ashburnham | Amesbury | Acton | Abington | Allston |
| Agawam | Ashby | Andover | Arlington | Acushnet | Back Bay |
| Amherst | Auburn | Beverly | Ashland | Aquinnah | Brighton |
| Ashfield | Ayer | Billerica | Bedford | Attleboro | Brookline |
| Athol | Barre | Boxford | Belmont | Avon | Charlestown |
| Becket | Bellingham | Chelmsford | Boxborough | Barnstable | Chelsea |
| Belchertown | Berlin | Danvers | Braintree | Berkley | Dorchester |
| Bernardston | Blackstone | Dracut | Burlington | Bourne | East Boston |
| Blandford | Bolton | Dunstable | Cambridge | Brewster | Fenway |
| Buckland | Boylston | Essex | Canton | Bridgewater | Jamaica Plain |
| Charlemont | Brimfield | Georgetown | Carlisle | Brockton | Kenmore |
| Cheshire | Brookfield | Gloucester | Cohasset | Carver | Mission Hill |
| Chester | Charlton | Groveland | Concord | Chatham | Revere |
| Chesterfield | Clinton | Hamilton | Dedham | Dartmouth | Roxbury |
| Chicopee | Douglas | Haverhill | Dover | Dennis | Winthrop |
| Clarksburg | Dudley | Ipswich | Everett | Dighton |  |
| Conway | East Brookfield | Lawrence | Foxborough | Duxbury |  |
| Cummington | Fitchburg | Lowell | Framingham | East Bridgewater |  |
| Dalton | Franklin | Lynn | Hingham | Eastham |  |
| Deerfield | Gardner | Lynnfield | Holliston | Edgartown |  |
| East Longmeadow | Grafton | Manchester-By-The-Sea | Hopkinton | Fairhaven |  |
| Easthampton | Groton | Marblehead | Hudson | Fall River |  |
| Egremont | Hardwick | Merrimac | Hull | Falmouth |  |
| Erving | Harvard | Methuen | Lexington | Freetown |  |
| Gill | Holden | Middleton | Lincoln | Halifax |  |
| Granby | Holland | Nahant | Littleton | Hanover |  |
| Granville | Hopedale | Newbury | Malden | Hanson |  |
| Great Barrington | Hubbardston | Newburyport | Marlborough | Harwich |  |
| Greenfield | Lancaster | North Andover | Maynard | Holbrook |  |
| Hadley | Leicester | Peabody | Medfield | Kingston |  |
| Hampden | Leominster | Rockport | Medford | Lakeville |  |
| Hatfield | Lunenburg | Rowley | Melrose | Mansfield |  |
| Hinsdale | Medway | Salem | Millis | Marion |  |
| Holyoke | Mendon | Salisbury | Milton | Marshfield |  |
| Huntington | Milford | Saugus | Natick | Mashpee |  |
| Lee | Millbury | Swampscott | Needham | Mattapoisett |  |
| Lenox | Millville | Tewksbury | Newton | Middleborough |  |
| Leverett | North Brookfield | Topsfield | Norfolk | Nantucket |  |
| Longmeadow | Northbridge | Tyngsborough | North Reading | New Bedford |  |
| Ludlow | Oakham | Wenham | Northborough | North Attleborough |  |
| Monson | Oxford | West Newbury | Norwell | North Easton |  |
| Montague | Paxton | Westford | Norwood | Norton |  |
| North Adams | Pepperell |  | Plainville | Oak Bluffs |  |
| Northampton | Princeton |  | Quincy | Orleans |  |
| Northfield | Rutland |  | Randolph | Pembroke |  |
| Orange | Shirley |  | Reading | Plymouth |  |
| Otis | Shrewsbury |  | Scituate | Plympton |  |
| Palmer | Southbridge |  | Sharon | Raynham |  |
| Pelham | Spencer |  | Sherborn | Rehoboth |  |
| Petersham | Sterling |  | Somerville | Rochester |  |
| Phillipston | Sturbridge |  | Southborough | Rockland |  |
| Pittsfield | Sutton |  | Stoneham | Sagamore |  |
| Richmond | Templeton |  | Stow | Sandwich |  |
| Russell | Townsend |  | Sudbury | Seekonk |  |
| Savoy | Upton |  | Wakefield | Somerset |  |
| Sheffield | Uxbridge |  | Walpole | South Easton |  |
| Shelburne | Wales |  | Waltham | Stoughton |  |
| Shutesbury | Warren |  | Watertown | Swansea |  |
| South Hadley | Webster |  | Wayland | Taunton |  |
| Southampton | West Boylston |  | Wellesley | Tisbury |  |
| Southwick | West Brookfield |  | Westborough | Truro |  |
| Springfield | Westminster |  | Weston | Wareham |  |
| Springfield, West | Winchendon |  | Westwood | Wellfleet |  |
| Stockbridge | Worcester |  | Weymouth | West Bridgewater |  |
| Ware |  |  | Wilmington | West Tisbury |  |
| Wendell |  |  | Winchester | Westport |  |
| West Springfield |  |  | Woburn | Whitman |  |
| Westfield |  |  | Wrentham | Yarmouth |  |
| Westhampton |  |  |  |  |  |
| Wilbraham |  |  |  |  |  |
| Williamsburg |  |  |  |  |  |
| Williamstown |  |  |  |  |  |
| Windsor |  |  |  |  |  |
| Worthington |  |  |  |  |  |

**Table 2. MA EEC Daily Reimbursement Rates- Fiscal Year 2018- Standard Daily Rates[[14]](#footnote-14)**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **CENTER-BASED** | | | **FCC Providers** | | | | **SCHOOL-AGE** | | | |
|  | **Infant** | **Toddler** | **Pre-School** | **Providers: Under 2 Years of Age** | **Providers: 2 Years of Age and Over** | **Systems: Under 2 Years of Age** | **Systems: 2 Years of Age and Over** | **Before School Age Only** | **After School Age Only** | **Before and After School Age** | **Full Day School Age** |
| **Region 1- Western** | $56.65 | $51.95 | $39.51 | $37.10 | $31.99 | $49.52 | $44.40 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 2- Central** | $58.20 | $53.15 | $39.51 | $42.40 | $31.99 | $54.86 | $44.40 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 3- Northeast** | $65.00 | $59.47 | $42.18 | $42.40 | $33.74 | $54.76 | $46.10 | $9.11 | $20.17 | $29.27 | $37.56 |
| **Region 4- Metro** | $70.39 | $63.92 | $43.42 | $63.60 | $33.74 | $76.49 | $46.52 | $9.35 | $20.71 | $30.05 | $38.62 |
| **Region 5- Southeast and Cape** | $56.65 | $53.15 | $39.51 | $42.40 | $31.99 | $54.86 | $44.40 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 6- Metro Boston** | $73.86 | $68.85 | $43.42 | $47.70 | $33.74 | $60.59 | $46.52 | $9.35 | $20.71 | $30.05 | $38.62 |

*Table 3. MA EEC Daily Reimbursement Rates- Fiscal Year 2019- Standard Daily Rates*

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **CENTER-BASED** | | | **FCC Providers\*** | | | | **SCHOOL-AGE** | | | |
|  | **Infant** | **Toddler** | **Pre-School** | **Providers: Under 2 Years of Age** | **Providers: 2 Years of Age and Over** | **Systems: Under 2 Years of Age** | **Systems: 2 Years of Age and Over** | **Before School Age Only** | **After School Age Only** | **Before and After School Age** | **Full Day School Age** |
| **Region 1- Western** | $56.65 | $51.95 | $39.51 | $38.56 | $33.25 | $50.98 | $45.66 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 2- Central** | $58.20 | $53.15 | $39.51 | $44.07 | $33.25 | $56.53 | $45.66 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 3- Northeast** | $65.00 | $59.47 | $42.18 | $44.07 | $35.07 | $56.43 | $47.43 | $9.11 | $20.17 | $29.27 | $37.56 |
| **Region 4- Metro** | $70.39 | $63.92 | $43.42 | $66.10 | $35.07 | $78.99 | $47.85 | $9.35 | $20.71 | $30.05 | $38.62 |
| **Region 5- Southeast and Cape** | $56.65 | $53.15 | $39.51 | $44.07 | $33.25 | $56.53 | $45.66 | $8.59 | $18.03 | $26.63 | $36.33 |
| **Region 6- Metro Boston** | $73.86 | $68.85 | $43.42 | $49.57 | $35.07 | $62.46 | $47.85 | $9.35 | $20.71 | $30.05 | $38.62 |

\*Changes in FCC daily maximum reimbursement rates are effective July 1, 2018.

Appendix B. Reported Rate Attributes

The following appendix contains descriptive statistics pertaining to market rates that were reported in the survey both for FCC providers and Center-Based child care programs. Note that in the survey, providers were asked to provide their full-time rates in either hourly, daily, weekly, or monthly frequencies, which were later converted to daily rates for comparison against EEC subsidy reimbursement rates. During the data cleaning process, these descriptive statistics were used to identify outliers to withhold from percentile calculations (which were determined to be +/- two standard deviations from the mean of the data).

**Table 1. FCC Provider Reported Rate Attributes**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Full Day Care - Hourly** | | | | | | | | | |
| **Age Range** | **n** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 74 | $4.00 | $65.00 | $7.75 | $12.17 | $13.12 | $(14.06) | $38.41 | 7 |
| Toddler 1 | 75 | $4.00 | $65.00 | $7.50 | $11.83 | $12.97 | $(14.12) | $37.78 | 6 |
| Toddler 2 | 79 | $4.00 | $65.00 | $7.50 | $10.62 | $10.70 | $(10.78) | $32.01 | 6 |
| Preschool | 80 | $4.00 | $65.00 | $7.25 | $10.91 | $11.28 | $(11.65) | $33.47 | 6 |
| **Full Day Care - Daily** | | | | | | | | | |
| **Age Range** | **n** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 368 | $20.00 | $350.00 | $50.00 | $59.72 | $42.11 | $(24.51) | $143.94 | 18 |
| Toddler 1 | 372 | $20.00 | $300.00 | $50.00 | $58.42 | $40.99 | $(23.56) | $140.40 | 20 |
| Toddler 2 | 377 | $20.00 | $250.00 | $45.00 | $55.44 | $36.10 | $(16.75) | $127.64 | 19 |
| Preschool | 364 | $20.00 | $250.00 | $45.00 | $53.71 | $34.17 | $(14.64) | $122.06 | 18 |
| **Full Day Care - Weekly** | | | | | | | | | |
| **Age Range** | **n** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 933 | $30.00 | $580.00 | $220.00 | $214.50 | $77.51 | $59.49 | $369.51 | 105 |
| Toddler 1 | 940 | $30.00 | $550.00 | $200.00 | $204.78 | $74.38 | $56.02 | $353.55 | 99 |
| Toddler 2 | 950 | $30.00 | $550.00 | $200.00 | $193.90 | $70.33 | $53.25 | $334.56 | 110 |
| Preschool | 931 | $20.00 | $875.00 | $190.00 | $187.96 | $73.31 | $41.35 | $334.58 | 63 |
| **Full Day Care - Monthly** | | | | | | | | | |
| **Age Range** | **n** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 33 | $10.00 | $2,100.00 | $1,200.00 | $1,027.58 | $639.26 | $(250.95) | $2,306.10 | 0 |
| Toddler 1 | 34 | $10.00 | $2,100.00 | $1,200.00 | $1,044.53 | $601.64 | $(158.75) | $2,247.81 | 0 |
| Toddler 2 | 39 | $10.00 | $2,050.00 | $1,100.00 | $976.82 | $617.42 | $(258.02) | $2,211.66 | 0 |
| Preschool | 44 | $10.00 | $2,050.00 | $1,000.00 | $934.09 | $566.39 | $(198.69) | $2,066.87 | 0 |
| **School-Age Care - Daily** | | | | | | | | | |
| **Age Range** | **N** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Before School | 393 | $0.85 | $300.00 | $15.00 | $21.13 | $26.56 | $(32.00) | $74.25 | 10 |
| After School | 450 | $0.21 | $375.00 | $18.00 | $21.66 | $29.44 | $(37.22) | $80.53 | 5 |
| Full Day | 529 | $0.20 | $600.00 | $40.00 | $45.73 | $46.52 | $(47.31) | $138.78 | 14 |

**Table 2. Center-Based Provider Reported Rate Attributes**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Full Day Care - Hourly** | | | | | | | | |
| **Age Range** | **n** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 5 | $8.65 | $74.00 | $10.50 | $23.03 | $28.52 | -$34.01 | $80.07 | 0 |
| Toddler | 7 | $5.25 | $69.00 | $8.50 | $16.77 | $23.11 | -$29.45 | $62.99 | 1 |
| Preschool | 12 | $5.25 | $44.00 | $7.28 | $11.10 | $10.73 | -$10.35 | $32.55 | 1 |
|  | **Full Day Care – Daily** | | | | | | | | |
| **Age Range** | **N** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 81 | $36.00 | $140.00 | $62.00 | $67.04 | $14.64 | $37.76 | $96.33 | 3 |
| Toddler | 96 | $36.00 | $185.00 | $58.00 | $62.62 | $17.84 | $26.95 | $98.29 | 4 |
| Preschool | 134 | $20.00 | $200.00 | $43.71 | $50.42 | $25.20 | $0.03 | $100.81 | 3 |
|  | **Full Day Care – Weekly** | | | | | | | | |
| **Age Range** | **N** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 333 | $40.00 | $640.00 | $345.00 | $354.65 | $98.38 | $157.89 | $551.40 | 23 |
| Toddler | 393 | $37.50 | $595.00 | $315.00 | $322.36 | $89.84 | $142.69 | $502.03 | 23 |
| Preschool | 466 | $35.00 | $577.00 | $250.00 | $257.07 | $84.90 | $87.26 | $426.87 | 39 |
|  | **Full Day Care – Monthly** | | | | | | | | |
| **Age Range** | **N** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Infant | 124 | $320.00 | $3,599.00 | $2,166.83 | $2,160.34 | $611.06 | $938.22 | $3,382.45 | 3 |
| Toddler | 198 | $235.00 | $7,500.00 | $1,915.00 | $1,869.55 | $811.26 | $247.04 | $3,492.06 | 10 |
| Preschool | 348 | $100.00 | $9,480.00 | $1,317.50 | $1,375.52 | $933.29 | -$491.07 | $3,242.11 | 8 |
|  | **School Age Care - Daily** | | | | | | | | |
| **Age Range** | **N** | **Min** | **Max** | **Median** | **Mean** | **St. Dev** | **- SD2** | **+ SD2** | **Total Outliers** |
| Before School | 264 | $2.00 | $126.00 | $10.00 | $13.04 | $11.28 | -$9.51 | $35.59 | 9 |
| After School | 454 | $2.31 | $105.00 | $20.00 | $21.24 | $9.93 | $1.38 | $41.11 | 9 |
| Full Day | 362 | $5.00 | $104.39 | $40.00 | $43.92 | $14.10 | $15.73 | $72.12 | 27 |

Appendix C. Part-Time Rates

Below are part-time market rate percentiles collected from the survey. Part-time care is defined by EEC as a child receiving 30 hours or less of care per week. Subsidy rates for part-time children are calculated at 60% of the corresponding full-time daily rate.

**Table 1. FCC Provider Part-Time Percentiles**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Region** | **Subsidy Rate**  **(Under 2 Years)** | **Infant 75th Percentile** | **Infant 50th Percentile** | **Toddler 1 75th Percentile** | **Toddler 1 50th Percentile** |
| Region 1 – Western | $23.14 | $45.00 | $32.00 | $45.00 | $32.00 |
| Region 2 – Central | $26.44 | $50.00 | $45.00 | $50.00 | $45.00 |
| Region 3 – Northeastern | $26.44 | $50.00 | $35.00 | $50.00 | $35.00 |
| Region 4 – Metro Boston | $39.66 | $67.00 | $60.00 | $65.00 | $58.00 |
| Region 5 – Southeastern | $26.44 | $50.00 | $45.00 | $50.00 | $42.00 |
| Region 6 - Boston | $29.74 | $65.00 | $50.00 | $60.00 | $40.00 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Region** | **Subsidy Rate**  **(2 Years and Over)** | **Toddler 2 75th Percentile** | **Toddler 2 50th Percentile** | **Preschool 75th Percentile** | **Preschool 50th Percentile** |
| Region 1 – Western | $19.95 | $45.00 | $35.00 | $45.00 | $33.00 |
| Region 2 – Central | $19.95 | $50.00 | $44.00 | $50.00 | $42.00 |
| Region 3 – Northeastern | $21.04 | $50.00 | $35.00 | $55.00 | $35.00 |
| Region 4 – Metro Boston | $21.04 | $65.00 | $55.00 | $65.00 | $50.00 |
| Region 5 – Southeastern | $19.95 | $50.00 | $40.00 | $50.00 | $40.00 |
| Region 6 - Boston | $21.04 | $60.00 | $45.00 | $60.00 | $40.00 |

**Table 2. Center-Based Care Part-Time Percentiles**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Subsidy Rate (Infant)** | **Infant 75th Percentile** | **Infant 50th Percentile** | **Subsidy Rate (Toddler)** | **Toddler 75th Percentile** | **Toddler 50th Percentile** |
| Region 1 – Western | $33.99 | $62.00 | $47.34 | $31.17 | $62.00 | $51.00 |
| Region 2 – Central | $34.92 | $80.00 | $66.00 | $31.89 | $68.50 | $60.00 |
| Region 3 – Northeastern | $39.00 | $89.60 | $74.00 | $35.68 | $75.25 | $60.00 |
| Region 4 – Metro Boston | $42.23 | $99.00 | $84.00 | $38.35 | $86.00 | $68.59 |
| Region 5 – Southeastern | $33.99 | $60.00 | $55.00 | $31.89 | $56.00 | $48.00 |
| Region 6 - Boston | $44.32 | $92.00 | $85.00 | $41.31 | $85.00 | $72.00 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Region** | **Subsidy Rate (Preschool)** | **Preschool 75th Percentile** | **Preschool 50th Percentile** |
| Region 1 – Western | $23.71 | $50.00 | $33.50 |
| Region 2 – Central | $23.71 | $60.00 | $50.00 |
| Region 3 – Northeastern | $25.31 | $60.00 | $45.00 |
| Region 4 – Metro Boston | $26.05 | $72.00 | $53.00 |
| Region 5 – Southeastern | $23.71 | $45.00 | $33.00 |
| Region 6 - Boston | $26.05 | $70.00 | $52.00 |

Appendix D. Focused Communities Average Rates

As described earlier in this report, EEC and PCG selected two municipalities from each region based on economic factors to focus additional recruitment efforts to help increase the level of representativeness of the final sample of providers. Specifically, providers who did not currently accept subsidy (or “private pay only”) were encouraged to complete this survey as part of our “oversample.” Below are the final counts of providers who responded and the average daily rate for those providers alone (if available). Note that Region 6 is represented entirely as the City of Boston.

**Table 1. Family Child Care Providers Focused Communities Average Daily Rate**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Community** | **Total Private Pay Providers** | **Total Surveys Completed** | **Average Infant Daily Rate** | **Average Toddler 1 Daily Rate** | **Average Toddler 2 Daily Rate** | **Average Preschool Daily Rate** | **Average Before School Daily Rate** | **Average After School Daily Rate** | **Average Full Day School-Age Daily Rate** |
| 1 | Springfield | 39 | 7 | $34.40 | $33.50 | $33.50 | $32.20 | $33.67 | $22.50 | $40.00 |
| 1 | Wilbraham | 7 | 0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 | Worcester | 51 | 11 | $45.22 | $45.22 | $44.67 | $44.67 | $10.00 | $15.75 | $41.20 |
| 2 | Shrewsbury | 26 | 6 | $49.60 | $48.50 | $48.17 | $47.80 | $10.00 | N/A | $50.00 |
| 3 | Andover | 6 | 2 | N/A | N/A | $70.00 | $70.00 | N/A | N/A | N/A |
| 3 | Lawrence | 47 | 7 | $40.00 | $50.00 | $22.50 | $20.00 | N/A | $10.00 | N/A |
| 4 | Framingham | 53 | 13 | $58.63 | $58.63 | $55.23 | $49.68 | $18.00 | $18.00 | $34.50 |
| 4 | Natick | 29 | 5 | $92.18 | $63.84 | $63.84 | $63.84 | $15.00 | $30.00 | N/A |
| 5 | Brockton | 31 | 5 | $47.75 | $47.40 | $46.25 | $45.00 | $50.00 | $27.50 | $43.33 |
| 5 | East Bridgewater | 14 | 0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 6 | Boston | 147 | 37 | $62.28 | $59.97 | $57.05 | $53.42 | $37.50 | $27.50 | $46.16 |

*N/A = no response available*

**Table 2. Center-Based Providers Focused Communities Average Daily Rate**

| **Region** | **Community** | **Total Private Pay Providers** | **Total Surveys Completed** | **Average Infant Daily Rate** | **Average Toddler Daily Rate** | **Average Preschool Daily Rate** | **Average Before School Daily Rate** | **Average After School Daily Rate** | **Average Full Day School-Age Daily Rate** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | Springfield | 4 | 1 | N/A | N/A | N/A | N/A | N/A | N/A |
| 1 | Wilbraham | 2 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 | Worcester | 9 | 3 | $83.74 | $67.30 | $60.39 | N/A | N/A | N/A |
| 2 | Shrewsbury | 2 | 1 | $75.00 | $73.00 | $60.00 | $5.77 | $19.40 | $65.00 |
| 3 | Andover | 14 | 9 | $103.66 | $96.19 | $48.25 | $10.00 | $18.56 | $18.24 |
| 3 | Lawrence | 0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 4 | Framingham | 11 | 8 | $83.95 | $77.03 | $62.00 | $14.75 | $39.00 | $45.00 |
| 4 | Natick | 17 | 8 | $96.63 | $91.68 | $74.05 | N/A | $38.80 | N/A |
| 5 | Brockton | 2 | 2 | N/A | N/A | N/A | $9.00 | $19.00 | $40.00 |
| 5 | East Bridgewater | 3 | 1 | $70.00 | $60.00 | $50.00 | $10.00 | $20.00 | N/A |
| 6 | Boston | 107 | 51 | $94.10 | $92.25 | $74.55 | $11.35 | $19.68 | $49.76 |

*N/A = no response available*

Appendix E. 2018 Market Rate Survey Questionnaire

Please see below the full list of questions included in the 2018 Child Care Market Rate Survey.



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11. Effective July 1, 2018 [↑](#footnote-ref-11)
12. [↑](#footnote-ref-12)
13. [↑](#footnote-ref-13)
14. 2018. Daily Reimbursement Rate for Early Education and Care Programs. Retrieved from https://www.mass.gov/service-details/daily-reimbursement-rate-for-early-education-and-care-programs [↑](#footnote-ref-14)