

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### Overview

The Connecticut Office of Early Childhood conducted a Market Rate Survey of licensed early care and education providers to determine market rates in each region and across the state for licensed centers and licensed family child care providers. The study is required as part of the state's Child Care and Development Fund (CCDF) Plan, as directed in the Child Care and Development Block Grant (CCDBG) Act of 2015. The Care 4 Kids Child Care subsidy program, funded by the CCDF funding, allows low-income families to maintain employment, participate in training, workforce development and education programs. The 2022 Market Rate Survey and analysis provides information regarding differences in current subsidy payment rates to purchasing power and adequacy for access in the child care market, by region and statewide, and tiered rates or differential rates for special populations or higher quality childcare.

The Market Rate telephone survey of early care and education providers was undertaken by United Way of Connecticut, 2-1-1 Child Care, from September 2021 to January 2022, on behalf of the Office of Early Childhood. 2-1-1 Child Care is Connecticut's statewide child care resource and referral agency operated by the United Way of Connecticut. 2-1-1 Child Care maintains a database of child care providers licensed by the Office of Early Childhood. The database is used for resource and referral purposes and is separate from the database of child care providers participating in the subsidy program.

#### Questionnaire

2-1-1 Child Care obtained information on provider charges through a standardized survey that is completed with a representative sample of child care providers. The survey questions captured information on weekly rates by type of setting, hours of care and age group. Additional information about the child care settings including location and region, license type, if accredited, if participate in State-funded programs, if accept Care 4 Kids subsidies, and enrollment numbers and vacancies by age group.

#### Survey Introduction

The following language was communicated with providers as part of the market rate survey, as an introduction, prior to asking the below survey questions. "The Office of Early Childhood is developing the state's federal Child Care Development Fund plan for 2022- 2024. This is the primary federal funding for low-income families who are working or participating in education and training to help them pay for child care. In Connecticut, we call this program Care 4 Kids. The plan requires that states conduct a market rate survey to understand the average rate charged by early care and school age providers. Could you please take a few moments to complete this survey? We appreciate your participation and support!"

Connecticut Office of Early Childhood  
**2022 Early Care & Education Market Rate Survey**  
Methodology and Analysis

**Survey Questions**

**Family Child Care Providers:**

1. What is your license number (DCFH.XXXXX)? (Required). It is a 5-digit number.
2. Provider Name
3. Provider Email
4. How many hours per week do you consider full time? (Required)

**Infants - Children Birth to 18 Months old**

5. Do you accept infants < (less than) 18 months? (yes /no) (Required)
6. What do you currently charge weekly for full-time care for an infant in your program? (Required)
7. What do you charge for an infant for 12 hours per week of care?
8. What do you charge for an infant for 24 hours per week of care?
9. What do you charge for 40 hours per week of care if it is different than your definition of full time?

**Toddler to Preschool - Children 18 Months to 5 Years old**

10. Do you accept children ages 18 months to 5 years? (yes /no) (Required)
11. What do you currently charge weekly for full-time care for a child 18 months to 5 years? (Required)
12. What do you charge for a child 18 months to 5 years for 12 hours per week of care?
13. What do you charge for a child 18 months to 5 years for 24 hours per week of care?
14. What do you charge for 40 hours per week of care if it is different than your definition of full time?

**School Age - Children ages 5 Years to 12 Years old**

15. Do you accept children ages 5-12 years for before/after school during the school year? (yes / no) (Required)
16. What do you currently charge weekly for children ages 5 years - 12 years for before/after school during the school year? (Required)
17. What do you charge for a 5- to 12-year-old child for 12 hours per week of care?
18. What do you charge for a 5- to 12-year-old child for 24 hours per week of care?

**School Age Vacation/Summer Care**

19. Do you accept children ages 5 years to 12 years for full time care during vacation/summer? (yes / no)
20. What do you currently charge for children ages 5 years to 12 years for full-time vacation/summer care?

Connecticut Office of Early Childhood  
**2022 Early Care & Education Market Rate Survey**  
Methodology and Analysis

**Center-based Child Care Providers:**

1. What is your license number (DCCC.XXXXX)? (Required). It is a 5-digit number.
2. Provider Name
3. Provider Email

**Infants - Children Birth to 18 Months old**

4. Do you accept infants < (less than) 18 months? (yes /no) (Required)
5. What do you currently charge weekly for full-time care for an infant in your program? (Required)
6. What do you charge for an infant for 12 hours per week of care?
7. What do you charge for an infant for 24 hours per week of care?
8. What do you charge for 40 hours per week of care if it is different than your definition of full time?

**Toddler - Children 18 Months to 36 Months old**

9. Do you accept children ages 18 months up to 36 months? (yes /no) (Required)
10. What do you currently charge weekly for full-time care for a child 18 months to 36 months? (Required)
11. What do you charge for a child 18 months to 36 months for 12 hours per week of care?
12. What do you charge for a child 18 months to 36 months for 24 hours per week of care?
13. What do you charge for 40 hours per week of care if it is different than your definition of full time?

**Preschool - Children 3 years to 5 Years old**

14. Do you accept children ages 3 years to 5 years? (yes /no) (Required)
15. What do you currently charge weekly for full-time care for a child 18 months to 36 months? (Required)
16. What do you charge for a child 3 years to 5 years for 12 hours per week of care?
17. What do you charge for a child 3 years to 5 years for 24 hours per week of care?
18. What do you charge for a child 3 years to 5 years for 40 hours per week of care if it is different than your definition of full time?

**Connecticut Office of Early Childhood**  
**2022 Early Care & Education Market Rate Survey**  
**Methodology and Analysis**

**School Age – Children ages 5 Years to 12 Years old**

- 19. Do you accept children ages 5-12 years for before/after school during the school year? (yes / no) (Required)
- 20. What do you currently charge weekly for children ages 5 years - 12 years for before/after school during the school year? (Required)
- 21. What do you charge for a 5- to 12-year-old child for 12 hours per week of care?
- 22. What do you charge for a 5- to 12-year-old child for 24 hours per week of care?

**School Age Vacation/Summer Care**

- 23. Do you accept children ages 5 years to 12 years for full time care during vacation/summer? (yes / no) (Required)
- 24. What do you currently charge for children ages 5 years to 12 years for full-time vacation/summer care? (Required)

**Child Care Age Groups:**

| <b>Age Groups</b> | <b>Licensed Centers &amp; Group Homes</b> | <b>Licensed Family Homes</b> |
|-------------------|---|------------------------------|
| <b>Infant</b>     | 0-17 months                               | 0-17 months                  |
| <b>Toddler</b>    | 18-35 months                              | 0-17 months                  |
| <b>Preschool</b>  | 3-5 years                                 | 18 mos. – 5 years            |
| <b>School Age</b> | 5-12 years                                | 5-12 years                   |

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### Methodology

The universe surveyed included licensed family child care homes and licensed child care centers and group child care homes in Connecticut including child care centers that receive federal and state grants or contracts to purchase child care spaces. Because group homes represent only a small fraction of the number of licensed facilities in Connecticut, the Office of Early Childhood does not distinguish between childcare centers and group homes. Group homes are reimbursed at the center care rates. Head Start Programs were excluded from this survey, as they may have fixed rates related to program requirements. The survey sample omitted these facilities to avoid skewing the results of the survey.

Participation in the survey was voluntary. The following chart lists the number of providers that participated in the survey.

**Provider Participation**

| <b>Provider Type</b>                | <b>Total Licensed Statewide</b> | <b>Total Participating*</b> | <b>Percent Participating</b> |
|-------------------------------------|---------------------------------|-----------------------------|------------------------------|
| <b>Licensed Family Home</b>         | <b>1,914</b>                    | <b>797</b>                  | <b>42%</b>                   |
| <b>Licensed Center / Group Home</b> | <b>1,395</b>                    | <b>440</b>                  | <b>32%</b>                   |
| Infants, Toddlers, Preschool        | 1,138                           | 411                         | 36%                          |
| Serving School Age, only            | 978                             | 175                         | 18%                          |

*Please note: The above "Total Participating" is from the Child Care Referral Database 2022 and the "Total Licensed Statewide" is as of September 30, 2021 from the [www.ct.gov](http://www.ct.gov) OEC e-license look-up. The licensed numbers do not include programs that are exempt from OEC licensing and may include Head Start, School-based, and other programs serving Connecticut's children. The 257 Total Licensed count shown for School Age, Only, is if they only serve school age children. \*In "Total Participating" the 175 school age, includes 29 school age, only providers, plus 146 that also serve other age groups.*

The Market Rate Survey included providers in each of the five geographical regions in the state including: East, North Central, Northwest, South Central and Southwest. These regions are the current child care subsidy payment regions. The North Central region has the highest number of children served in the subsidy program and is used for reporting rates in the CCDF Plan.

Licensed center-based, licensed group child care home, and licensed family day care home provider types were included in the 2022 Child Care Market Rate Survey. The survey also included programs that meet licensing requirements, national accreditation standards, and serve children with special needs.

Provider rates were measured separately for infants, toddlers, preschool, and school-age children. Only facilities that provide care to children in the appropriate age category were included in the analysis.

The following chart shows the number of child care providers that responded to the survey, the number with enrollments at the time of the survey, and the number of enrollments by age group for providers that participated.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

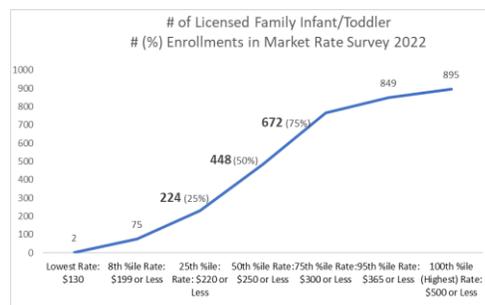
### Methodology and Analysis

#### Number of Providers in Survey with Enrollments by Age Group

| Age Groups                    | # of Licensed Center Providers Responded to the Survey | # of Licensed Center Providers in Survey with Enrollments | # of Enrollments in Licensed Center Providers Surveyed | # of Licensed Family Providers Responded to the Survey | # of Licensed Family Providers in Survey with Enrollments | # of Enrollments in Licensed Family Providers Surveyed |
|-------------------------------|--|---|--|--|---|--|
| Infant/Toddler                | 310  | 275   | 5,956  | 785  | 551   | 895  |
| Preschool                     | 396  | 357   | 9,763  | 785  | 639   | 1,867  |
| School-Age                    | 233  | 163   | 2,661  | 730  | 430   | 926  |
| Total # Providers Surveyed    | <b>440</b>   |   |  | <b>797</b>   |   |  |
| Total Licensed in Connecticut | <b>1,395</b>   |   |  | <b>1,914</b>   |   |  |

#### Percentile Rankings

In 2022 Market Rate Survey, Licensed Family 50<sup>th</sup> Percentile of Infant/Toddler, there were 448 of 895 enrollments (50%) at or below \$250 weekly rate. Preschool 934 of 1,867 (50%) enrollments at or below \$245 rate. School Age 463 of 926 (50%) at or below \$130 weekly rate.

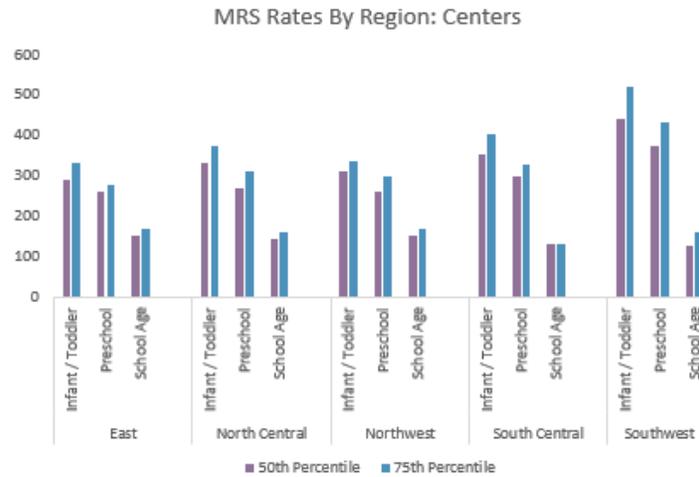


The determination of the percentile in the Market Rate Survey, is based on the proportion (percent) of child enrollments at or below a weekly rate, from lowest to highest rates.

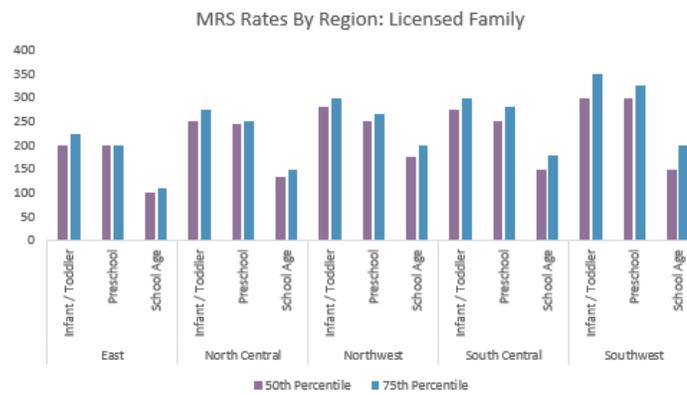
Child care providers participating in the Care 4 Kids program are reimbursed in SFY 2022 at rates that were effective as of August 1, 2021,. The rates shown for Care 4 Kids are the weekly rates for the SFY 2022 which include the increases to center-based programs as of September 1, 2019; and to Licensed Family providers as of July 1, 2020. To satisfy CCDF regulatory and 2022-2024 State Plan requirements, the Office of Early Childhood received approval for an extension to perform the Market Rate Survey and utilized the survey of rates conducted by the 2-1-1 Child Care between September 2021 and January 2022 for this survey. The survey provides the means to assess the percentile ranking of the current weekly rates to provider rates reported in SFY 2022. The rate comparison does not account for sibling reductions generally given to families with multiple children enrolled in the same facility. Connecticut reimburses providers at the full rate and does not consider the sibling reduction.

# Connecticut Office of Early Childhood 2022 Early Care & Education Market Rate Survey Methodology and Analysis

## 2022 Market Rate Survey Weekly Rates at 50<sup>th</sup> & 75<sup>th</sup> Percentiles Center-based Child Care by Region and Age



## 2022 Market Rate Survey Weekly Rates at 50<sup>th</sup> & 75<sup>th</sup> Percentiles Licensed Family Child Care by Region and Age



**Connecticut Office of Early Childhood**  
**2022 Early Care & Education Market Rate Survey**  
**Methodology and Analysis**

**Provider Rates Charged**

Rate estimates were based on the full-time rate charges reported by each facility. Estimates for school-age children were measured at the before and after school rate during the school year. The number of children enrolled at each facility were used to establish the frequency of the rates within the data set and percentile values. The number of enrollments by provider setting, age group and region, at the time of the survey, as well as the total number of survey respondents as compared to the total universe of licensed child care providers in the state are included in this analysis. The survey produced the following results of rates at percentiles:

**2022 Statewide Weekly Market Rates at the 25<sup>th</sup>, 50<sup>th</sup>, 60<sup>th</sup> and 75<sup>th</sup> Percentiles**

| Age Group                            | Licensed Center/Group Home |                  |                  |                  |                  | Family Homes       |                  |                  |                  |                  |
|--------------------------------------|----------------------------|------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|
|                                      | C4K SFY22 Avg Rate         | 25 <sup>th</sup> | 50 <sup>th</sup> | 60 <sup>th</sup> | 75 <sup>th</sup> | C4K SFY22 Avg Rate | 25 <sup>th</sup> | 50 <sup>th</sup> | 60 <sup>th</sup> | 75 <sup>th</sup> |
| <b>Infant/Toddler</b><br>(Full-Time) | \$305                      | \$290            | \$340            | \$366            | \$405            | \$243              | \$220            | \$250            | \$275            | \$300            |
| <b>Preschool</b><br>(Full-Time)      | \$211                      | \$225            | \$270            | \$285            | \$325            | \$187              | \$200            | \$245            | \$250            | \$275            |
| <b>School-Age</b><br>(Full-Time)     | \$154                      | \$105            | \$130            | \$145            | \$160            | \$175              | \$100            | \$130            | \$150            | \$180            |
| <b>School-Age</b><br>(Half-Time)     | \$102                      | \$105            | \$130            | \$130            | \$150            | \$116              | \$100            | \$130            | \$150            | \$200            |

Note: C4K Avg Rate is weighted by # of C4K Enrollments by region by rate. There were less respondents for half-time School Age.

**2022 North Central Weekly Market Rates at the 25<sup>th</sup>, 50<sup>th</sup>, 60<sup>th</sup> and 75<sup>th</sup> Percentiles**

| Age Group                            | Licensed Center & Group Home |                  |                  |                  |                  | Licensed Family Home |                  |                  |                  |                  |
|--------------------------------------|------------------------------|------------------|------------------|------------------|------------------|----------------------|------------------|------------------|------------------|------------------|
|                                      | C4K SFY22 NC Rate            | 25 <sup>th</sup> | 50 <sup>th</sup> | 60 <sup>th</sup> | 75 <sup>th</sup> | C4K SFY22 NC Rate    | 25 <sup>th</sup> | 50 <sup>th</sup> | 60 <sup>th</sup> | 75 <sup>th</sup> |
| <b>Infant/Toddler</b><br>(Full-Time) | \$305                        | \$270            | \$330            | \$345            | \$375            | \$227                | \$200            | \$240            | \$250            | \$275            |
| <b>Preschool</b><br>(Full-Time)      | \$203                        | \$200            | \$250            | \$270            | \$311            | \$175                | \$100            | \$230            | \$245            | \$250            |
| <b>School-Age</b><br>(Full-Time)     | \$143                        | \$100            | \$120            | \$143            | \$158            | \$163                | \$85             | \$120            | \$135            | \$150            |
| <b>School-Age</b><br>(Half-Time)     | \$ 95                        | \$105            | \$120            | \$154            | \$170            | \$110                | \$85             | \$120            | \$150            | \$180            |

Note: There were less respondents for half-time School Age.

**Levels of Care - Connecticut's Child Care subsidy by hours:**

Full-time (35-50 hours weekly)  
 Half-time (16-34 hours weekly)

Full-time plus (51-65 hours weekly)  
 Quarter-time (1-15 hours weekly)

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### Comparison of C4K SFY 2022 Weekly Rates to 2022 Market Rate Survey Estimates

##### Licensed Center and Group Homes

|                                 |   | Infants/Toddlers Full-Time |                    | Preschool Full-Time |                    | School Age Full Time |                    |
|---------------------------------|---|----------------------------|--------------------|---------------------|--------------------|----------------------|--------------------|
|                                 |   | Weekly Rate                | Percentile in 2022 | Weekly Rate         | Percentile in 2022 | Weekly Rate          | Percentile in 2022 |
| Licensed Center and Group Homes | 75th Percentile Statewide, SFY2022              | \$405                      | 75th               | \$325               | 75th%              | \$160                | 75th               |
|                                 | 60th Percentile Statewide, SFY2022              | \$366                      | 60th               | \$285               | 60th               | \$145                | 60th               |
|                                 | 50th Percentile Statewide, SFY2022              | \$340                      | 50th               | \$270               | 50th               | \$130                | 50th               |
|                                 | 75th Percentile North Central Region, SFY2022   | \$375                      | 75th               | \$311               | 75th%              | \$158                | 75th               |
|                                 | 60th Percentile North Central Region, SFY2022   | \$345                      | 60th               | \$270               | 60th               | \$143                | 60th               |
|                                 | 50th Percentile North Central Region, SFY2022   | \$330                      | 50th               | \$250               | 50th               | \$120                | 50th               |
|                                 | North Central Region Rate SFY2022               | \$305                      | 45th               | \$203               | 29th               | \$143                | 62nd               |
|                                 | Average Regional Rate** SFY2022                 | \$295                      | 31st               | \$208               | 19th               | \$152                | 70th               |
|                                 | Weighted Average Regional Rate, SFY2022         | \$305                      | 34th               | \$211               | 22nd               | \$154                | 70th               |
|                                 | Accredited Rate NC Region Rate +5%+2%, SFY2022  | \$320                      | 41st               | \$213               | 22nd               | \$150                | 70th               |
|                                 | Special Needs Rate NC Region Rate +25%, SFY2022 | \$381                      | 66th               | \$254               | 42nd               | \$179                | 90th               |

\*North Central rates shown, as it is the most populous region. \*\* The average of the 5 regional rates shown with statewide percentile

\*SFY 2022 Full-Time (FT) = 35-50 Hoursper Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

##### Licensed Family Child Care Homes

|                                  |   | Infants/Toddlers Full-Time |                    | Preschool Full-Time |                    | School Age Full Time |                    |
|----------------------------------|---|----------------------------|--------------------|---------------------|--------------------|----------------------|--------------------|
|                                  |   | Weekly Rate                | Percentile in 2022 | Weekly Rate         | Percentile in 2022 | Weekly Rate          | Percentile in 2022 |
| Family Child Care Homes Licensed | 75th Percentile Statewide, SFY2022              | \$300                      | 75th               | \$275               | 75th               | \$180                | 75th               |
|                                  | 60th Percentile Statewide, SFY2022              | \$275                      | 60th               | \$250               | 60th               | \$150                | 60th               |
|                                  | 50th Percentile Statewide, SFY2022              | \$250                      | 50th               | \$245               | 50th               | \$130                | 50th               |
|                                  | 75th Percentile North Central Region, SFY2022   | \$275                      | 75th               | \$250               | 75th%              | \$150                | 75th               |
|                                  | 60th Percentile North Central Region, SFY2022   | \$250                      | 60th               | \$245               | 60th               | \$135                | 60th               |
|                                  | 50th Percentile North Central Region, SFY2022   | \$240                      | 50th               | \$230               | 50th               | \$120                | 50th               |
|                                  | North Central Region Rate SFY2022               | \$227                      | 44th               | \$175               | 8th                | \$163                | 77th               |
|                                  | Average Regional Rate** SFY2022                 | \$238                      | 34th               | \$185               | 12th               | \$172                | 69th               |
|                                  | Weighted Average Regional Rate, SFY2022         | \$243                      | 37th               | \$187               | 12th               | \$175                | 74th               |
|                                  | Accredited Rate NC Region Rate +5%+2%, SFY2022  | \$243                      | 37th               | \$187               | 12th               | \$175                | 74th               |
|                                  | Special Needs Rate NC Region Rate +25%, SFY2022 | \$284                      | 68th               | \$219               | 32nd               | \$204                | 90th               |

\*North Central rates shown, as it is the most populous region. \*\* The average of the 5 regional rates shown with statewide percentile

\*SFY 2022 Full-Time (FT) = 35-50 Hoursper Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### Analysis

The Office of Early Childhood staff analyzed access and utilization of licensed and accredited center-based, family-based, and unlicensed relative family child care. All of these settings are being utilized in each of Connecticut's five regions. This survey included only Licensed Child Care Centers, Licensed Group Child Care Home, and Licensed Family Child Care Home providers. License-Exempt Centers were not included in the survey but were part of the overall analysis of utilization and other cost factors for the Care 4 Kids subsidy program. Subsidy regulations exclude TANF benefits, Child Support, earnings of minors and other types of unearned income from the eligibility and co-payment calculations, thus reducing the amount of countable income.

The Office of Early Childhood offers a tiered reimbursement/incentive payment of an additional 25% per child care certificate for any provider caring for a child with special needs. Licensed Family providers with National Association for Family Child Care (NAFCC), are eligible for an additional 7% accreditation incentive payment. A 5%-tiered reimbursement/incentive payment is paid to providers who have achieved national accreditation in the National Association for the Education of Young Children (NAEYC), National School-Age Child Care Alliance (NSACCA), New England Association of Schools and Colleges (NEASC), and the Council on Accreditation of Services for Families and Children (COA). Connecticut increased its accreditation payments to include a 20% Quality Bonus to accredited (in addition to the 5%), for center-based Care 4 Kid providers, since May 2021, using American Rescue Plan Act funds.

The Care 4 Kids center-based provider rates represent a significant increase in payment reimbursements from the 2018 to 2022. There was a 40% rate increase for Infant/Toddler age care based on the average weekly rates of the five regions. The increases by region range from 23% to 58%, with the North Central region Infant/Toddler center-based rates increase of 52%, since 2018. The rate increase for Preschool age care is 25% on average by region, and ranges from 19% to 29%, regionally. The North Central Preschool center-based rate increased by 27%. Center based School Age care increased by 8% from 2018 to 2022. The Care 4 Kids licensed family provider rates represent a more modest increase of approximately 8% in payment reimbursement rates, for all age groups, and in all regions, from the 2018 to 2022.

This survey includes responses from State-funded providers. In prior surveys, the state funded providers had been excluded, in order not to skew the payment rates averages and percentiles. With the increase in subsidy rates in recent years, this is no longer an issue as this survey shows distribution of rates for state funded and subsidized programs throughout the range of rates from low to medium to high, by region and state wide. It is important to note that in addition to the Care 4 Kids program, Connecticut provides about 17,000 child care spaces for low income and at-risk families through state-funded Child Day Care contracts, School Readiness, and Smart Start grants, in over 80 communities in the state. Additionally, low-cost preschool education is also available through local education authorities (LEA) public schools, magnet schools and charter schools. There were 96 state funded programs, that receive School Readiness and/or Child Day Care Grant funding, that responded to this Market Rate Survey. There were 346 Licensed Center and 568 Licensed Family provider respondents that accept Care 4 Kids.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### **Consultation with the Early Care and Education Providers, Parents, and Advocates**

The Connecticut Office of Early Childhood consulted with the State Advisory Council, the Connecticut Early Childhood Cabinet regarding the submission of the 2022-2024 Child Care and Development Plan, and the request for delay in the Market Rate Survey. The delay of the survey to commence in the Fall of 2021, allowed for a higher number of survey responses by providers, at a time when the negative impacts of COVID to child enrollments and provider availability were lessened. A review of the findings from the Market Rate Survey and the Narrow Cost Analysis were presented to the State Advisory Council, the Connecticut Early Childhood Cabinet, at their quarterly meeting on May 11, 2022.

Communication and opportunity for questions and input extended to a wide audience and included child care teacher and administrators, referral agencies, advocates, and the public.

Interactive webinars were held with OEC Quality Improvement, Early Care and Education, and CCDF staff on April 27, 2022. Presentations of the draft reports on the Early Childhood Workforce Compensation Schedule, Market Rate Survey, and Narrow Cost Analysis, and discussions regarding the relationship of compensation, rates and cost connect to the Quality Improvement System and level of quality of care.

Special meetings were held with the Connecticut Early Childhood Alliance focused on and attended by mostly the center-based providers on June 2, 2022 and an evening webinar focus on and attended by over 100 family based child care providers on June 16, 2022. These meetings were coordinated by Early Childhood advocates including, but not limited to, the Connecticut Early Childhood Alliance, CSEA-SEIU Local 2001, the Middlesex Coalition for Children, and the Connecticut Association for Human Services, and All Our Kin. Presentations of work done by Social Finance, NAEYC, UCONN School of Social Work Research team, United Way of Connecticut, 2-1-1 Child Care, and the Connecticut Office of Early Childhood, regarding the methodology and findings of the three reports mentioned above. Review of findings and methodologies were performed by internal and external stakeholders. The Market Rate Survey and Narrow Cost Analysis reports and presentations were made publicly available on the CT OEC website and linked to an online public comment and question survey available from May to June of 2022. We have reviewed the feedback and incorporated ideas shared in the analysis and considerations for next steps.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

The Narrow Cost of Child Care Analysis research and documentation was prepared by the University of Connecticut School of Social Work, Early Childhood research team, in partnership with the Office of Early Childhood. It is a separate analysis from the Market Rate Survey study. The 2022 report on the Connecticut Narrow Cost Analysis prepared by the Office of Early Childhood – University of Connecticut Research Partnership, will be available through an OEC website link included in Connecticut’s revised CCDF 2022-2024 Plan. The NCA differs from the Market Rate Survey’s study of rates that providers charge families, in that it is designed to help stakeholders understand the actual cost of providing child care. The Narrow Cost Analysis was conducted in lieu of an exhaustive survey of center-based and Licensed Family child care provider personnel, and business cost structures and budgets. The research team used information from licensed, licensed-exempt center based and family home child care providers, the Workforce Registry, 2-1-1 Child Care surveys, Audit Reports, Form 990 for tax exempt organizations, interviews of subject matter experts, analysis of School Readiness budgets and Education 114 forms, compensation schedules for classrooms and programs, to model by age groups and setting size (small, medium, and large), staffing, personnel salaries, benefits, health care, rent/mortgage, utilities, insurance, overhead costs, educational supplies, food/meals, professional development, and other costs.

The Cost of Care Workgroup, from the Access to Employment subcommittee of the Governor’s Workforce Council, provided recommendations, strategies for approach, and feedback on the Market Rate Survey and Narrow Cost Analysis work, and the connection of these methods to the Draft Connecticut Early Childhood Education Workforce Compensation Schedule, prepared by Social Finance.

Based on the information in this study, and other research on child care utilization and assessment of child care needs by age groups, settings, and regions, as well as the Narrow Cost Analysis, the Office of Early Childhood continues to evaluate the opportunities to increase subsidy rates. Given the need to balance the levers of access, quality, and affordability, the agency will work with its partners and state leadership to discuss the appropriate breadth, magnitude, and timing of rate increases that ensures the stabilization of the early care and education system, as well as Connecticut’s families and providers.

The Office of Early Childhood will then finalize its analysis of rate increases as it relates to the impact on the number of families served, and the potential size of a standing waitlist. The agency will determine which age groups and setting types may require immediate rate increases, the degree of each rate increase, and the implementation strategy for the rate increases across the three-year CCDF Plan.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

#### Additional Data Collection and Analysis

The survey data collection was conducted by trained staff at the Child Care Resource & Referral (CCR&R) agency, with expertise in conducting this and other surveys. The survey includes statistically valid and reliable data sets from providers across the state and from each of the five geographical regions that the subsidy rates are set. Analysis was conducted by experienced staff at the Office of Early Childhood, with input and feedback from representatives of the Connecticut Early Childhood Cabinet and the public on May 11, 2022, and center-based and family-based providers on June 2, 2022 and June 16, 2022.

United Way of Connecticut, 2-1-1 Child Care “Average Child Care Cost” dated February 1, 2022, was also used as references for this analysis. It lists the following rates by average, lowest, and highest across the state, at <https://resources.211childcare.org/reports/average-child-care-cost/>

#### Center-Based Full-Time Weekly Cost

|                  |               |               |               |
|------------------|---------------|---------------|---------------|
| Infants/Toddler: | \$309 Average | \$175 Lowest  | \$623 Highest |
| Preschool:       | \$254 Average | \$ 62 Lowest  | \$498 Highest |
| School Age:      | \$122 Average | \$ 15 Lowest* | \$365 Highest |

#### Home-Based Full-Time Weekly Cost

|                  |               |               |               |
|------------------|---------------|---------------|---------------|
| Infants/Toddler: | \$242 Average | \$100 Lowest  | \$475 Highest |
| Preschool:       | \$226 Average | \$ 80 Lowest  | \$475 Highest |
| School Age:      | \$126 Average | \$ 20 Lowest* | \$380 Highest |

\*School age programs report their fees either in an hourly or weekly rate.

2-1-1 Child Care also publishes the Child Care Availability Survey Summary by Age Group, Region, and Service Type, Fall 2020 Report was reviewed.

<https://resources.211childcare.org/reports/2020-child-care-availability-report/>

| 2-1-1<br>Child Care |               | Child Care Availability Survey Summary<br>By Age Group, Region, and Service Type<br>Fall 2020 |              |               |               |               |              |               |               |               |              |               |               |                |              |              |  |
|---------------------|---------------|---|--------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|----------------|--------------|--------------|--|
|                     |               | Center and Home Based   |              |               |               |               |              |               |               |               |              |               |               |                |              |              |  |
|                     |               | Infant/Toddler  |              |               |               | Preschool     |              |               |               | School Age    |              |               |               | Nursery School |              |              |  |
|                     | Capacity      | Enrollment  | Vacancies    | Availability  | Capacity      | Enrollment    | Vacancies    | Availability  | Capacity      | Enrollment    | Vacancies    | Availability  | Capacity      | Enrollment     | Vacancies    | Availability |  |
| Eastern             | 2,951         | 1,697   | 392          | 13.28%        | 6,003         | 3,430         | 684          | 11.39%        | 4,559         | 1,690         | 585          | 12.83%        | 1,708         | 821            | 51           | 2.99%        |  |
| North Central       | 7,941         | 4,723   | 1,349        | 16.99%        | 19,295        | 9,461         | 2,701        | 14.00%        | 14,839        | 5,116         | 2,320        | 15.63%        | 3,592         | 1,700          | 257          | 7.15%        |  |
| Northwestern        | 4,172         | 2,281   | 883          | 21.16%        | 9,511         | 4,689         | 1,416        | 14.89%        | 8,269         | 2,833         | 1,334        | 16.13%        | 2,587         | 1,348          | 279          | 10.78%       |  |
| South Central       | 7,201         | 4,134   | 1,347        | 18.71%        | 14,728        | 7,123         | 2,328        | 15.81%        | 10,823        | 2,922         | 1,121        | 10.36%        | 2,243         | 1,189          | 148          | 6.60%        |  |
| Southwestern        | 5,539         | 4,374   | 1,031        | 18.61%        | 14,117        | 6,717         | 1,796        | 12.72%        | 10,642        | 2,067         | 820          | 7.71%         | 6,111         | 3,483          | 327          | 5.35%        |  |
| <b>Total</b>        | <b>27,804</b> | <b>17,209</b>   | <b>5,002</b> | <b>17.99%</b> | <b>63,654</b> | <b>31,420</b> | <b>8,925</b> | <b>14.02%</b> | <b>49,132</b> | <b>14,628</b> | <b>6,180</b> | <b>12.58%</b> | <b>16,241</b> | <b>8,541</b>   | <b>1,062</b> | <b>6.54%</b> |  |

|                | Home         | Center        |
|----------------|--------------|---------------|
| Infant/Toddler | 0-23 months  | 0 - 35 months |
| Preschool      | 2 - 5 years  | 3 - 5 years   |
| School Age     | 5 - 12 years |               |

Percentages are derived from the total number of vacancies divided by the total capacity  
 Nursery School = part day enrichment program (includes school-based exempt programs)  
 Toddler numbers include Early Head Start slots; Preschool numbers include Head Start slots

\*\*Programs were under Governor's Executive Order that affected group size and program capacity  
 \*\*\* There were 753 Center based programs and 151 Licensed Family Homes with status as closed at conclusion of survey

# Connecticut Office of Early Childhood

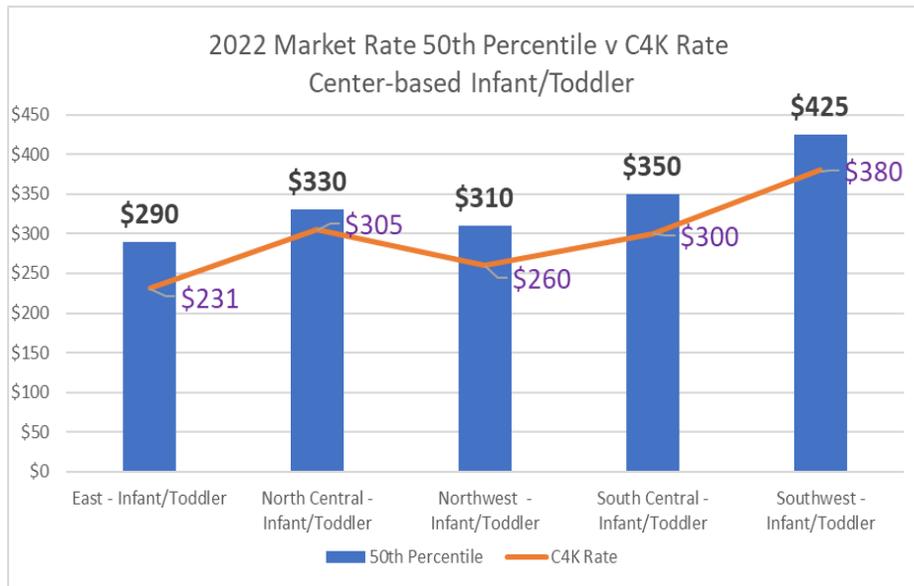
## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

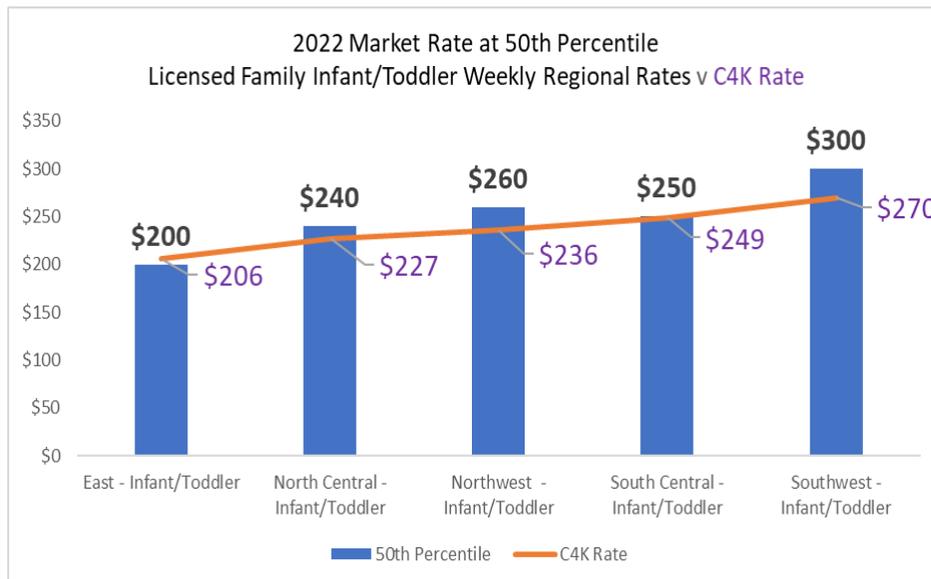
#### 2022 Market Rate Survey Rate Comparison Tables and Charts

The following charts and tables compare the 2022 Care 4 Kids weekly payment rates to the market rates at various percentiles. This tables include the payment rate by region, the percentile in the survey across the state and regionally, the total number of providers that responded to the survey and spaces by age group and setting type.

#### Licensed Center Infant / Toddler Age



#### Licensed Family Infant / Toddler Age



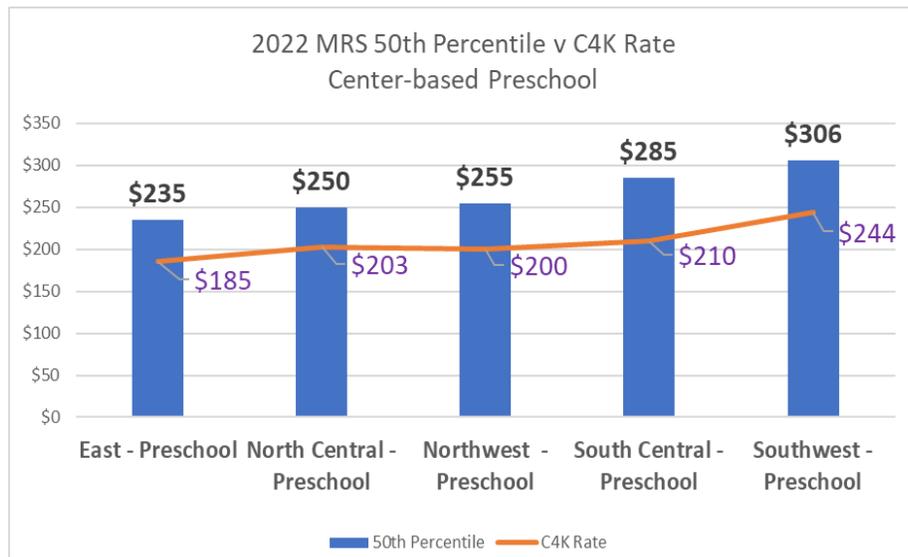
# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

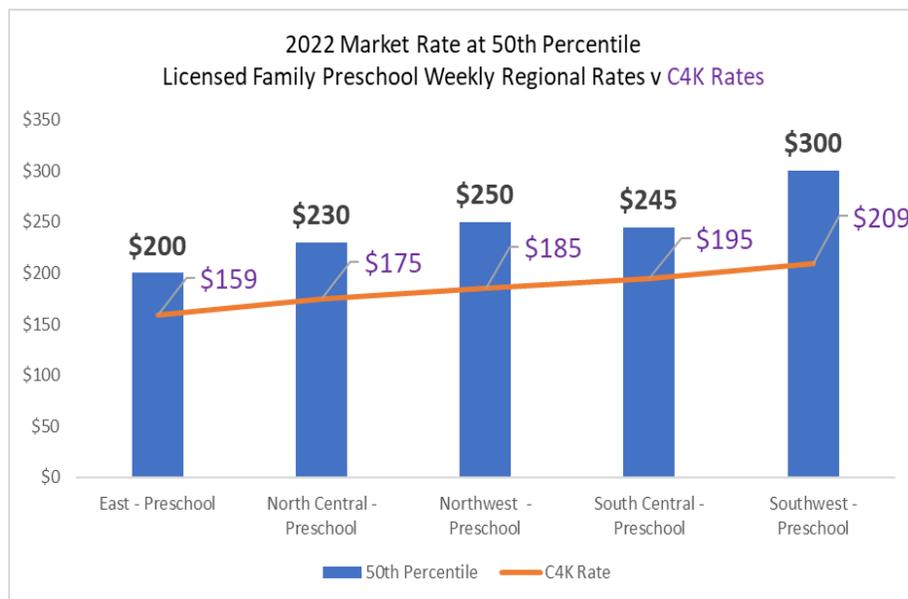
### Methodology and Analysis

The estimate for market rates are shown at the 50<sup>th</sup>, 60<sup>th</sup> and 75<sup>th</sup> percentiles, and the weighted average of all rates in the survey by age group and setting type. Please note that the North Central Region has the highest number of children served and was used as the rate to compare the statewide survey results, to respond to questions in the CCDF Plan regarding most populous region. Note: percentile represents the percentage of spaces available at a rate equal to or below the rate shown.

#### Licensed Center Preschool Age



#### Licensed Family Preschool Age



# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

### 2022 Licensed Center & Group Child Care Full-Time Weekly Rates Statewide Market Rates

#### Statewide - Licensed Center-based Rates

| Licensed Center & Group Child Care Homes |                  | 2022 Market Rate Survey - Number of Respondents & Spaces & C4K SFY 2022 Rates Percentile in Survey |                               |                  |                            |                                |                                |                                |                                |
|--|------------------|--|-------------------------------|------------------|----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | Age group        | C4K SFY2022 Weekly Rate (North Central*)   | C4K Rate Percentile of Market | # of Respondents | Total # of Enrolled Spaces | Average Survey Rate (Weighted) | Survey Rate at 50th Percentile | Survey Rate at 60th Percentile | Survey Rate at 75th Percentile |
| Statewide                                | Infant / Toddler | \$305  | 34th                          | 275              | 5,956                      | \$358                          | \$340                          | \$366                          | \$405                          |
|  | Preschool        | \$203  | 19th                          | 357              | 9,763                      | \$276                          | \$270                          | \$285                          | \$325                          |
|  | School Age FT    | \$143  | 58th                          | 163              | 2,661                      | \$132                          | \$130                          | \$145                          | \$160                          |

Total # Spaces shown = Enrollments at time of Survey. \*North Central rates shown for C4K Weekly Rate and Rates at Percentiles based on Statewide survey (all 5 regions) Average, 60th, 75th  
\*SFY 2022 Full-Time (FT) = 35-50 Hours per Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

### 2022 Licensed Center & Group Child Care Full-Time Weekly Rates Regional Market Rates

| Licensed Center & Group Child Care Homes |                  | 2022 Market Rate Survey - Number of Respondents & Spaces & C4K SFY 2022 Rates Percentile in Survey |                          |                  |                            |                                |                                |                                |                                |
|--|------------------|--|--------------------------|------------------|----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Region                                   | Age Group        | C4K SFY2022 Weekly Rate  | C4K Percentile of Market | # of Respondents | Total # of Enrolled Spaces | Average Survey Rate (Weighted) | Survey Rate at 50th Percentile | Survey Rate at 60th Percentile | Survey Rate at 75th Percentile |
| East                                     | Infant / Toddler | \$231  | 14th                     | 43               | 747                        | \$287                          | \$290                          | \$305                          | \$330                          |
|  | Preschool        | \$185  | 27th                     | 51               | 988                        | \$193                          | \$235                          | \$247                          | \$270                          |
|  | School Age FT    | \$130  | 44th                     | 25               | 329                        | \$138                          | \$115                          | \$150                          | \$170                          |
|  | School Age HT    | \$84   | 15th                     | 12               | 170                        | \$136                          | \$160                          | \$170                          | \$175                          |
| North Central                            | Infant / Toddler | \$305  | 45th                     | 70               | 1,544                      | \$330                          | \$330                          | \$345                          | \$375                          |
|  | Preschool        | \$203  | 29th                     | 86               | 2,642                      | \$160                          | \$250                          | \$270                          | \$311                          |
|  | School Age FT    | \$143  | 62nd                     | 39               | 667                        | \$128                          | \$120                          | \$143                          | \$158                          |
|  | School Age HT    | \$95   | **                       | 20               | 310                        | \$121                          | \$120                          | \$154                          | \$170                          |
| Northwest                                | Infant / Toddler | \$260  | 7th                      | 46               | 843                        | \$317                          | \$310                          | \$323                          | \$334                          |
|  | Preschool        | \$200  | 19th                     | 65               | 1,745                      | \$247                          | \$255                          | \$260                          | \$285                          |
|  | School Age FT    | \$150  | 69th                     | 44               | 779                        | \$148                          | \$150                          | \$150                          | \$170                          |
|  | School Age HT    | \$100  | **                       | 19               | 344                        | \$136                          | \$150                          | \$150                          | \$180                          |
| South Central                            | Infant / Toddler | \$300  | 28th                     | 60               | 1,425                      | \$352                          | \$350                          | \$386                          | \$402                          |
|  | Preschool        | \$210  | 15th                     | 81               | 2,041                      | \$291                          | \$285                          | \$300                          | \$327                          |
|  | School Age FT    | \$165  | 90th                     | 106              | 666                        | \$130                          | \$130                          | \$130                          | \$130                          |
|  | School Age HT    | \$110  | 16th                     | 24               | 399                        | \$143                          | \$130                          | \$130                          | \$130                          |
| Southwest                                | Infant / Toddler | \$380  | 33rd                     | 56               | 1,397                      | \$445                          | \$425                          | \$450                          | \$519                          |
|  | Preschool        | \$244  | 19th                     | 74               | 2,347                      | \$342                          | \$306                          | \$375                          | \$431                          |
|  | School Age FT    | \$172  | 92rd                     | 20               | 297                        | \$114                          | \$120                          | \$125                          | \$158                          |
|  | School Age HT    | \$113  | 55th                     | 12               | 189                        | \$104                          | \$120                          | \$120                          | \$121                          |

Total # of Spaces shown are the number Enrolled at the time of survey. \*\* Not enough Respondents  
\*SFY 2022 Full-Time (FT) = 35-50 Hours per Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

# Connecticut Office of Early Childhood

## 2022 Early Care & Education Market Rate Survey

### Methodology and Analysis

### 2022 Licensed Family Child Care Full-Time Weekly Rates Statewide Market Rates

#### Statewide - Licensed Family Child Care Rates

Licensed Family Based Child Care

2022 Market Rate Survey - Number of Respondents & Spaces & C4K SFY 2022 Rates Percentile in Survey

|                  | Age group        | C4K SFY2022 Weekly Rate (North Central*) | C4K Rate Percentile of Market | # of Respondents | Total # of Enrolled Spaces | Average Survey Rate (Weighted) | Survey Rate at 50th Percentile | Survey Rate at 60th Percentile | Survey Rate at 75th Percentile |
|------------------|------------------|--|-------------------------------|------------------|----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Statewide</b> | Infant / Toddler | \$227                                    | 32nd                          | 551              | 895                        | \$262                          | \$250                          | \$275                          | \$300                          |
|                  | Preschool        | \$175                                    | 8th                           | 639              | 1,867                      | \$244                          | \$245                          | \$250                          | \$275                          |
|                  | School Age FT    | \$163                                    | 68th                          | 430              | 926                        | \$141                          | \$130                          | \$150                          | \$180                          |

Total # Spaces shown = Enrollments at time of Survey. \*North Central rates shown for C4K Weekly Rate and Rates at Percentiles based on Statewide survey (all 5 regions) Average, 60th, 75th  
\*SFY 2022 Full-Time (FT) = 35-50 Hours per Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

### 2022 Licensed Family Child Care Full-Time Weekly Rates Regional Market Rates

#### Regional - Licensed Family Based Rates

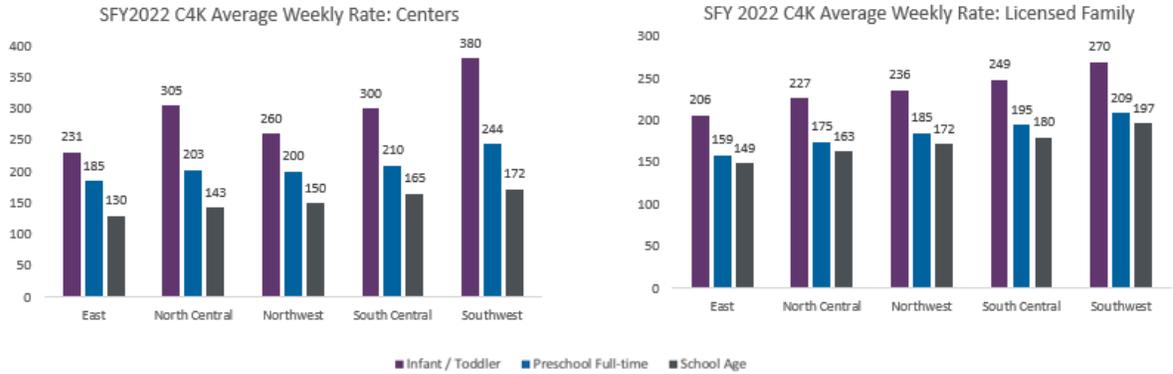
| Licensed Family-Based Child Care |                  | 2022 Market Rate Survey - Number of Respondents & Spaces & C4K SFY 2022 Rates Percentile in Survey |                          |                  |                            |                                |                                |                                |                                |
|----------------------------------|------------------|--|--------------------------|------------------|----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Region                           | Age Group        | C4K SFY2022 Weekly Rate  | C4K Percentile of Market | # of Respondents | Total # of Enrolled Spaces | Average Survey Rate (Weighted) | Survey Rate at 50th Percentile | Survey Rate at 60th Percentile | Survey Rate at 75th Percentile |
| <b>East</b>                      | Infant / Toddler | \$206  | 60th                     | 51               | 75                         | \$209                          | \$200                          | \$200                          | \$225                          |
|                                  | Preschool        | \$159  | 6th                      | 62               | 199                        | \$198                          | \$200                          | \$200                          | \$200                          |
|                                  | School Age FT    | \$149  | 86th                     | 41               | 107                        | \$100                          | \$90                           | \$100                          | \$110                          |
|                                  | School Age HT    | \$96   | 53rd                     | 12               | 30                         | \$98                           | \$90                           | \$100                          | \$100                          |
| <b>North Central</b>             | Infant / Toddler | \$227  | 44th                     | 152              | 257                        | \$245                          | \$240                          | \$250                          | \$275                          |
|                                  | Preschool        | \$175  | 6th                      | 176              | 520                        | \$235                          | \$230                          | \$245                          | \$250                          |
|                                  | School Age FT    | \$163  | 77th                     | 103              | 225                        | \$130                          | \$120                          | \$135                          | \$150                          |
|                                  | School Age HT    | \$110  | 43rd                     | 17               | 30                         | \$142                          | \$120                          | \$150                          | \$180                          |
| <b>Northwest</b>                 | Infant / Toddler | \$236  | 22nd                     | 119              | 194                        | \$264                          | \$260                          | \$280                          | \$300                          |
|                                  | Preschool        | \$185  | 12th                     | 135              | 388                        | \$243                          | \$250                          | \$250                          | \$265                          |
|                                  | School Age FT    | \$172  | 50th                     | 102              | 223                        | \$161                          | \$154                          | \$175                          | \$200                          |
|                                  | School Age HT    | \$115  | 38th                     | 21               | 45                         | \$149                          | \$130                          | \$175                          | \$200                          |
| <b>South Central</b>             | Infant / Toddler | \$249  | 36th                     | 135              | 220                        | \$268                          | \$250                          | \$275                          | \$300                          |
|                                  | Preschool        | \$195  | 10th                     | 159              | 470                        | \$248                          | \$245                          | \$250                          | \$280                          |
|                                  | School Age FT    | \$180  | 80th                     | 113              | 273                        | \$143                          | \$150                          | \$150                          | \$180                          |
|                                  | School Age HT    | \$120  | 27th                     | 33               | 84                         | \$143                          | \$140                          | \$150                          | \$150                          |
| <b>Soutwest</b>                  | Infant / Toddler | \$270  | 30th                     | 93               | 149                        | \$306                          | \$300                          | \$300                          | \$350                          |
|                                  | Preschool        | \$209  | 13th                     | 102              | 290                        | \$289                          | \$300                          | \$300                          | \$325                          |
|                                  | School Age FT    | \$197  | 69th                     | 47               | 98                         | \$152                          | \$140                          | \$150                          | \$200                          |
|                                  | School Age HT    | \$128  | 64th                     | 17               | 11                         | \$150                          | \$80                           | \$200                          | \$300                          |

\*North Central rates shown, as it is the most populous region

\*SFY 2022 Full-Time (FT) = 35-50 Hours per Week; Half-Time (HT) = 16-34 Hours per Week. School Age Before & After School Responses are shown as Full-time.

# Connecticut Office of Early Childhood 2022 Early Care & Education Market Rate Survey Methodology and Analysis

## SFY 2022 Care 4 Kids Subsidy Weekly Rates - Center-based & Licensed Family Child Care



### 20 Year View of Market and Subsidy Rate Percentiles

The following table compares the SFY 2022 rates at the 60<sup>th</sup> percentile against prior years, back to the 2001 60<sup>th</sup> percentile of the market rate survey, for licensed and license-exempt centers and licensed family-based settings. License-exempt centers are not included in 2022.

**60th Percentile Full-time Weekly Rate Comparison**

| Year                                     | 2001  | 2012  | 2015  | 2018  | 2022  |
|--|-------|-------|-------|-------|-------|
| <b>Infant Toddler</b>                    |       |       |       |       |       |
| Center-Based: Licensed & Licensed-Exempt | \$196 | \$265 | \$290 | \$310 | \$345 |
| Licensed Family Homes                    | \$150 | \$190 | \$200 | \$215 | \$250 |
| <b>Preschool</b>                         |       |       |       |       |       |
| Center-Based: Licensed & Licensed-Exempt | \$155 | \$217 | \$250 | \$258 | \$270 |
| Licensed Family Homes                    | \$150 | \$180 | \$190 | \$200 | \$245 |
| <b>School-Age</b>                        |       |       |       |       |       |
| Center-Based: Licensed & Licensed-Exempt | \$100 | \$102 | \$100 | \$117 | \$143 |
| Licensed Family Homes                    | \$100 | \$80  | \$95  | \$100 | \$135 |

\*North Central rates shown, as it is the most populous region

The Market Rate Survey was completed by United Way of Connecticut, 2-1-1 Child Care, with the analysis and report was prepared by the CT Office of Early Childhood, CCDF Team. The coordinated work of the Market Rate Survey, Narrow Cost Analysis and the draft Workforce Compensation Schedule is through a partnership of Social Finance, CT OEC, United Way of Connecticut, University of Connecticut, School of Social Work, Early Childhood research team, parents, providers, advocates, and many others.