# Utah 2021 Child Care Market Rate Study

*May 2021*

**Prepared for the Utah Department of Workforce Services Office of Child Care**
by Catherine Ruetschlin, PhD, and Yazgi Genc, MA

EEU
Economic Evaluation Unit

UTAH DEPARTMENT OF WORKFORCE SERVICES CHILD CARE

Department of ECONOMICS
THE UNIVERSITY OF UTAH

EEU

The Economic Evaluation Unit
Department of Economics
University of Utah
260 Central Campus Drive
Gardner Commons Room 4100
Salt Lake City, UT 84112
(801) 581-7481

# TABLE OF CONTENTS

# SECTION 1: INTRODUCTION

Utah's Department of Workforce Services Office of Child Care offers a comprehensive system of supports for Utah families and child care providers through partnerships with state and federal agencies and local communities. The objective of this work is to promote accessible, affordable, quality child care across the state. Administration of the child care subsidy program is a key component of this mission. The Child Care and Development Fund (CCDF), administered by the US Department of Health and Human Services Administration for Children and Families (ACF), is the principal source of federal funding for this child care subsidy program.

Under the most recent federal regulation, the CCDF requires administrating agencies to conduct a statistically valid and reliable market rate survey or alternative methodology every three years to assess current child care market rates and inform the determination of child care subsidies (Child Care and Development Fund, 2016). The purpose of this analysis is to enable the Lead Agency to target child care subsidy rates that provide subsidy-eligible households with access to the full scope of the market available to non-subsidized households, including access to providers that reach higher standards for quality of care. The CCDF 2016 final rule enumerates several criteria for the market rate analysis to establish the representativeness, validity, and reliability necessary to meet the objectives of the agency.

This report meets the criteria outlined in the CCDF final rule and provides Utah's Office of Child Care with current and critical information about child care markets across the state. Parents and providers may use the report to make informed decisions about child care services. The following six sections of the report explain our methodological approach and compliance with federal regulations, report findings from administrative data and a complementary market rate survey, and present new analysis of access and affordability and the cost of providing care that meets higher standards for quality. They include the following sections.

*Section 2: Methodology* describes the process of data collection and analysis. This section includes details that satisfy the methodological provisions of the CCDF final rule regarding consultation with local agencies and other stakeholders, representativeness, completeness and currency of the data, and analytical rigor.

***Section 3: Market Rates*** reports the distribution of prices in Utah's child care markets. Providers' reported rates are weighted by the number of available child care slots, or children served, to appropriately reflect the prices encountered by consumers in the market. Market rates in Section 3 are reported by age of child, type of provider, and for urban and rural geographies.

***Section 4: Registration and Other Fees*** evaluates the prevalence and expense of registration fees and other fees including fees for curriculum, transportation, food and meals, events or trips, and supplies. The presence of fees in these categories are reported by provider type and for urban and rural geographies.

***Section 5: Access and Affordability*** examines consumer choice and access to affordable care for subsidy-eligible households. This section reports rates of subsidy acceptance and other subsidy-related business practices by provider type at the state level, for rural and urban regions within the state, and for six disaggregated geographical regions based on metropolitan and nonmetropolitan statistical areas. Variations in regional market prices are evaluated for the six geographic markets, revealing differences in the affordability of care and efficacy of subsidy rates across the state. These differences in local child care market rates are further compared to regional disparities in the overall price level, poverty rates, and household income.

***Section 6: Narrow Cost Analysis*** uses data from the market rate survey and other public sources to assess the relationship between child care market rates and indicators of high quality-rated care. This analysis draws from Utah's Child Care Quality System frameworks to identify benchmarks of quality for five indicators.[1] We then evaluate the prevalence of providers that report meeting higher quality standards for each indicator and compare market rates at the 75th percentile for providers in the market rate survey who report that they met these benchmarks with providers who did not. The analysis is performed by age of child, type of provider, and for urban and rural geographies.

Several key findings emerge from this analysis that provide new information for all stakeholders

1 Disruptions in the child care market in 2020 associated with COVID-19 emergency conditions forced a revision to Utah's CCQS implementation timeline. On June 1, 2020, the Office of Child Care stopped accepting new applications from Center Licensed facilities and extended existing quality ratings for Center Licensed facilities through summer 2021. The CCQS for Family Licensed facilities has not been implemented to date. As a result of this interruption there is limited data available on the quality ratings achieved by Utah facilities. The market rate survey included questions related to indicators of high quality-rated care based on the CCQS frameworks and the cost of provision as an alternative to CCQS administrative data. The analysis in Section 6 is based on this MRS data and supplementary public data sources.

in Utah’s child care markets. These include the following.

- ***Market Rates***

  The CCDF sets a high importance on the 75th percentile of the price distribution in child care markets as a benchmark for equal access to child care. Table 1.1 below reports the 75th percentile of market rates for full-time care in Center Licensed, Family Licensed, and Residential Certificate child care facilities in the state of Utah. See Section 3 for more details.

***Table 1.1: Monthly Rate for Full-time Child Care in Utah, 75th percentile***

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and older |
|---|---|---|---|---|---|---|
| Center Licensed | $999 | $819 | $756 | $752 | $729 | $620 |
| Family Licensed | $740 | $685 | $650 | $650 | $640 | $600 |
| Residential Certificate | $650 | $600 | $600 | $600 | $600 | $575 |
| Source: author’s calculation from CAC database<br>Weighted estimates, percentages describe shares of the child care market defined by available child care slots | | | | | | |

- ***Registration Fees***

  Registration fees are a routine consumer cost in Utah’s child care markets, especially in the market for Center Licensed care. See Section 4 for more details.

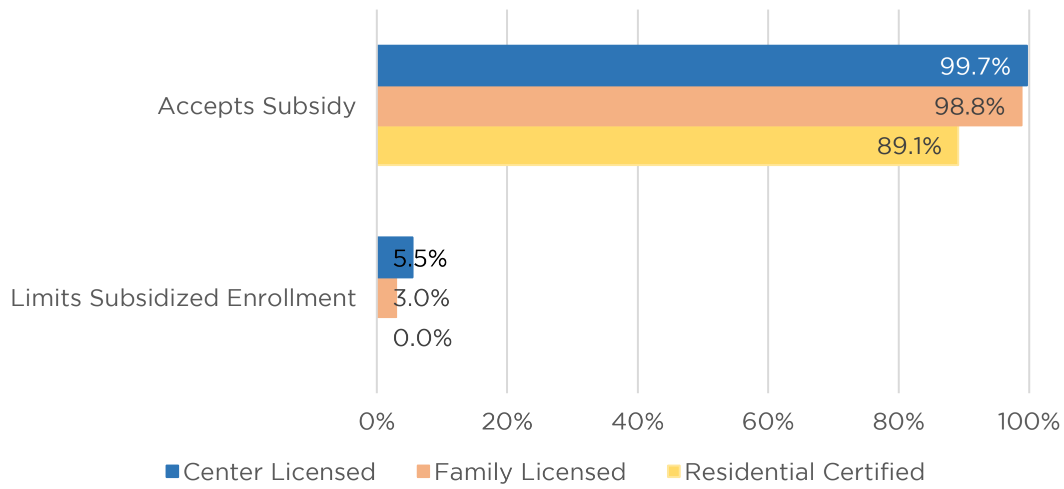
***Table 1.2: Registration Fees***

| | Registration Fee Charged at Enrollment | | Registration Fee Charged Annually | |
|---|---|---|---|---|
| | Percent of Market Charging Registration Fee at Enrollment | Median Registration Fee at Enrollment | Percent of Market Charging Registration Fee Annualy | Median Annual Registration Fee |
| Center Licensed | 81.5% | $50 | 29.5% | $50 |
| Family Licensed | 32.8% | $40 | 6.5% | $50 |
| Residential Certificate | 19.9% | $100 | 11.0% | $100 |
| Source: author’s calculation from Market Rate Survey data<br>Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | |

- ***Subsidy Acceptance***

  The vast majority of providers in Utah are willing to accept the Department of Workforce Services child care subsidy and do not impose limits on the number of subsidized children enrolled. See Section 5 for more details.

***Figure 1.1: Subsidy Acceptance by Provider Type***




- ***Geographic Variation***

  Market rates vary by region, especially for Center Licensed care. The nonmetropolitan portion of Utah and the Salt Lake City metropolitan statistical area face the highest market rates for full-time Center Licensed care. In the nonmetropolitan region, market rates rise as much as 32 percent above the state level. There is some variation in the market for Family Licensed care, where rates are highest in the Provo-Orem metropolitan statistical area at 15 percent above the state level for school aged children. See Section 5 for more details.

- ***Cost of Quality and Equal Access***

  Provider costs increase with the implementation of higher quality standards, especially for dimensions of quality that require increased personnel expenditures. Moving from the legal standard for the staff-child ratio to the higher quality standard raises per-child provider costs by $120 to $900 annually. Despite the higher costs associated with some dimensions of high quality-rated care, a subsidy set at the 75th percentile of child care market rates provides households with broad access to providers that report meeting higher quality standards defined along the dimensions of health, safety, learning environments and relationships, and leadership and professional development. See Section 6 for more detail.

Extensive analysis of administrative and survey data sources complements the findings listed above with detail regarding child age groups, regional geography, subsidy and copayment practices, the prevalence of monthly, weekly, daily, and hourly payment modes, the distribution of market prices for part-time child care, and the availability of evening, weekend, and overnight care. Altogether, the information included in this report supports the objectives of the CCDF outlined in the 2016 final rule to protect the health and safety of children in child care, help parents make informed consumer choices and access information to support child development, provide equal access to stable, high-quality child care for low-income children, and enhance the quality of child care and the early childhood workforce.

# SECTION 2: METHODOLOGY

All analysis contained in this report was performed by the authors at the Economic Evaluation Unit at the University of Utah Department of Economics, in consultation with Utah's Department of Workforce Services Office of Child Care and following the provisions of the CCDF final rule and the methodological guidance outlined by the ACF through its Market Rate Survey Series and other sponsored publications (National Center on Subsidy Innovation and Accountability, 2018a, 2018b, 2018c, and Grobe, et al., 2008). This section explains the research design and data analysis used for the study and its compliance with the 2016 CCDF final rule.

The statistical validity and reliability of the market rate study is a key regulatory provision of the CCDF final rule. The ACF sets five criteria for a statistically valid and reliable market rate survey, including the following benchmarks.

A "statistically valid and reliable" survey

- includes the priced child care market,
- contains complete and current data,
- represents geographic variation,
- uses rigorous data collection procedures, and
- analyzes data in a manner that captures market differences (CCDF, 2016).

Two data sources were used for all estimates related to child care market rates and provider practices in this report. The primary data source is the administrative data available through Utah's child care resource and referral network, Care About Childcare. The administrative data is the source for estimates of the distribution of monthly market rates for full-time child care by age group, type of child care provider, and for the state and disaggregated geographical regions. The secondary data source used in this report is a market rate survey, administered by the Department of Workforce Services Office of Child Care from September through December 2020. The market rate survey is used to estimate additional variations in the child care market including the frequency and amount of registration fees or other fees, the subsidy acceptance rates and subsidy-related practices of child care providers, and the cost of care at providers meeting higher quality standards. The process of data collection and analysis for each data set and its relationship to the ACF criteria for a statistically valid and reliable survey is explained in the data descriptions below.

## *Section 2.1: Administrative data*

Care About Childcare (CAC) is the child care resource and referral network in Utah. Six regional CAC agencies document the regulated child care providers in their areas, maintain communication with providers, and support providers and consumers in local child care markets. The CAC database used in this report is the current record of regulated child care providers in Utah and their prices reported through direct contact with CAC agencies.

### *Study Population*

The population of interest for this report is the priced, regulated child care market in the state of Utah. According to the ACF, the target of the market rate study is the market for child care for which providers charge a price established through an arm's length transaction. In the ACF definition, "arm's length" describes a transaction in which the relationship between consumer and provider does not affect the price charged for services. Although the CAC database includes some information about license-exempt and other providers, only priced and regulated child care facilities are included in the study population in order to align with the ACF specification.

The CAC database identifies the full population of priced and regulated child care providers at a point in time. Three types of providers are included: Center Licensed, Family Licensed, and Residential Certificate.

Center Licensed facilities supply care in a commercial setting, on a regular schedule, and with enrollment capacity determined by the facility size and number of caregivers.

Family Licensed facilities supply care in the provider's home with enrollment capacity set relative to one or two caregivers in the facility.

Residential Certificate facilities supply care in the provider's home and meet a lower standard than licensed providers for group size, caregiver training, and outdoor equipment (Utah Department of Health Child Care Licensing, n.d., Utah Department of Workforce Services Office of Child Care, 2021).

Throughout the study these three groups are evaluated separately to reflect important market and regulatory distinctions between the provider types.

### *Complete and Current Data*

The CAC database used in this study identifies the full population of the priced and regulated child care market as of January 2021. CAC agencies update facility-level information on an annual basis, including the monthly market rate for full-time care, enrollment capacity, and other characteristics. In order to meet the standards for complete and current data, the sample used for this study includes observations from the CAC database that have up-to-date reported market rates, capacity by age group, and geographically identifying information such as county or zip code. Observations with these elements reported between January 2020 and January 2021 were included in the sample.

Consistent contact between the CAC agencies and local providers through web, email, and telephone ensures a high response rate in the CAC data. Overall, the CAC data sample used in the study represents 96 percent of the priced and regulated child care market in Utah. Table 2.1 below reports the response rate for the CAC data by provider type, where response rate is defined as the share of the target population with complete and current data in the CAC database.

*Table 2.1: CAC Database Population, Sample and Response Rate*

| | "Priced, Regulated Child Care Market CAC database Population (N)" | "CAC database Complete Observa-tions CAC Sample (n)" | "CAC Database Response Rate (n/N)" |
|---|---|---|---|
| Center Licensed | 343 | 323 | 94.2% |
| Family Licensed | 750 | 729 | 97.2% |
| Residential Certificate | 69 | 65 | 94.2% |
| Total | 1162 | 1117 | 96.1% |

### *Geographic Variation*

The high response rate in the CAC database conveys geographic representation in the sample. The study population encompasses 25 counties in the state of Utah. The CAC sample includes 95 percent or more of the provider population for 21 of these counties. Of the remaining counties, three have response rates between 86 and 89 percent; one county has a zero percent response representing a population that includes just a single Family Licensed provider. Appendix A Table A1 reports the CAC database response rate by county for the priced, regulated child care market overall and by type of provider.

More than half of the counties in the state are characterized by a low provider population, with a population of three or fewer facilities in one or more provider types. The prevalence of low provider populations within counties and the existence of population centers that span multiple counties elicit geographic aggregation at a level higher than the county level for the analysis in this study.

In this report geographic variation is examined across two types of regional delineation. Both groupings are established based on economic and demographic characteristics of Utah counties. The first geographic delineation is rural and urban markets. The second geographic delineation includes six regional clusters defined by metropolitan and nonmetropolitan statistical areas. The county designations of urban or rural and metropolitan and nonmetropolitan statistical areas follow the designations of the United States Office of Management and Budget (OMB) (OMB, 2020). The OMB tracks, defines, and periodically reviews statistical areas based on the presence of population centers and the economic integration of surrounding areas. The regional delineation based on market integration such as commuting ties suggests that the MSA distinctions are suitable for approximating child care markets for the purpose of this study.

Urban and rural variation in market rates and other provider characteristics is reported throughout the study. For some age groups and provider types the differences are substantial. These findings indicate that distinct markets exist among urban and rural communities. Section 5 of this report disaggregates the urban and rural markets to the six metropolitan and nonmetropolitan statistical areas. Variations in these regional markets provides further information about differences in access and affordability to child care throughout the state.

### *Capturing Other Market Differences*

The CAC database includes sufficient current and complete data for reporting child care market rates across dimensions including child age group, provider type, and geography. Variations along these dimensions are reported throughout the study.

All reported market rates and other provider practices are weighted following the CCDF recommendation to examine prices per child care slot. For this report, a child care slot represents a unit of enrollment available to consumers in the child care market, or the number of children served. Weighting by slot proportionally increases the representation of larger providers in order to better reflect the market as consumers encounter it.

The capacity information in the CAC database is recorded by CAC representatives who communicate directly with providers in their region. During annual reporting, the CAC representative asks the provider to disclose the available slots in each age group, or the number of children they are willing to enroll. Some providers enroll fewer children than their legal capacity. For those providers, the weight represents the preferred level of enrollment.

The market rates reported from CAC data are weighted by the provider capacity for each age group. For Center Licensed facilities, prices are reported for six age groups and capacities are reported for five age groups. For Family Licensed and Residential Certificate child care facilities, prices are reported for six age groups and capacities are reported for two age groups. As a result, for some child age categories, the capacity weights represent broader age groups than the reported market rate. For example, market rates for 3-year-olds, 4-year-olds, and 5-year-olds at Center Licensed facilities are weighted by the single reported capacity for preschool and kindergarten-aged children.

## *Section 2.2: Market Rate Survey Data*

The secondary data source for this report is a market rate survey. While the CAC database provides the most complete information about market rates for full-time child care available in the state, it lacks information related to other differences in the child care market. The market rate survey provides a complementary data set that contributes a more comprehensive understanding of provider practices in Utah and supports the objectives of the study for Utah's Department of Workforce Services Office of Child Care and the CCDF.

### *Survey Instrument Design*

The market rate survey instrument is the product of collaboration between the study authors and Utah's Department of Workforce Services Office of Child Care, with consultation from the Office of Child Care Advisory Committee, Early Childhood Utah, the Care About Childcare resource and referral network, and a focus group of providers in the local child care market.

The survey instrument was developed to capture market rates charged in a variety of payment modes (monthly, weekly, daily, and hourly), rates for part-time care and care in nonstandard hours, the pervasiveness and dollar value of additional fees such as registration fees, and the subsidy acceptance and other subsidy-related practices of child care providers. In addition to the consumer price and access information listed above, the survey instrument included questions related to suppliers' costs for implementation of health, safety, quality, and staffing requirements. These cost of care questions make it possible to establish the conditions for equal access defined by the CCDF final rule and included in the Narrow Cost Analysis in Section 6 of this report. Finally, the survey instrument was designed to meet the criteria for a statistically valid and reliable survey outlined by the CCDF, including information that enables estimates by child age, provider type, and geographic region, and appropriate variables for weighting the data.

Stakeholders including the Office of Child Care Advisory Committee, Early Childhood Utah, Child Care Resource and Referral agencies, and a focus group of providers reviewed an initial draft of the survey instrument and provided comments regarding its wording, organization, and implementation. These stakeholder suggestions were integrated into the final draft of the survey. Some of the most important contributions from this community were suggested revisions to the survey introduction and to specific survey questions to ensure they were easily understood and relevant. Another important change that resulted from communication between Utah's Office of Child Care, the CAC network, and providers, was a change to the survey period. The initial survey period was planned for June through August 2020, but disruptions in the child care market due to COVID-19 emergency conditions created an unusual and uncertain period for parents and providers. In order to accommodate the challenges facing Utah's child care market, the survey period was delayed and extended.

Utah's child care market rate survey was administered from September through December 2020. It was implemented as a web-based survey with information about the survey's purpose and importance, links to access the survey, a confidentiality statement, and the timeline for completion initially communicated via email. Nonrespondents received follow-up emails and providers with technical or other questions were directed to contact the survey administrator or their local CAC agency. To increase response rates, providers that completed the survey online received the added incentive of a free training voucher through CAC.

### *Survey Population*

The market rate survey targeted the full population of the priced and regulated child care market at the time of the survey period. This population was defined as the full study population identified in the CAC database on September 1, 2020, the initial date of survey distribution. The survey was sent to all Center Licensed, Family Licensed, and Residential Certificate providers.

### *Complete and Current Data*

The market rate survey data sample (MRS data) includes respondents to the market rate survey with no missing data for the key variables in the analysis: reported market rates, capacity by age group, and geographically identifying information such as county or zip code. Providers had to report market rates by age group in at least one mode to be considered complete. In addition, complete observations had to include the provider's preferred capacity by age group in order to appropriately weight the data by available child care slot. Some observations with reported market rates and capacities but missing geographically identifying information were referenced against the CAC population data and Utah's Child Care Licensing database to update the geographic variables manually. All incomplete observations were excluded from the sample. Duplicate observations were identified by IP address and facility license number and excluded from the sample. All responses to the market rate survey reported provider characteristics at the time of the survey, from September 1 through December 31, 2020.

Table 2.2 below reports response rates for the market rate survey by provider type, where response rate is defined as the share of the survey's target population with complete and current data in the MRS data sample. A total of 741 complete observations are included in the MRS sample, a response rate of 63.9 percent. Response rates are highest for Center Licensed facilities, at 69.3 percent, followed by Family Licensed facilities at 63 percent. Residential Certificate providers have the lowest response rates to the survey at just 47 percent.

***Table 2.2: Market Rate Survey Population, Sample and Response Rate***

| | Priced, Regulated Child Care Market CAC database Population (N) | MRS Population | MRS Complete Observations MRS Sample (n) | Survey Response Rate (MRS Sample/MRS Population) |
|---|---|---|---|---|
| Center Licensed | 343 | 345 | 239 | 69.3% |
| Family Licensed | 750 | 746 | 470 | 63.0% |
| Residential Certificate | 69 | 68 | 32 | 47.1% |
| Total | 1162 | 1159 | 741 | 63.9% |

The MRS target population aligns closely with the total population of the priced and regulated child care market in the state defined by the CAC database in January 2021. The modest differences between the two populations result from facility openings and closures between September 1 and December 31, 2021. Because the populations are aligned, the survey response rate is comparable to its representativeness of the market. Taking the survey sample as a share of the full population from the CAC database suggests that the MRS data represents 63.8 percent of the priced and regulated child care market in the state of Utah.

The MRS data sample shows evidence of convergent validity when compared to findings from the CAC data. A comparison of the estimated median monthly market rate for child age groups that are consistent across the two data sets shows little discrepancy between the two. Table

2.3 below presents the results of this comparison.

***Table 2.3: Rate discrepancy between the CAC data and MRS data at the 50th percentile of market rates for common age groups***

| Center Licensed Facilities, Monthly Rates for Full-time Care in Utah | | | |
|---|---|---|---|
| | 2 years old | 3 years old | 4 years old |
| 50th percentile, CAC data | $765 | $700 | $689 |
| 50th percentile, MRS data | $765 | $700 | $680 |
| Rate discrepancy | 0% | 0% | -1.3% |
| Family Licensed Facilities, Monthly Rates for Full-time Care in Utah | | | |
| | 2 years old | 3 years old | 4 years old |
| 50th percentile, CAC data | $650 | $620 | $600 |
| 50th percentile, MRS data | $650 | $600 | $600 |
| Rate discrepancy | 0% | -3.2% | 0% |
| Residential Certificate Facilities, Monthly Rates for Full-time Care in Utah | | | |
| | 2 years old | 3 years old | 4 years old |
| 50th percentile, CAC data | $500 | $500 | $500 |
| 50th percentile, MRS data | $565 | $500 | $500 |
| Rate discrepancy | 13.0% | 0% | 0% |
| Source: author's calculations from the MRS data sample and CAC data | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | |
| Rate discrepancy describes the deviation of the market rate survey results as a percentage of the 50th percentile of market rates reported in the CAC database. | | | |

Providers reported monthly market rates and capacities for finer age group divisions in the market rate survey than in the CAC database for children under two and children five and older. Only groups for children ages two, three, and four are consistent across the two data sets. Among Center Licensed facilities, there is no difference between the 50th percentile of market rates for monthly, full-time child care in the CAC and MRS data for two and three-year-olds, and the monthly market rate for four-year-olds differs by just 1.3 percent. Among Family Licensed facilities there is no difference between the 50th percentile of market rates for monthly, full-time child care in the two data sets for two and four year olds, and the market rate for three-year-olds differs by 3.2 percent. Residential Certificate providers show the greatest rate discrepancy between the two data sets and are the provider type with lowest representation in the MRS data sample. For Residential Certificate providers, the 50th percentile market rates for two-year-olds is 13 percent higher in the MRS data compared to the CAC data, but the market rates for three and four-year-olds show no difference at the median. Overall, the evidence for convergent validity supports use of the MRS data sample, with greater reliability and representativeness for Center Licensed and Family Licensed facilities.

### *Geographic Variation*

The market rate survey responses include observations from every county in the study population. The MRS data sample represents 75 percent or more of the provider population in more than half of the 25 counties in the study. It represents 50 percent or more of the provider population in 24 out of these 25 counties. Like the sample overall, Center Licensed facilities are best represented in the data followed by Family Licensed and Residential Certificate. Appendix A Table A1 reports the extent to which the MRS data sample represents the total provider population by county and type of provider for the priced, regulated child care market in Utah.

The MRS data sample is sufficiently representative to estimate geographic differences between urban and rural portions of the state. Rural counties are better reported in the data, with 82 percent of providers in the rural market represented in the MRS sample compared to 62 percent of the urban market. Smaller geographic delineations were not used for the MRS sample because of the availability of the CAC database for market rate estimates at the regional level.

Urban and rural variation in the market rates and other provider characteristics targeted by the market rate survey is reported throughout the study.

### *Capturing Other Market Differences*

The MRS data provides information across multiple dimensions of Utah's child care market. The market rates for monthly full-time child care reported from the CAC data are complemented by the greater detail achieved in the market rate study, including more finely grained age categories, a variety of payment modes, part-time care, and care during nonstandard hours. The MRS data sample is also the most current and complete data source for evaluating provider practices around subsidy acceptance and copayment requirements, and additional charges like registration fees. As with the CAC data, variations in these dimensions are reported by child age group, provider type, and for rural and urban geographies throughout the report. The MRS data also includes several variables related to providers' implementation of health, safety, quality, and staffing requirements. Section 6: Narrow Cost Analysis employs these variables to estimate the availability of child care options that meet a subset of the standards set by Utah's Child Care Quality System frameworks, and to estimate the adequacy of subsidy payment rates for accessing care from providers that meet these standards.

All reported market rates and other provider practices are weighted following the CCDF recommendation to examine prices per child care slot. The market rate survey specifically asked providers to report desired or preferred capacities distinctly from their maximum legal capacities. The preferred capacities are used to weight the data in order to represent the actual enrollment opportunities available to consumers in the child care market. Market rates reported by age group are weighted by the available slots for the specific age group being measured. Other provider practices that are reported at the facility level are weighted by the sum of available slots for all child age groups, or the total desired capacity of the provider.

# SECTION 3: MARKET RATES

The tables in this section report the monthly market rate for full-time child care in Utah for each of six child age groups. The market rate describes the price that child care providers charge to households for services. Market rates are reported at the 10th, 25th, 50th, 60th, 75th, and 90th percentiles to depict prices across the market rate distribution. Each table reports monthly full-time market rates by child age group, provider type, and for rural, urban, and statewide geographies.

Providers' reported rates are weighted by the number of available child care slots, or children served, to appropriately reflect the prices encountered by consumers in the market. All estimates are based on the CAC data.

***Table 3.1: Monthly Market Rate Percentiles for Full-time Child Care for Children Ages 0 to 24 Months***

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 265 | $740 | $827 | $936 | $936 | $999 | $1,172 |
| Rural | 30 | $630 | $758 | $925 | $936 | $1,100 | $1,536 |
| Urban | 235 | $745 | $828 | $936 | $936 | $988 | $1,172 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 720 | $525 | $600 | $700 | $700 | $740 | $840 |
| Rural | 78 | $480 | $600 | $700 | $700 | $710 | $800 |
| Urban | 642 | $540 | $600 | $700 | $700 | $745 | $845 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 63 | $450 | $500 | $542 | $598 | $650 | $800 |
| Rural | 3 | $500 | $500 | $575 | $575 | $596 | $596 |
| Urban | 60 | $440 | $500 | $542 | $600 | $650 | $805 |
| Source: author's calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table 3.2: Monthly Market Rate Percentiles for Full-time Child Care for Children Age Two Years*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 308 | $600 | $660 | $765 | $765 | $819 | $964 |
| Rural | 33 | $540 | $615 | $765 | $825 | $965 | $1,436 |
| Urban | 275 | $609 | $671 | $765 | $765 | $814 | $964 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 726 | $500 | $563 | $650 | $650 | $685 | $775 |
| Rural | 78 | $480 | $558 | $650 | $650 | $675 | $758 |
| Urban | 648 | $500 | $565 | $650 | $650 | $690 | $775 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 64 | $400 | $430 | $500 | $525 | $600 | $700 |
| Rural | 3 | $500 | $500 | $575 | $575 | $596 | $596 |
| Urban | 61 | $400 | $430 | $500 | $500 | $645 | $735 |
| Source: author's calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table 3.3: Monthly Market Rate Percentiles for Full-time Child Care for Children Age Three Years*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 317 | $550 | $620 | $700 | $700 | $756 | $939 |
| Rural | 34 | $475 | $585 | $700 | $825 | $965 | $1,440 |
| Urban | 283 | $560 | $623 | $700 | $700 | $752 | $911 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 729 | $500 | $550 | $620 | $620 | $650 | $740 |
| Rural | 78 | $460 | $550 | $620 | $620 | $650 | $750 |
| Urban | 651 | $500 | $550 | $620 | $620 | $650 | $736 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 64 | $400 | $415 | $500 | $500 | $600 | $650 |
| Rural | 3 | $500 | $500 | $575 | $575 | $596 | $596 |
| Urban | 61 | $400 | $415 | $500 | $500 | $600 | $693 |
| Source: author's calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table 3.4: Monthly Market Rate Percentiles for Full-time Child Care for Children Age Four Years*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 318 | $547 | $600 | $689 | $689 | $752 | $924 |
| Rural | 34 | $475 | $568 | $689 | $825 | $965 | $1,440 |
| Urban | 284 | $548 | $602 | $689 | $689 | $745 | $898 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 729 | $485 | $544 | $600 | $610 | $650 | $710 |
| Rural | 78 | $460 | $550 | $610 | $610 | $650 | $700 |
| Urban | 651 | $500 | $541 | $600 | $610 | $650 | $715 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 64 | $400 | $400 | $500 | $500 | $600 | $650 |
| Rural | 3 | $500 | $500 | $542 | $542 | $575 | $575 |
| Urban | 61 | $400 | $400 | $500 | $500 | $600 | $693 |
| Source: author’s calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table 3.5: Monthly Market Rate Percentiles for Full-time Child Care for Children Age Five Years*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 316 | $540 | $585 | $675 | $675 | $729 | $905 |
| Rural | 33 | $450 | $568 | $675 | $825 | $965 | $1,440 |
| Urban | 283 | $540 | $585 | $675 | $675 | $714 | $878 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 729 | $476 | $527 | $600 | $600 | $640 | $700 |
| Rural | 78 | $460 | $550 | $600 | $600 | $650 | $700 |
| Urban | 651 | $477 | $525 | $600 | $600 | $630 | $700 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 63 | $360 | $400 | $500 | $500 | $600 | $650 |
| Rural | 3 | $500 | $500 | $542 | $542 | $575 | $575 |
| Urban | 60 | $360 | $400 | $500 | $500 | $600 | $735 |
| Source: author’s calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table 3.6: Monthly Market Rate Percentiles for Full-time Child Care for Children Ages Six Years and Older*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 253 | $400 | $500 | $580 | $607 | $620 | $700 |
| Rural | 24 | $450 | $525 | $585 | $585 | $620 | $1,198 |
| Urban | 229 | $400 | $500 | $580 | $610 | $620 | $700 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 715 | $450 | $500 | $575 | $580 | $600 | $700 |
| Rural | 77 | $450 | $519 | $575 | $600 | $606 | $690 |
| Urban | 638 | $450 | $500 | $575 | $580 | $600 | $700 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 63 | $300 | $400 | $445 | $500 | $575 | $650 |
| Rural | 3 | $500 | $500 | $542 | $542 | $575 | $575 |
| Urban | 60 | $280 | $400 | $440 | $500 | $575 | $735 |
| Source: author's calculations from the CAC database | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

# SECTION 4: REGISTRATION FEES AND OTHER FEES

Registration fees and other mandatory fees pose a consumer cost on top of the market rate for child care services. In order to evaluate the full financial responsibility of households with children in care, it is necessary to evaluate the existence, frequency, and amount of mandatory fees. In the market rate survey providers reported details about a range of fees charged in addition to the base rate for services, including registration fees and fees charged for curriculum, transportation, food and meals, supplies, and trips or events.

Registration fees are the most common type of fee imposed in addition to the market rate for care. Table 4.1 reports the presence of registration fees by provider type and for state, rural, and urban markets. Center Licensed facilities are the most likely to charge a registration fee, with 87 percent of available slots in the market for Center Licensed care associated with a registration fee. A smaller share of Family Licensed and Residential Certificate facilities charge a registration fee, though registration fees are the most common type of fee among these provider types as well.

Registration fees are most likely to be charged at the time of enrollment. Consumers encounter registration fees at enrollment for 81.5 percent of the Center Licensed market, 32.8 of the Family Licensed market, and 19.9 percent of the market for Residential Certificate care. Annual registration fees are less common for each of the three provider types. Center Licensed facilities are the most likely to charge registration fees annually, with 29.5 percent of available child care slots associated with annual fees.

Among those providers charging a registration fee at enrollment, the median enrollment fee charged by Center Licensed providers is $50. The median registration fee at enrollment in Family Licensed facilities is $40. Residential Certificate providers that charge a registration fee at enrollment report the highest median fee at $100. However, reported fees at the upper end of the distribution range as high as $600 at the time of enrollment. For families with care options with registration fees above the median and for those with multiple children in care, registration fees can pose a significant expense.

*Table 4.1: Frequency and Expense of Registration Fees*

| | ***Any Registration Fee*** | | ***Registration Fee Charged at Enrollment*** | | ***Registration Fee charged Annually*** | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Percent Charging | Percent Charging | Median Enrollment Fee | Percent Charging | Median Enrollment Fee |
| Statewide | 193 | 87.0% | 81.5% | $50 | 29.5% | $50 |
| Rural | 26 | 76.1% | 73.9% | $30 | 8.1% | $30 |
| Urban | 167 | 88.1% | 82.2% | $50 | 31.7% | $50 |
| Family Licensed | unweighted n | Percent Charging | Percent charging | Median Enrollment Fee | Percent Charging | Median Enrollment Fee |
| Statewide | 312 | 33.9% | 32.8% | $40 | 6.5% | $50 |
| Rural | 38 | 15.4% | 15.4% | $25 | 3.9% | $35 |
| Urban | 274 | 37.1% | 35.8% | $40 | 7.0% | $50 |
| Residential Certificate | unweighted n | Percent Charging | Percent charging | Median Enrollment Fee | Percent Charging | Median Enrollment Fee |
| Statewide | 17 | 19.9% | 19.9% | $100 | 11.0% | $100 |
| Rural | 3 | 0.0% | 0.0% | | 0.0% | |
| Urban | 14 | 25.7% | 25.7% | $100 | 14.2% | $100 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

Table 4.2 reports the frequency of additional fees for child care services, including curriculum fees, transportation fees, food or meal fees, fees for supplies, event or trip fees, and any other fees charged by providers.

Among all provider types and geographic regions, these other fees are less prevalent than registration fees. There is some observable variation by provider type in the types of fees imposed. Event or trip fees and transportation fees are among the most common fees for Center Licensed and Family Licensed providers. Providers report that event or trip fees are charged on a per-event basis and not part of regular billing for care. Transportation fees are more likely to be part of regular billing. Center Licensed facilities are more likely than other provider types to report other fees not listed in Table 4.2. Other fees include fees for early drop off and late pick up, fees for potty training, and fees for diapers and other supplies not included in a regular supply fee.

*Table 4.2: Frequency of Additional Fees for Child Care Services*

| Center Licensed | unweighted n | Curriculum Fees | Transportation Fees | Food/ Meal Fees | Supply Fees | Event/ Trip Fees | Any Other Fees |
|---|---|---|---|---|---|---|---|
| Statewide | 182 | 6.7% | 17.5% | 2.2% | 10.2% | 55.2% | 20.0% |
| Rural | 28 | 14.4% | 26.2% | 0.0% | 11.7% | 42.2% | 40.0% |
| Urban | 154 | 5.7% | 16.4% | 2.5% | 10.0% | 56.7% | 17.2% |
| Family Licensed | unweighted n | Curriculum Fees | Transportation Fees | Food/ Meal Fees | Supply Fees | Event/ Trip Fees | Any Other Fees |
| Statewide | 311 | 4.1% | 10.3% | 0.3% | 4.9% | 10.8% | 3.3% |
| Rural | 40 | 0.0% | 15.1% | 0.0% | 3.3% | 9.9% | 2.3% |
| Urban | 271 | 4.9% | 9.4% | 0.3% | 5.2% | 10.9% | 3.5% |
| Residential Certificate | unweighted n | Curriculum Fees | Transportation Fees | Food/ Meal Fees | Supply Fees | Event/ Trip Fees | Any Other Fees |
| Statewide | 18 | 0.0% | 0.0% | 8.7% | 2.5% | 2.5% | 2.5% |
| Rural | 3 | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Urban | 15 | | | 10.9% | 3.1% | 3.1% | 3.1% |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | |

# SECTION 5: ACCESS AND AFFORDABILITY

Two key objectives of the partnership between Utah's Office of Child Care and the CCDF are to help parents make informed consumer choices and to provide equal access to stable and high-quality child care (CCDF, 2016). The market rates reported in Section 3 of this report provide critical information for understanding the child care market and household access to child care services. In this section, we build on that analysis to enhance our understanding of consumer choices and equal access by evaluating variations in the child care market by provider type, geographic region, and other factors.

Section 5.1 examines the issues of consumer choice and access for subsidy-eligible households by reporting the rates of subsidy acceptance and other subsidy-related business practices by provider type at the state level and for rural and urban regions within the state. We find that broad acceptance of the Department of Workforce Services (DWS) child care subsidy expands household access to child care. Section 5.2 evaluates the geographic differences in market rates for regions defined by metropolitan statistical area and for the nonmetropolitan portion of the state. Further analysis contrasts these geographical differences in the child care market to differences in prices overall, revealing how child care markets may depart from other regional price trends. Finally, Section 5.3 considers how geographic variation in household-level factors like income and poverty relate to consumer choice and access to affordable child care options.

## Key findings in this section include:

- **The vast majority of providers are willing to accept the DWS child care subsidy and do not limit enrollment of subsidized children.** More than 98 percent of Center Licensed and Family Licensed child care slots in Utah are accessible with the subsidy. More than 86 percent of Residential Certificate child care slots in the state are accessible with the subsidy.
- **Market rates vary by region, especially for Center Licensed care.** The nonmetropolitan portion of Utah and the Salt Lake City metropolitan statistical area face the highest market rates for full-time center licensed care. In the nonmetropolitan region, market rates rise as much as 32 percent above the state level. There is some variation in the market for Family Licensed care, where rates are highest in the Provo-Orem metropolitan statistical area at 15 percent above the state level for school aged children.

- **In a majority of Utah counties, full-time child care for a single child costs households between 10 and 20 percent of the median annual income.** This finding is consistent across rural and urban counties and for all child age groups.

## Section 5.1: Subsidy acceptance, copayments, and payments in excess of the subsidy rate

Utah's Department of Workforce Services administers the child care subsidy program for eligible households. The subsidy program expands access to care by helping families cover the cost of child care. Subsidy payments are sent directly to providers, with a copayment from the family based on the household size and income. Eligible families that choose providers whose market rate is higher than the subsidy and copayment pay the additional fees out of pocket.

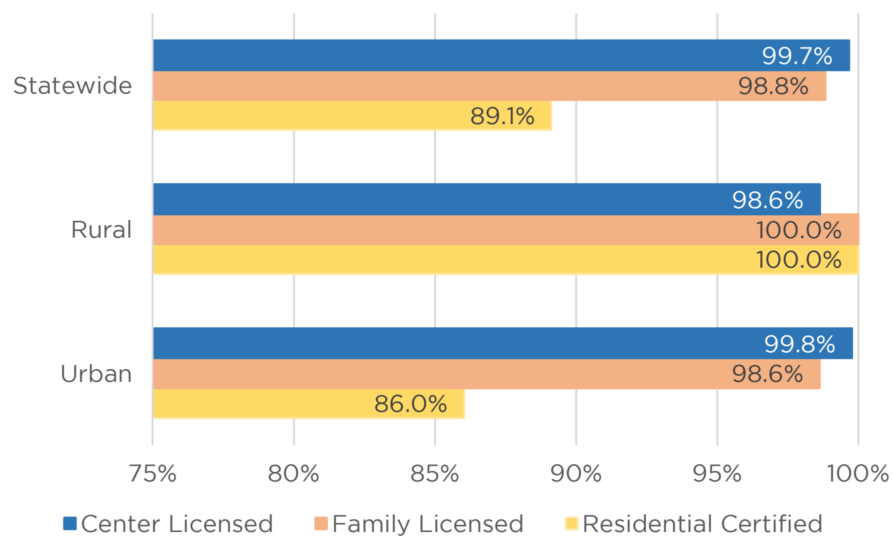
The DWS Office of Child Care temporarily waived the copayment responsibilities of subsidized households beginning on May 1, 2020 as part of the agency's response to the impact of COVID-19 on child care markets. Under this temporary policy the Office of Child Care covers all copayment costs associated with the child care subsidy program. Pending approval, ongoing evaluation of this waiver by the DWS will determine the timeline for returning the copayment obligation to households.

A series of questions related to subsidy acceptance and related fees were included in the Market Rate Survey in order to assess the effectiveness of the DWS subsidy in expanding access and affordability in the child care market. This section reports the results from that survey.

### *Subsidy acceptance*

Across the state and in rural and urban areas, the vast majority of all available child care slots in the market can be secured by eligible families using the DWS subsidy payment. Overall, 99.7 percent of Utah's Center Licensed child care options accept the DWS subsidy payment for services. The acceptance rate for Family Licensed care is 98.8 at the state level. Residential Certificate child care options have the lowest subsidy acceptance rate, though at 89.1 percent it still represents broad access to care for subsidy-eligible households.

***Figure 5.1: Share of Child Care Market That Accepts Subsidy Payment***



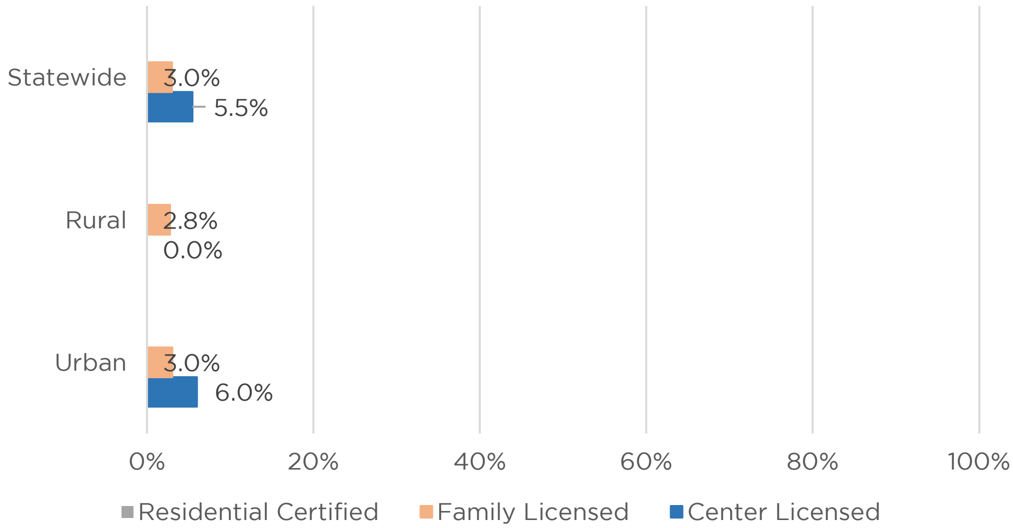

Source: author's analysis of MRS data

Weighted estimates: percentages describe shares of the child care market defined by available slots

### *Limits on the number of subsidized children accepted*

Very few providers report placing limits on the number of children in care paying in part or in whole with the DWS subsidy. No respondents among Residential Certificate providers reported limiting acceptance of subsidized children. As a result, just a small share of the available child care slots in the state face this constraint. As a share of the market, just 5.5 percent of Center Licensed, 3 percent of Family Licensed, and zero percent of Residential Certificate child care options are associated with limitations on enrollment of subsidized children. These low rates are consistent within rural and urban geographies.

*Figure 5.2: Share of Child Care Market That Limits Subsidized Children*



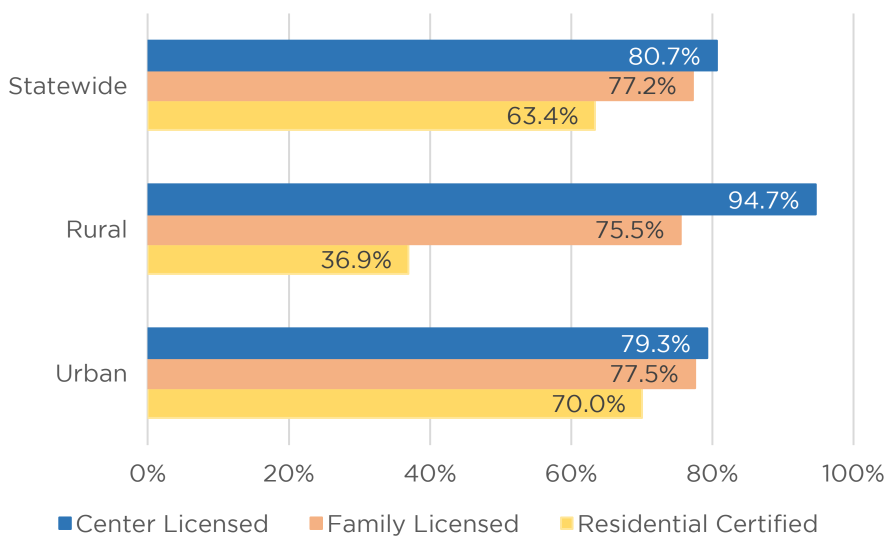

Source: author's analysis of MRS data
Weighted estimates: percentages describe shares of the child care market defined by available slots

### *Copayment*

Copayment amounts are determined by the DWS based on household size and income, with households with income at or below the federal poverty line paying no copayment. These copayments are distinct from the rate differential between the provider price and the subsidy amount, so that families may owe both a copayment and additional charges to the child care provider. On May 1, 2020, the DWS temporarily waived the assessment of copayments for subsidized households as a form of financial relief for low-income households. At this time DWS reimburses providers for all copayment costs associated with the child care subsidy program.

Providers in the Market Rate Survey were asked whether they require families with a DWS-determined copayment to pay the amount established. In the market for Center Licensed care, 80.7 percent of available child care slots require the copayment when a copayment is applicable. The share of the urban market that requires this copayment is 79.3 percent, while the share in rural markets is higher at 94.7 percent. In the market for Family Licensed child care, 77.2 percent of available slots statewide do require the copayment with minor differences in rural and urban geographic markets. Residential Certificate providers are least likely to require the copayment. Just 63.4 percent of available slots in the Residential Certificate child care market at the state level require the copayment, with a much lower percentage in rural areas at 36.9 percent requiring the payment compared to 70 percent in urban markets.

***Figure 5.3: Share of Child Care Market That Requires Copayment***



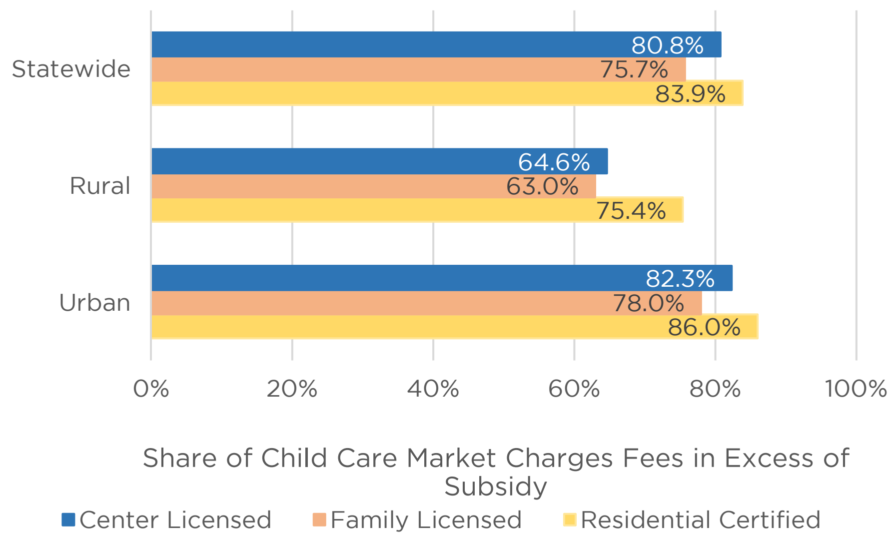

Source: author's analysis of MRS data
Weighted estimates: percentages describe shares of the child care market defined by available slots

### *Payments in excess of subsidy*

Subsidy-eligible households that choose child care providers whose rates are higher than the subsidy and copayment amounts are responsible for paying the additional expense. Across child care markets these payments in excess of the subsidy are generally applied to the consumer by providers, although they are less common in rural markets than in urban markets or statewide. At the state level, 80.8 percent of Center Licensed options, 75.7 percent of Family Licensed options, and 83.9 percent of Residential Certificate options require payments in excess of the subsidy when a differential exists. Consumers in rural markets are less likely to face this requirement, with 64.6 percent of Center Licensed, 63.0 percent of Family Licensed, and 75.4 percent of Residential Certificate child care options associated with the charge.

Figure 5.4 reports the share of the market answering 'yes' to the survey question "If your price for care is greater than the amount DWS pays (including the DWS copayment, if any), do you charge parents the difference?" In addition to yes and no answers to this question, 9 percent of the Center Licensed, 6 percent of Family Licensed, and 1 percent of the Residential Certificate markets were associated with providers who answered 'other' than yes or no responses. Many of the providers in this 'other' category indicated a case-by-case approach that considered the amount of the difference between subsidy and market rate and the circumstances of the household seeking care.

*Figure 5.4: Share of Child Care Market That Requires Payments in Excess of Subsidy*




Source: author's analysis of MRS data

Weighted estimates: percentages describe shares of the child care market defined by available slots

## Section 5.2: Regional price differences

Geographic differences in market rates distinguish child care markets across the state and, as a result, consumer choice and access to affordable care deviates between regions. This section disaggregates the rural/urban geographic areas in Utah to look at differences in monthly market rates for full time care and subsidy acceptance rates for six regions.

The regions used for analysis in this section are defined by the Office of Management and Budget (OMB) and integrated into the statistical area definitions of the Bureau of Economic Analysis (BEA) (United States Bureau of Economic Analysis, n.d.). They include five metropolitan statistical areas (MSAs) and one nonmetropolitan area. The MSAs are Logan (Cache County), Ogden-Clearfield (including Box Elder, Davis, Morgan and Weber Counties), Provo-Orem (including Juab and Utah Counties), Salt Lake (Salt Lake and Tooele Counties), and St. George (Washington County). The remaining counties comprise the nonmetropolitan portion of the state.

The OMB/BEA regional delineations are useful for evaluating child care markets for several reasons. First, they provide the opportunity for disaggregated analysis at geographic levels below the rural/urban distinction used throughout the other sections of this report. Second, the MSA and nonmetropolitan areas reduce the limitations associated with county-level data in areas with few providers. Rural counties in particular are likely to have a low provider population. According to the population of the priced, regulated child care market detailed in the CAC database, there are 15 counties in Utah with three or fewer Center Licensed providers and nine counties with three or fewer Family Licensed providers. There are four counties in the state with zero providers in the Center Licensed market and two counties with zero providers in the Family Licensed market. The MSA and nonmetropolitan levels of aggregation combine low-provider-population areas to promote a greater range of analytical power. Finally, using the BEA statistical area definitions makes it possible to compare deviations in child care market rates between regions to deviations in the overall price level, as defined by the regional price parity estimates from the BEA.

The monthly rate estimates for full-time child care reported in this section are calculated from the CAC database. The response rate for the CAC data provides a high degree of representativeness at the MSA/nonmetropolitan level with regional response rates in the database ranging from 86.7 to 100 percent. The completeness of the CAC data, outlined in Table 5.1 below, yields a high degree of reliability for the regional market rate estimates and comparisons provided in this section.

*Table 5.1: Response Rates by Region, CAC database*

| | Center Licensed | Family Licensed |
|---|---|---|
| Utah State | 94.2% | 97.2% |
| Nonmetropolitan Portion | 94.4% | 96.3% |
| Logan MSA | 100.0% | 96.7% |
| Ogden-Clearfield MSA | 97.3% | 97.8% |
| Provo-Orem MSA | 100.0% | 98.5% |
| Salt Lake City MSA | 92.0% | 97.4% |
| St. George MSA | 86.7% | 90.3% |
| Source: author's calculations from the CAC database | | |

***Regional Market Rates for Center Licensed and Family Licensed Care***

Figures 5.5 and 5.6 show the extent to which regional market rates deviate from the statewide level, with the regional difference expressed as a percentage of the market rate for care at the 75th percentile of the market statewide. These maps represent the divergence in market rates between regions and the resulting differences in the affordability of child care across the state. Supporting data tables reporting the monthly market rate for full-time child care at Center Licensed and Family Licensed facilities, and the deviation from state market rates are available in Appendix C.

***Center Licensed Child Care***

As shown in Figure 5.5, two regions in Utah stand out for their consistently higher monthly market rates for full-time, Center Licensed child care for children ages five and younger: the nonmetropolitan portion of the state and the Salt Lake City MSA.

At the 75th percentile, the market rate for full-time infant care (ages 0 to 24 months) in the nonmetropolitan and Salt Lake City regions is 10 percent higher than the state's market rate.

The nonmetropolitan region features the highest market rates and the greatest positive differences from rates at the state level for children ages two to five. The market rate for full-time Center Licensed care in the nonmetropolitan portion is 17.8 percent higher than the state for children aged two, with the differential increasing with child age up to a 32 percent higher market rate in for children aged five. Center Licensed child care for these age groups is costlier to families in the nonmetropolitan portion of Utah than in any other region in Utah.

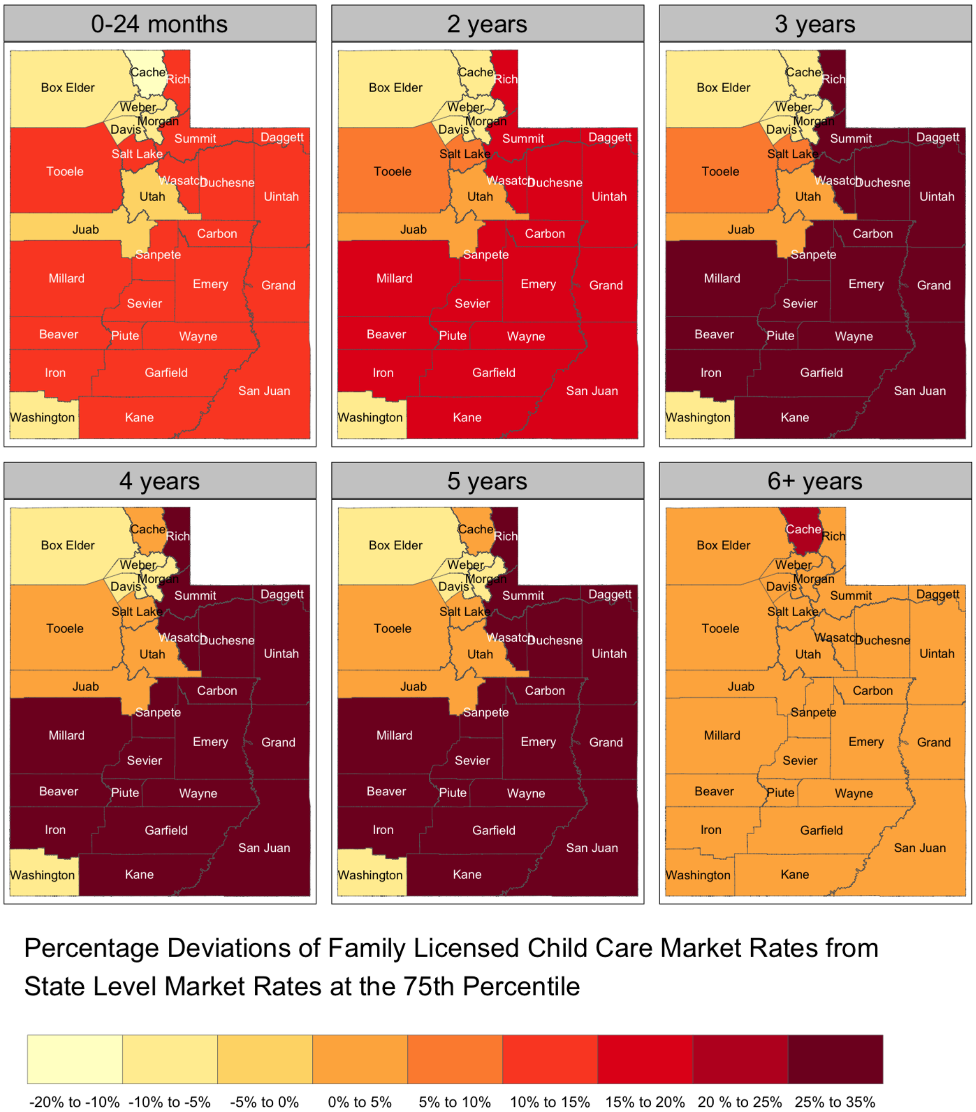
Households in the Salt Lake City MSA face the second-highest market rates for full-time Center Licensed care for children ages two to five, with regional rate differences by age group ranging between four and nine percent above the 75th percentile for the state.

Market rates in the Ogden-Clearfield and St. George MSAs are consistently lower than at the state level for children under age six.

In the maps below, the nonmetropolitan portion of the state stands out for its extraordinarily high prices for care of two- to five-year-olds. For school-aged children, Center Licensed care shows little regional variation except for the Logan MSA with market rates 21.8 percent above almost every other region in the state.

See Appendix C Tables C1 and C2 for supporting data.

*Figure 5.5: Regional Rate Differences from the State Level at the 75th percentile, Full-time Center Licensed Care*




Source: author's calculations from the CAC database
Note: The deviations from state level market rates are calculated according to the statistical area definitions including Metropolitan Statistical Areas and the Nonmetropolitan portion of the state.

### *Family Licensed Child Care*

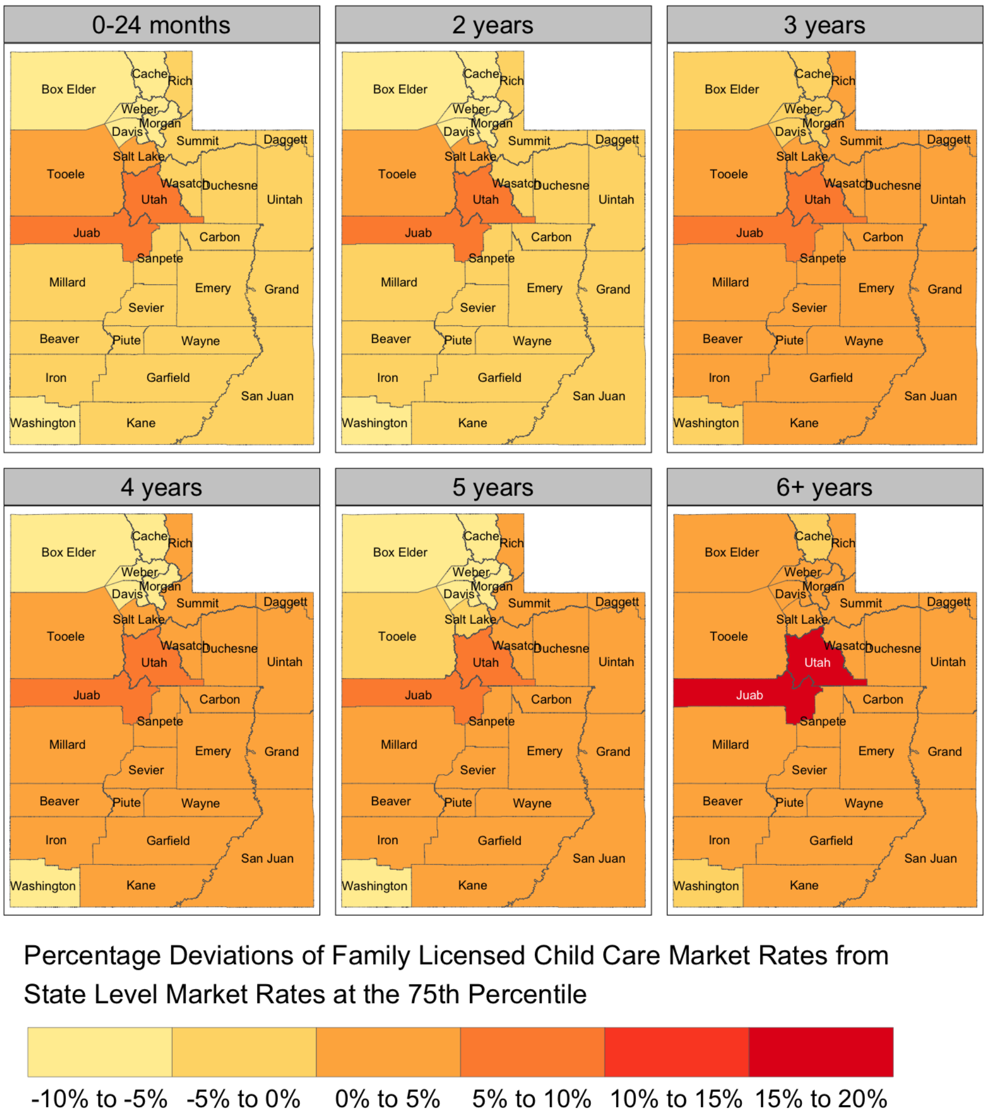
The market for full-time, Family Licensed child care is notably different from the market for Center Licensed care.Figure 5.6 reveals that the regions paying higher market rates for Family Licensed child care are not consistent with the Center Licensed market and the extent of deviation from the state-level rates is lower in general.

Across all age groups, the highest market rates for full-time, Family Licensed child care occur in the Provo-Orem MSA. The 75th percentile of market rates in Provo-Orem ranges from 7.7 percent above the state level rates for children aged 4 to 15.2 percent above the state market rates for children ages six and older. The only other positive rate differentials among regions occur in the Salt Lake City MSA for children ages two and under and in the nonmetropolitan portion of the state for children ages five and older. Unlike in the Center Licensed market, the positive deviations from the state rates in Salt Lake City and the nonmetropolitan region are relatively small, ranging from 1.0 to 2.2 percent, and the regions are not consistently higher priced across age groups. The most extreme differential between regional market rates and the state for Family Licensed Care – the 15.2 percent difference between the 75th percentile market rate in Provo-Orem and the rate in Utah overall for ages six and older – is approximately half of the size of the greatest deviation found in the market for Center Licensed care.

The Logan, Ogden-Clearfield, and St. George MSAs evince market rates that are consistently lower than the state-level at the 75th percentile. Moreover, market rates in these three regions are equal at the 75th percentile for four out of the six age groups in the data, and differences between regions in the remaining two age groups are small.

The maps below highlight a greater regional consistency in market rates for Family Licensed child care, except for the Orem-Provo MSA. See Appendix C Tables C3 and C4 for supporting data.

***Figure 5.6: Regional Rate Differences from the State Level at the 75th percentile, Full-time Family Licensed Care***




Source: author's calculations from the CAC database

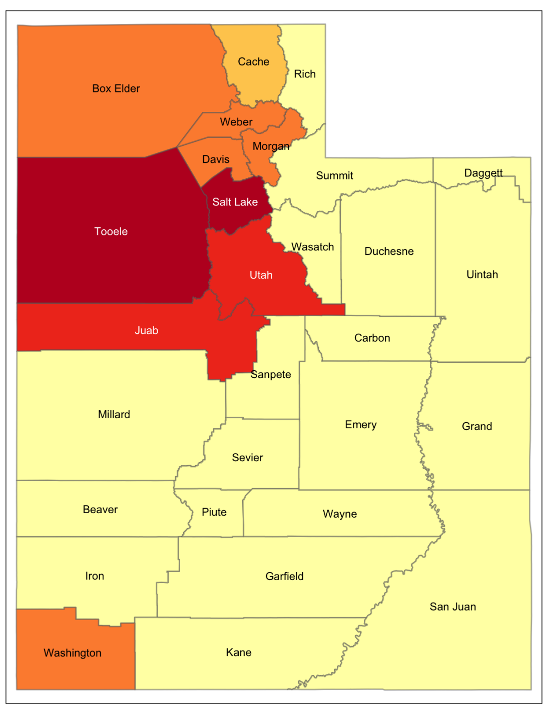
Note: The deviations from state level market rates are calculated according to the statistical area definitions including Metropolitan Statistical Areas and the Nonmetropolitan portion of the state.

### *Comparing child care market rates to average prices by region*

The deviations in child care market rates do not reflect general differences in regional price levels, indicating that child care markets are impacted by economic factors that pull them away from average price trends.

State and regional average price differences for goods and services are measured in the BEA's Regional Price Parity (RPP) index. This measure offers a useful scale for the relative price differences faced by the average consumer of goods and services across regions (US BEA, 2021). The RPP can be used to evaluate differences in the buying power of a dollar by region and thus the relative affordability or expense of the area. The BEA publishes RPPs as a percentage of the national price level. In the table and figure below, these RPPs are scaled to show differences in regional prices as a percentage of average prices in the state of Utah.

***Figure 5.7: Regional Price Parities for 6 Regions in Utah as a Percentage of Average Prices in Utah***




Regional cost of living differences relative to the state levels

93.4 % ; Nonmetropolitan Portion
94.2 % ; Logan MSA
97.7 % ; St. George MSA & Ogden-Clearfield MSA
99.8 % ; Provo-Orem MSA
102.2 % ; Salt Lake City MSA

Source: BEA Regional Price Parities by State and Metro Region, 2019 and author's calculations

According to the Regional Price Parities calculated by the BEA, the average price level deviates across the state in a range from 6.6 percentage points below the state average in the nonmetropolitan portion of the state, to 2.2 percentage points above the state average in the Salt Lake City MSA. This variation in affordability by region is markedly narrower than the variation in child care market rates, which range from 19.4 percent below the state level to 32.4 percent above for Center Licensed care.

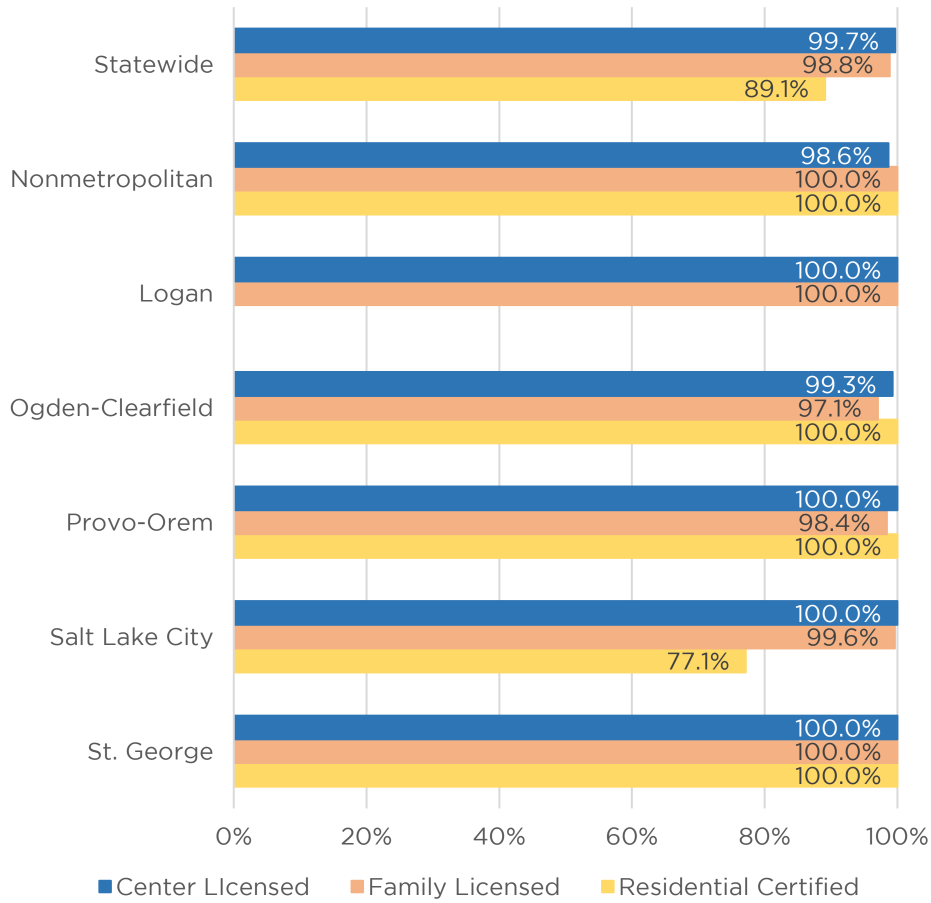
Notably, the nonmetropolitan portion of Utah shows the lowest RPP for all items in the state, with the average price level for the region 6.6 percentage points below the state average. In the child care market, however, the nonmetropolitan region faces the highest market rates in the state for Center Licensed care for children under six.

The Salt Lake City MSA is the region with the highest average price level, with average prices 2.2 percentage points above the state average. The Salt Lake City region is also among the highest priced regions for Center Licensed care for children under six and for Family Licensed care for children ages two and younger. Yet in the market for Center Licensed care, market rates in Salt Lake City are up to 10 percent higher than the state level. The double burden of higher average prices and even higher child care market rates make access and affordability a crucial issue in the Salt Lake City region.

***Subsidy acceptance and coverage by region***

Providers' willingness to accept the DWS child care subsidy is of principle interest for state efforts to improve access to child care, especially where higher market rates pose a challenge to affordability. The broad willingness among providers to accept payment through the subsidy program provides some evidence for the efficacy of this approach. The subsidy acceptance rates outlined in Section 5.1 above are further disaggregated below in Figure 5.8 to show that a consistently high share of the child care market is accessible to subsidy eligible households across regions. In each of the six regions evaluated, 97 percent or more of the available child care slots at Center Licensed and Family Licensed facilities can be paid in part or full using the DWS subsidy. The lower rate in the market for Residential Certificate care can be attributed to a lower willingness to accept the subsidy in the Salt Lake City MSA.

*Figure 5.8: Share of Child Care Market That Accepts Subsidy Payment by Region*




Source: author's analysis of MRS data
Weighted estimates: percentages describe shares of the child care market defined by available slots

The other factor affecting the ability of the subsidy program to improve access to care is the extent to which the subsidy covers the market rates encountered by households. The variability observed in regional prices means that Utah's statewide subsidy rates cover fewer care options in some regions. The subsidy amount will cover the full market rate for a smaller percentage of care options in markets where a larger portion of the market charges rates greater than the subsidy amount. These regions will include those with higher market rates at the 75th percentile (like the nonmetropolitan and Salt Lake City regions in the market for Center Licensed care), as well as markets where a larger share of provider rates are clustered above the subsidy rate but below the 75th percentile (like Provo-Orem, where the monthly market rate for full-time Center Licensed care shows little difference from the state level but which shows subsidy coverage rates among the lowest in Table 5.2 below). Raising the statewide subsidy in 2021 will increase the share of child care options fully covered by the subsidy for all regions.

***Table 5.2: Share of Center Licensed Market Fully covered by 2020 DWS Subsidy by Region***

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Nonmetropolitan | 66% | 58% | 58% | 55% | 58% | 76% |
| Logan | 100% | 77% | 77% | 37% | 37% | 41% |
| Ogden-Clearfield | 88% | 91% | 74% | 79% | 81% | 86% |
| Provo-Orem | 51% | 40% | 42% | 52% | 49% | 69% |
| Salt Lake City | 51% | 56% | 57% | 61% | 63% | 82% |
| St. George | 96% | 78% | 91% | 91% | 91% | 75% |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |

***Table 5.3: Share of Family Licensed Market Fully Covered by 2020 DWS Subsidy by Region***

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Nonmetropolitan Portion | 75% | 69% | 65% | 66% | 65% | 59% |
| Logan MSA | 88% | 87% | 85% | 87% | 87% | 80% |
| Ogden-Clearfield MSA | 81% | 78% | 74% | 77% | 80% | 69% |
| Provo-Orem MSA | 60% | 58% | 50% | 51% | 53% | 47% |
| Salt Lake City MSA | 60% | 61% | 55% | 60% | 65% | 54% |
| St. George MSA | 83% | 78% | 85% | 85% | 87% | 80% |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |

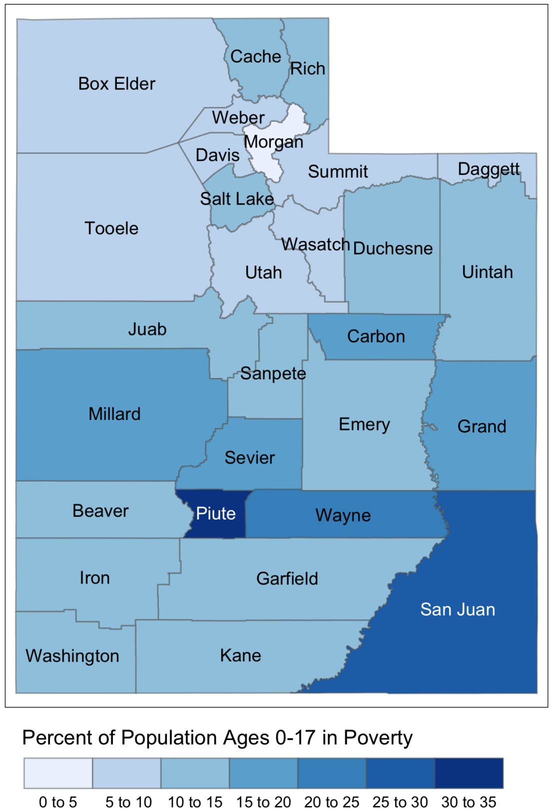
## Section 5.3: Income and access to affordable child care

For most households, the price of child care is only one-half of the equation determining the affordability of stable, quality child care. The other key variable is income. In this section we use data from the US Census Small Area Income and Poverty Estimates (SAIPE) to provide greater context to questions of child care access and affordability.

According to the US Census American Community Survey, the poverty rate for the state of Utah was among the lowest in the nation at 8.9 percent in 2019 (US Census American Community Survey, 2020). However, smaller area estimates reveal a great deal of regional disparity within the state with poverty rates that range from a low of 4.0 percent in Morgan County to a high of 21.9 percent in San Juan County (US Census SAIPE, 2020). Child poverty rates range even higher. Figure 5.9 below presents a map of poverty rates for Utah's population ages 17 and younger drawn from the SAIPE county data. Eight counties have poverty rates for ages 0 to 17 below the state poverty rate (Morgan, Summit, Wasatch, Davis, Tooele, Daggett, Weber, and Utah), with poverty rates for minors from 4.3 percent in Morgan County to 8.4 percent in Utah County. Young people in all other counties in the state have higher poverty rates, with the highest poverty rate for Utahns ages 17 and younger at 30.9 percent in Piute County.

The broad willingness of child care providers across regions to accept subsidy payments shown in Figure 5.8 means increased access to child care options for households with children living in poverty. However, regions with higher market rates and higher poverty rates, like the nonmetropolitan portion of the state and the Salt Lake City MSA, face additional challenges to accessibility.

*Figure 5.9: Percent of Population Ages 0 to 17 in Poverty*



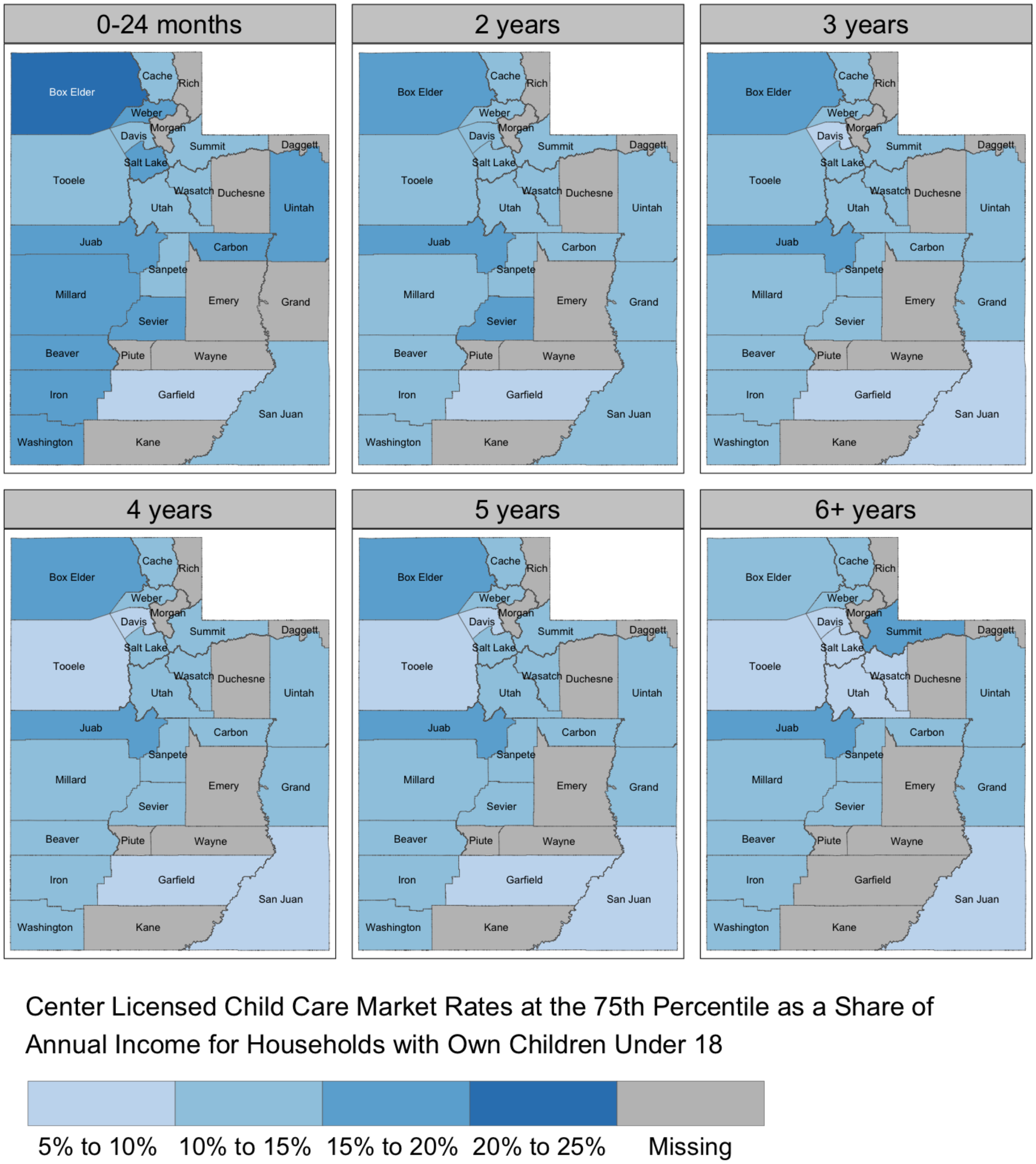

Source: US Census Small Area Income and Poverty Estimates

The proportion of income that households spend on child care offers further context for understanding regional differences in access to child care. In Figures 5.10 and 5.11 below, we map the affordability of child care by county using the SAIPE household income data for households with own children present. The share of income spent on child care represented in these figures expresses the 75th percentile of the county-level market rate for full-time care in Center Licensed or Family Licensed facilities as a share of the median income for households living with their own children under age 18 within that county. This proportion tells us the percentage of annual income the median household with children spends on child care each year.

In the market for Center Licensed care, infant care can cost up to 20 percent of household income per year. Households in just over half of the counties in the analysis pay between 15 and 20.6 percent of income for full time care of children ages 0 to 24 months at a Center Licensed facility. Infant care at Family Licensed facilities may require an even larger proportion of income, up to 25 percent, but fewer counties fall into the range of this higher proportion.

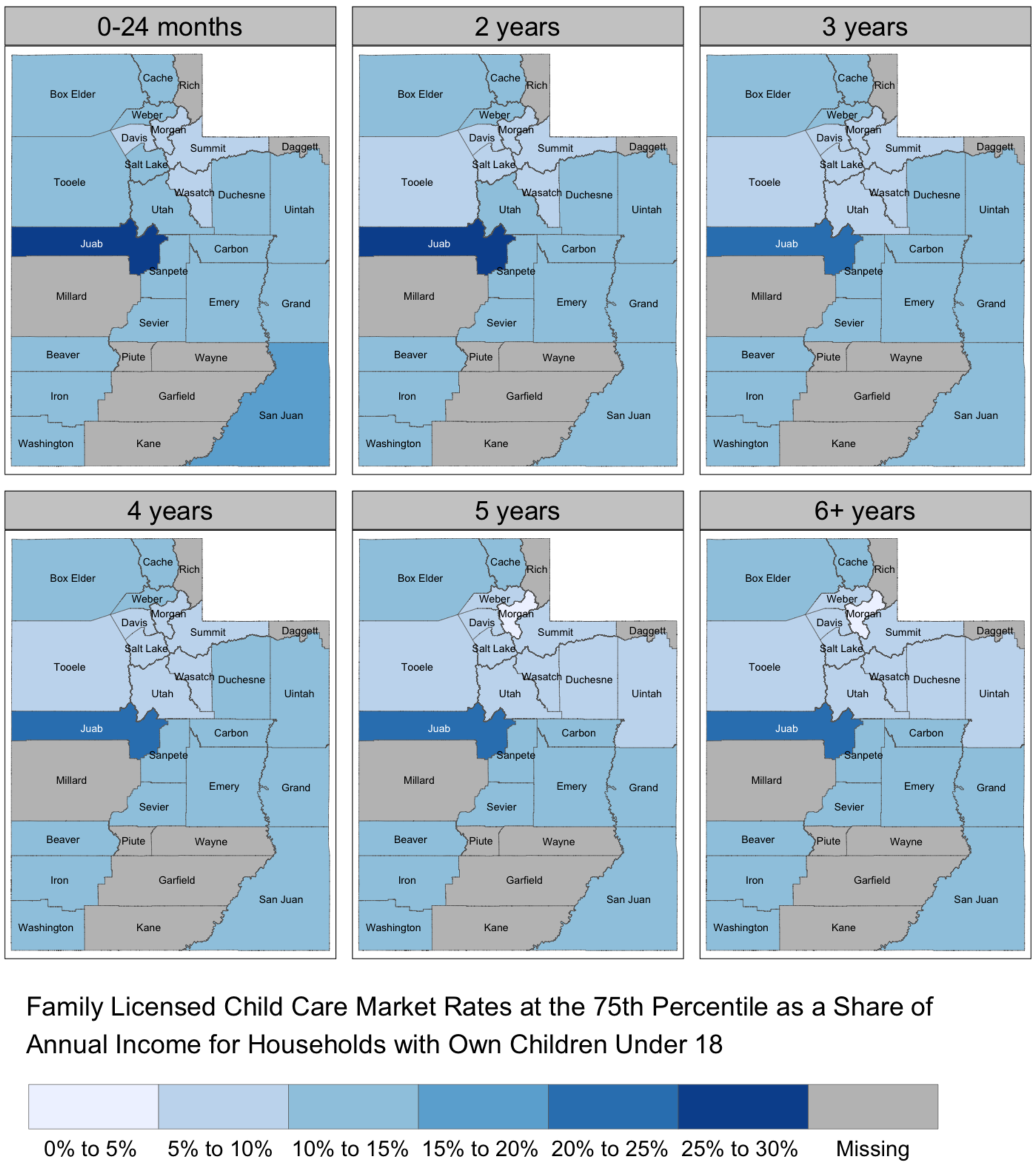
In the majority of counties, households pay between 10 and 20 percent of annual income for one child in Center Licensed care. Households are more likely to pay between 10 and 15 percent of annual income for a child in Family Licensed care. This finding is consistent across rural and urban counties. And while the share of income spent on child care edges downward as children age, the cost of care for even school-aged children amounts to 10 percent or more of the median household income in the majority of counties in the state.

*Figure 5.10: Proportion of household income spent on Center Licensed child care among households with own children present*




Source: author's calculations from the CAC database and US Census Small Area Income and Poverty Estimates

*Figure 5.11: Proportion of household income spent on Family Licensed child care among households with own children present*




Source: author's calculations from the CAC database and US Census Small Area Income and Poverty Estimates

# SECTION 6: NARROW COST ANALYSIS

A narrow cost analysis is the CCDF-mandated analysis of providers' costs of implementing health, safety, quality, and staffing requirements, and an assessment of the cost of providing care that meets state quality benchmarks (CCDF, 2016). A narrow cost analysis differentiates between the market rates charged by providers and the expenditures necessary for providers to achieve standards of care that meet the objectives of the CCDF, including promoting the health and safety of children, providing equal access to stable, high quality child care for low-income children, and enhancing the quality of child care and the early childhood workforce. If financial constraints limit households' ability to pay for care at facilities meeting higher quality standards, then providers' market rates will not reflect those costs. For this reason, evaluating market rates alone does not yield sufficient information to evaluate access to high quality-rated care. The narrow cost analysis focuses on the relationship between cost and quality to inform state agencies' subsidy determination with the goal of providing subsidized households with equal access to a range of child care options that is comparable to that of non-subsidized households in scope and quality.

The analysis in this section uses the MRS data and other publicly available data sources to assess the relationship between cost and quality. The market rate study is focused on prices rather than costs, but the survey did include key factors that influence the cost of care such as staff-child ratios and other features of facilities and programs. The cost of meeting higher quality standards is inferred from evaluating market rate differentials associated with a selection of quality indicators based on Utah's Office of Child Care's quality rating system, the Child Care Quality System framework or CCQS. Limited MRS data and public data related to provider costs are introduced to connect the market rate differentials to the cost of care at providers that report meeting these quality standards, including wage data from the Bureau of Labor Statistics and the market rate survey.

The quality indicators in this section align with the CCDF definition of high-quality care by utilizing benchmarks from the CCQS that reflect the costs of implementing health, safety, quality, and staffing requirements. Section 6.1 introduces the quality indicators, reports their availability by child age, provider type, and for rural and urban geographies, and documents the gap in market rates for full-time care at the 75th percentile for providers who report meeting the quality threshold versus those who do not. Section 6.2 assesses the accessibility of care from providers that meet the higher quality standards by estimating the share of providers that report meeting the CCQS quality benchmarks with market rates that can be fully covered with a subsidy set at the 75th percentile of the market rate for the state.

Key findings from this analysis include the following.

- Not all indicators of high quality-rated care are associated with higher market rates. The direct personnel expenses of reducing staff-child ratios and hiring a facility director with more education are associated with higher market rates, as are the costs associated with achieving national accreditation. However, TOP star certification and lower group sizes are not necessarily associated with higher consumer prices for Center Licensed facilities in the child care market.
- An estimate of increasing personnel costs shows that facilities moving from the legal standard for staff-child ratios to the higher quality standard in Utah's CCQS will incur annual cost increases between $120 and $900 per child.
- A subsidy set at the 75th percentile of market rates in Utah overall provides broad access to child care services that meet one or more benchmarks for high quality-rated care. At the state level, between 70 percent and 86 percent of providers that report meeting higher quality criteria for at least one of the indicators examined in this section have a market rate at or below the 75th percentile.

### *Section 6.1: Indicators of high quality-rated child care, market availability and rates*

Utah began implementation of its Child Care Quality System (CCQS) in 2019. The CCQS sets quality benchmarks based on research-backed practices that improve child outcomes including cognitive, social, and emotional development (Utah Department of Workforce Services Office of Child Care, n.d.). These benchmarks are tied to a point allocation framework according to five domains: health and safety, learning environments and relationships, leadership and professional development, management and administration, and national accreditation. The quality indicators used in this narrow cost analysis represent the CCQS framework in these domains.

Disruptions in the child care market in 2020 associated with COVID-19 emergency conditions forced a revision to the CCQS implementation timeline. On June 1, 2020, the Office of Child Care stopped accepting new applications from Center Licensed facilities and extended existing quality ratings for Center Licensed facilities through summer 2021. The CCQS for Family Licensed facilities has not been implemented to date. As a result of this interruption there is limited data available on the quality ratings achieved by Utah facilities. As an alternative to CCQS administrative data, the market rate survey included questions related to the CCQS indicators for high quality-rated care and the cost of provision. The analysis in this section is based on this MRS data and supplementary public data sources.

***Quality Indicator: TOP Star Endorsed Facilities***

TOP Star stands for Teaching Obesity Prevention in Childcare Settings. The program was developed by the Utah Department of Health in collaboration with multiple partners to provide training and technical assistance related to nutrition and physical activity. Providers earn endorsement through the TOP Star program by attending training and participating in assessment and program planning activities. Providers' costs of achieving TOP Star endorsement may include expenditures on personnel and materials, such as staff time dedicated to the program requirements and potential investments in new dietary provisions, changes to the facility environment, and the introduction of new activities.

Utah's CCQS framework awards quality points for participation in TOP Star in the domain of health and safety for both Center Licensed and Family Licensed providers. A complete list of endorsed facilities is publicly available on the program website (Utah Department of Health EPICC Program). The publicly available information was merged with the MRS data sample for the analysis in this section.

Table 6.1 reports the share of Center Licensed and Family Licensed providers that have earned TOP Star endorsement in Utah by child age group and for rural and urban geographies. TOP Star endorsement is more prevalent among Center Licensed facilities, with 16 to 25 percent of the providers in the Center Licensed child care market holding current TOP Star endorsements, compared to less than 10 percent of Family Licensed providers. TOP Star endorsed child care options are also more common in urban locations. Notably, there are no TOP Star endorsed facilities among Family Providers in the rural portion of the state.

*Table 6.1: TOP Star Endorsed Center Licensed and Family Licensed Providers as a Share of the Market*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 0-12 months | 19.9% | 14.1% | 20.6% | 5.7% | 0.0% | 6.5% |
| 1 year | 21.9% | 14.8% | 22.7% | 4.8% | 0.0% | 5.7% |
| 2 years | 21.4% | 16.0% | 21.9% | 8.4% | 0.0% | 10.2% |
| 3 years | 21.3% | 8.7% | 22.6% | 7.3% | 0.0% | 8.8% |
| 4 years | 20.8% | 10.9% | 21.8% | 7.0% | 0.0% | 8.6% |
| 5 years, not in kindergarten | 20.1% | 14.1% | 20.8% | 6.4% | 0.0% | 8.1% |
| 5 years, kindergarten | 19.7% | 10.3% | 20.4% | 6.8% | 0.0% | 9.0% |
| 5 years, kindergarten summer | 17.6% | 9.7% | 18.5% | 6.0% | 0.0% | 8.2% |
| 6-9 years | 25.0% | 8.6% | 26.3% | 5.0% | 0.0% | 6.6% |
| 6-9 years, summer | 22.5% | 9.2% | 23.6% | 9.1% | 0.0% | 11.9% |
| 10-12 years | 18.1% | 13.6% | 18.5% | 2.7% | 0.0% | 3.5% |
| 10-12 years, summer | 16.0% | 12.4% | 16.4% | 3.4% | 0.0% | 4.5% |
| Source: author's calculations from publicly reported TOP Star endorsement and MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

Despite the potential costs associated with achieving TOP Star endorsement, the relationship between this quality indicator and the market rate for child care is not consistent between Center Licensed and Family Licensed providers. Table 6.2 compares the 75th percentile of market rates for TOP Star endorsed facilities with those that are not endorsed. In the market for Center Licensed care, the 75th percentile of market rates for TOP Star endorsed facilities is less than or equal to the rate for those that are not endorsed in every child age group. Among Family Licensed providers, TOP Star endorsed facilities have higher market rates at the 75th percentile for all but one age group. These differences suggest that obstacles to endorsement differ between the two types of providers. In the market for Family Licensed child care, consumers interested in care that meets higher quality standards in this dimension of health and safety face the double barrier of limited availability and higher market rates.

*Table 6.2: Market Rates at the 75th Percentile by TOP Star Endorsement.*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | No TOP Star Endorsement | TOP Star Endorsed | unweighted n | No TOP Star Endorsement | TOP Star Endorsed |
| 0-12 months | 147 | $980 | $936 | 177 | $720 | $730 |
| 1 year | 152 | $988 | $936 | 194 | $720 | $730 |
| 2 years | 169 | $845 | $775 | 215 | $675 | $750 |
| 3 years | 177 | $770 | $721 | 219 | $650 | $750 |
| 4 years | 170 | $725 | $689 | 210 | $650 | $750 |
| 5 years, not in kindergarten | 148 | $690 | $689 | 167 | $650 | $750 |
| 5 years, kindergarten | 147 | $675 | $675 | 133 | $640 | $572 |
| 5 years, kindergarten summer | 109 | $700 | $675 | 109 | $640 | $750 |
| 6-9 years | 135 | $620 | $620 | 100 | $600 | $900 |
| 6-9 years, summer | 105 | $670 | $652 | 88 | $640 | $900 |
| 10-12 years | 107 | $620 | $620 | 72 | $600 | $900 |
| 10-12 years, summer | 84 | $700 | $652 | 65 | $645 | $900 |
| Source: author's calculations from publicly reported TOP Star endorsement and MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

***Quality Indicator: Staff-Child Ratio***

The staff-child ratio indicates the number of adult caregivers per child in a particular classroom or home-based care setting by child age group. According to research from the National Institute of Child Health and Human Development, a lower number of children cared for by an individual provider is associated with a higher quality of interaction between child and adult and better child development outcomes (National Institute of Child Health and Human Development, 2006). Utah's CCQS sets a threshold for the staff-child ratio and awards points to providers at or above the threshold in the domain of Learning Environments and Relationships. The thresholds differ for Center and Family Licensed providers and by child age. The CCQS staff-child ratio thresholds are a higher standard than the licensing rules, creating a distinction among regulated providers that meet the higher quality threshold and those that do not. There are no CCQS thresholds for children younger than age two for this indicator. Some age groups are associated with two or more quality thresholds so that providers earn quality points for achieving one staff-child quality threshold and additional points for surpassing it.

Achieving staff-child ratios at the high-quality benchmark increases personnel costs for child care providers. According to estimates from the Bureau of Labor Statistics Occupational Employment Statistics, the median hourly wage for child care workers in Utah is $10.47 per hour (BLS OES, 2020). Adding an additional caregiver poses a median cost of $21,780 per year in wages before accounting for any available employee benefits. Since personnel costs are a key driver of overall child care costs – making up 70 to 80 percent of total provider expenditures – achieving high quality-rated care based on this benchmark creates significant additional expense (National Center on Early Childhood Quality Assurance and the National Center on Subsidy Innovation and Accountability, 2018).

Personnel costs are the main cost increase associated with achieving high-quality benchmarks for staff-child ratios. Measuring on a per-child basis shows how these costs increase when the ratio changes from the legal standard to the higher quality threshold. For example, the legal standard for the staff-child ratio in the two-year-old age group at a Center Licensed facility is 1/7. The annual per-child cost of a full time child care worker in this classroom at a facility paying the median wage is $21,780/7, or $3,111 per year. The high-quality benchmark for this same classroom is a staff-child ratio of 1/6. The per-child cost of the same worker at a facility meeting the high-quality standard is $21,780/6 or $3,630 per year. For a Center Licensed facility paying the median wage for child care workers in Utah, improving from the legal standard to the higher quality standard increases the per-child staffing cost by over $500 per year. In Table 6.3 the cost increase associated with moving from the legal standard to the higher quality standard for a facility paying the median child care worker wage is estimated for all age groups at Center Licensed and Family licensed facilities. The calculations in this table do not include any employee benefits available to child care workers, and thus offer a lower bound for the potential cost increase in each scenario.

*Table 6.3: Increase in Per-Child Personnel Costs at the High-Quality Standard for Staff-Child Ratios*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Legal Standard | High-Quality Standard | Cost Increase | Legal Standard | High-Quality Standard | Cost Increase |
| 2 years | $3,111 | $3,630 | $519 | $2,723 | $3,630 | $908 |
| 3 years | $1,815 | $2,178 | $363 | $2,723 | $3,630 | $908 |
| 4 years | $1,452 | $1,815 | $363 | $2,723 | $3,630 | $908 |
| 5 years, not in kindergarten | $1,089 | $1,452 | $363 | $2,723 | $3,630 | $908 |
| 5 years, kindergarten | $1,089 | $1,452 | $363 | $2,723 | $3,630 | $908 |
| 5 years, kindergarten summer | $1,089 | $1,452 | $363 | $2,723 | $3,630 | $908 |
| 6-9 years | $1,089 | $1,210 | $121 | $2,723 | $3,630 | $908 |
| 6-9 years, summer | $1,089 | $1,210 | $121 | $2,723 | $3,630 | $908 |
| 10-12 years | $1,089 | $1,210 | $121 | $2,723 | $3,630 | $908 |
| 10-12 years, summer | $1,089 | $1,210 | $121 | $2,723 | $3,630 | $908 |
| Source: author's calculations from BLS OES data, Utah Child Care Licensing Interpretation Manual, and Utah CCQS | | | | | | |

The market rate survey asked all providers to report their staff-child ratios by child age group. The survey question stipulated reporting based on used capacity rather than maximum capacity to distinguish providers with staff-child ratios that surpass the licensing standards. Table 6.4 shows the share of providers in Center Licensed and Family Licensed markets that report meeting the quality threshold for staff-child ratio established in the CCQS.

*Table 6.4: Share of Child Care Market that Reports Meeting the CCQS Quality Threshold for Staff-Child Ratio*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 2 years | 25.0% | 18.7% | 25.8% | 31% | 35% | 28% |
| 3 years | 38.7% | 51.5% | 37.1% | 27% | 25% | 28% |
| 4 years | 45.3% | 45.0% | 45.3% | 32% | 29% | 34% |
| 5 years, not in kindergarten | 52.3% | 43.9% | 53.9% | 31% | 39% | 27% |
| 5 years, kindergarten | 55.6% | 34.6% | 58.4% | 19% | 13% | 22% |
| 5 years, kindergarten summer | 44.7% | 42.5% | 45.0% | 18% | 27% | 14% |
| 6-9 years | 40.8% | 30.8% | 41.9% | 25% | 23% | 26% |
| 6-9 years, summer | 41.6% | 29.4% | 43.5% | 24% | 28% | 22% |
| 10-12 years | 42.3% | 38.2% | 42.8% | 11% | 3% | 15% |
| 10-12 years, summer | 45.9% | 43.3% | 46.5% | 9% | 5% | 11% |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

Center Licensed providers are more likely to report meeting the quality benchmark for staff-child ratio for all age groups except for children aged two years. For all age groups four years and older, 40 to 55 percent of Center Licensed care options in the sample report meeting the quality threshold. For Family Licensed facilities the availability of care from providers reporting that they meet the high-quality standard for staff-child ratio is lower for school aged children, especially for children ages 10 to 12 years.

The staffing costs associated with meeting the staff-child ratio quality threshold put upward pressure on the market rate for providers in this category. Table 6.5 reports the 75th percentile market rate for providers that report meeting the higher quality threshold for staff-child ratio and the rate for providers that report a staff-child ratio below the quality standard. In both the Center Licensed and Family Licensed care markets, the 75th percentile of market rates for providers that report meeting the quality threshold is higher for almost every age group. The gap can be significant, especially in the Center Licensed market where facilities the meet the high-quality benchmark for staff-child ratio may charge $100 to $300 more per month compared to providers that do not.

***Table 6.5: Market Rate at the 75th Percentile by Reported Staff-Child Ratio, Legal Standard and CCQS Quality Threshold***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold |
| 2 years | 86 | $905 | $915 | 46 | $675 | $675 |
| 3 years | 84 | $760 | $908 | 49 | $655 | $650 |
| 4 years | 76 | $768 | $783 | 41 | $660 | $625 |
| 5 years, not in kindergarten | 54 | $689 | $885 | 37 | $625 | $650 |
| 5 years, kindergarten | 58 | $675 | $795 | 34 | $600 | $660 |
| 5 years, kindergarten summer | 39 | $689 | $885 | 29 | $600 | $660 |
| 6-9 years | 59 | $620 | $620 | 30 | $600 | $600 |
| 6-9 years, summer | 38 | $638 | $775 | 28 | $600 | $616 |
| 10-12 years | 45 | $620 | $775 | 21 | $575 | $600 |
| 10-12 years, summer | 29 | $652 | $960 | 18 | $575 | $790 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

***Quality Indicator: Group Size***

Group size refers to the number of children within a designated classroom or group. Like the staff-child ratio, research from classroom observations shows that a smaller group size is associated with better quality care (NICHD, 2006). Utah's CCQS sets thresholds for group size by provider type and child age and allocates quality ratings points to providers in the domain of Learning Environments and Relationships. The CCQS does not establish quality benchmarks for group size for children under age two in Center Licensed care. In Family Licensed facilities, group size is established relative to one or two caregivers present and quality points for group size require providers to simultaneously meet the quality threshold for staff-child ratio.

Lower group sizes raise costs for child care providers if they require additional classrooms and personnel. When lower group sizes limit the enrollment capacity of providers, they may increase costs by reducing any cost savings attained through economies of scale, such as bulk purchases of food or materials. Additionally, costs calculated on a per-child basis may rise even if total costs remain the same when capital investments are spread over a smaller total capacity.

Providers reported the maximum group size used in practice to the market rate survey. The survey question specifically requested that providers indicate used capacity rather than maximum capacity to distinguish providers with group sizes that surpass the licensing standards.

Table 6.6 reports the share of the Center Licensed and Family Licensed markets that report achieving the quality threshold for group size established in the CCQS. According to this data, high-quality group size thresholds are available at the majority of child care options in the Center Licensed and Family Licensed markets. At least 70 percent of child care slots in the market report meeting the higher quality benchmark. The single exception is for children aged two in the Center Licensed market. Urban providers are more likely than rural providers to report achieving group sizes associated with the high-quality rating, but providers that report meeting the high-quality threshold in this dimension are well represented in both geographies.

***Table 6.6: Share of the Market that Reports Meeting the CCQS Quality Threshold for Group Size***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 2 years | 31.8% | 38.4% | 31.1% | 91% | 76% | 94% |
| 3 years | 75.2% | 74.7% | 75.3% | 91% | 79% | 93% |
| 4 years | 84.2% | 56.1% | 87.0% | 87% | 77% | 89% |
| 5 years, not in kindergarten | 86.2% | 67.3% | 88.8% | 82% | 66% | 85% |
| 5 years, kindergarten | 87.2% | 57.5% | 89.9% | 86% | 56% | 92% |
| 5 years, kindergarten summer | 87.8% | 59.5% | 91.0% | 77% | 43% | 83% |
| 6-9 years | 82.3% | 55.4% | 84.2% | 81% | 66% | 86% |
| 6-9 years, summer | 84.3% | 59.6% | 86.8% | 78% | 47% | 84% |
| 10-12 years | 86.9% | 47.4% | 90.2% | 76% | 50% | 82% |
| 10-12 years, summer | 79.6% | 50.8% | 83.2% | 70% | 20% | 78% |
| Source: author’s calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

Table 6.7 reports the 75th percentile of market rates for providers who report meeting the group size quality threshold. The additional costs for personnel and non-personnel expenses associated with meeting the group size quality threshold put upward pressure on the market rate for high quality-rated care in the market for Family Licensed care. In the market for Family Licensed care, the 75th percentile of market rates is higher for all age groups at facilities that report meeting the group-size quality benchmark. This relationship between the higher-quality standard and the

market rate is not the same for Center Licensed providers. In the market for Center Licensed care, for most age groups the 75th percentile market rate for providers that report meeting the higher-quality threshold is lower than that for providers who report they do not meet the high-quality standard.

***Table 6.7: Market Rate at the 75th Percentile by Reported Group Size, Legal Standard and CCQS Quality Threshold***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold |
| 2 years | 125 | $845 | $850 | 145 | 650 | 700 |
| 3 years | 125 | $750 | $770 | 148 | 620 | 663 |
| 4 years | 111 | $835 | $752 | 120 | 610 | 650 |
| 5 years, not in kindergarten | 74 | $900 | $689 | 67 | 600 | 675 |
| 5 years, kindergarten | 87 | $844 | $675 | 73 | 600 | 650 |
| 5 years, kindergarten summer | 54 | $885 | $700 | 54 | 600 | 650 |
| 6-9 years | 89 | $620 | $620 | 67 | 575 | 616 |
| 6-9 years, summer | 56 | $775 | $652 | 49 | 575 | 640 |
| 10-12 years | 67 | $775 | $620 | 47 | 575 | 640 |
| 10-12 years, summer | 46 | $844 | $736 | 35 | 575 | 640 |
| Source: author’s calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

***Quality Indicator: Education of Director or Licensee***

Research has shown a significant relationship between the educational attainment of caregivers and the quality of adult-child interactions and child development (NICHD, 2006). At the rank of Director or Licensee, higher levels of education and training can have a positive influence on the quality of program development and implementation, the professional development opportunities available for staff, and relationships between facilities and their communities (Morgan, 2000). Utah’s CCQS awards points in the domain of Leadership and Professional Development based on the educational attainment of the Director at a Center Licensed facility or the Primary Caregiver at a Family Licensed facility. Quality points are allocated for achieved, current, and ongoing professional training or formal education programs at multiple levels according to Utah's Career Ladder System.

The market rate survey asked providers to report the highest completed educational attainment of the Director at Center Licensed facilities and of the Licensee at Family Licensed providers. The survey also asked respondents to report the hourly wage or range of wages for these positions. Because of the limits of the survey medium, only completed formal educational attainment data was collected.

The quality threshold we use to evaluate this indicator is set at the level of an Associates degree for two reasons. First, on the CCQS framework, an Associates degree is the minimum educational attainment that does not require verified continuing education. Since the market rate survey did not track ongoing continuing education, a completed Associates degree provides the minimum quality threshold available in the MRS data. Secondly, there is a significant jump in the quality points awarded on the CCQS framework associated with an Associates degree compared to the Career Ladder achievement one level below. This large point-value increase is not present at other levels of educational attainment. The distinction in points awarded suggests that the CCQS treats the Associates degree as meaningfully linked to increasing quality.

The wage data available in the market rate survey data supports a comparison of the cost of employing a Center Director with an Associates degree or more education with the cost of employing a Center Director with lower levels of educational attainment. Any wages and salaries reported to the survey in monthly or annual modes were converted to hourly wages based on the convention of a 2,080-hour working year. Analysis of this MRS data reveals an hourly wage differential for Center Directors at higher levels educational attainment. For the broad categories of directors with less than an Associates degree and directors with an Associates degree or more education, the median wage increases from $18.00 per hour to $19.62 per hour. Center Licensed facilities that achieve this quality benchmark pay director wages nine percent higher than those that do not.

Table 6.8 presents the availability of child care at providers that report meeting this higher-quality education threshold in Center Licensed and Family Licensed child care markets for Utah and rural and urban geographies. While the majority of Center Licensed child care options in the market report meeting this criteria, the majority of Family Licensed options do not. This comparison holds true in both rural and urban regions of the state.

*Table 6.8: Share of the Market Reporting Director or Licensee with Educational Attainment of an Associates Degree or More*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 0-12 months | 62.6% | 68.8% | 61.8% | 39.5% | 50.0% | 37.9% |
| 1 year | 62.1% | 65.8% | 61.7% | 37.9% | 38.8% | 37.7% |
| 2 years | 62.8% | 68.9% | 62.2% | 41.5% | 44.1% | 40.9% |
| 3 years | 63.8% | 69.5% | 63.2% | 40.6% | 42.4% | 40.2% |
| 4 years | 60.9% | 70.5% | 59.7% | 42.0% | 42.8% | 41.8% |
| 5 years, not in kindergarten | 59.9% | 79.5% | 57.3% | 43.8% | 43.6% | 43.9% |
| 5 years, kindergarten | 59.1% | 73.0% | 57.9% | 40.9% | 40.0% | 41.2% |
| 5 years, kindergarten summer | 54.3% | 68.2% | 52.7% | 43.1% | 37.9% | 45.0% |
| 6-9 years | 58.5% | 74.8% | 57.2% | 41.4% | 29.7% | 44.9% |
| 6-9 years, summer | 59.8% | 72.7% | 58.7% | 44.0% | 32.8% | 47.2% |
| 10-12 years | 58.9% | 75.6% | 57.4% | 40.3% | 31.9% | 42.6% |
| 10-12 years, summer | 54.7% | 75.3% | 52.2% | 43.3% | 31.1% | 46.5% |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

The market rates for child care at providers that report Director or Licensee educational attainment of an Associates degree or more are consistently higher at the 75th percentile than the market rates at facilities that report not meeting this standard. Table 6.9 shows the 75th percentile market rates for providers that report meeting the quality threshold and the market rate for those providers that do not.

*Table 6.9: MRS Market Rate at the 75th Percentile for Providers Reporting Director or Licensee Educational Attainment of an Associates Degree or More*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold | unweighted n | Providers that Report Not Meeting the Quality Threshold | Providers that Report Meeting the Quality Threshold |
| 0-12 months | 131 | $936 | $1,054 | 142 | $700 | $745 |
| 1 year | 133 | $936 | $988 | 158 | $700 | $755 |
| 2 years | 147 | $780 | $905 | 176 | $650 | $700 |
| 3 years | 154 | $737 | $814 | 181 | $640 | $700 |
| 4 years | 147 | $689 | $775 | 173 | $625 | $663 |
| 5 years, not in kindergarten | 128 | $680 | $770 | 138 | $615 | $665 |
| 5 years, kindergarten | 127 | $675 | $680 | 111 | $620 | $650 |
| 5 years, kindergarten summer | 93 | $700 | $738 | 92 | $620 | $625 |
| 6-9 years | 115 | $620 | $620 | 87 | $600 | $621 |
| 6-9 years, summer | 91 | $650 | $671 | 76 | $600 | $640 |
| 10-12 years | 92 | $620 | $620 | 63 | $600 | $600 |
| 10-12 years, summer | 73 | $700 | $754 | 57 | $625 | $640 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

***Quality Indicator: Accreditation***

The final quality indicator we examine is national accreditation by a third-party accrediting body. National accreditation agencies like the National Association for the Education of Young Children (NAEYC) and the National Association of Family Child Care (NAFCC) set a variety of quality-related standards that enable high quality-rated providers to differentiate themselves in the market. Research has shown that accredited facilities are associated with greater school readiness and other positive developmental outcomes compared to non-accredited facilities (NICHD Early Childcare Research Network, 2002). Many of the standards are commensurate with those of state agency quality ratings systems, such as the CCQS domains of health and safety, learning environments and relationships, leadership and professional development, and management and administration. There are four accrediting bodies for the Center Licensed providers in this study associated with points in Utah's CCQS framework: NAEYC, National Early Childhood Program

Accreditation (NECPA), Council on Accreditation (COA), and the National Accreditation Commission (NAC). Family Licensed facilities are eligible for points on the CCQS framework associated with accreditation from the NAFCC.

A list of accredited programs is generally available on the website of the accrediting body. Public data on accredited providers in Utah from the NAEYC, NECPA, and COA websites were merged with the MRS for the analysis of Center Licensed facilities (NAEYC, NECPA, COA). No public data was available for the accrediting body for Family Licensed facilities, the NAFCC. Family Licensed providers self-reported their accreditation in the market rate survey.

National accreditation is less prevalent in Utah's child care market than any other quality indicator examined in this section. Table 6.10 reports the share of providers with reported accreditation in the market for Center Licensed and Family Licensed child care by age group and rural and urban geography. In the Center Licensed child care market, between 0.7 and 8.3 percent of providers have earned a national accreditation. None of these accredited providers are located in rural areas. In the Family Licensed market, between zero and 1.8 percent of providers report having earned a national accreditation. Like center-based facilities, there are no Family Licensed providers in rural areas that report accreditation.

***Table 6.10: Share of the Child Care Market with Reported National Accreditation***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 0-12 months | 8.3% | 0.0% | 9.3% | 1.6% | 0.0% | 1.8% |
| 1 year | 7.7% | 0.0% | 8.5% | 1.8% | 0.0% | 2.1% |
| 2 years | 6.1% | 0.0% | 6.7% | 1.7% | 0.0% | 2.0% |
| 3 years | 6.7% | 0.0% | 7.4% | 1.6% | 0.0% | 2.0% |
| 4 years | 5.1% | 0.0% | 5.6% | 1.4% | 0.0% | 1.7% |
| 5 years, not in kindergarten | 2.8% | 0.0% | 3.1% | 0.6% | 0.0% | 0.8% |
| 5 years, kindergarten | 3.9% | 0.0% | 4.3% | 0.6% | 0.0% | 0.8% |
| 5 years, kindergarten summer | 1.3% | 0.0% | 1.4% | 0.0% | 0.0% | 0.0% |
| 6-9 years | 3.6% | 0.0% | 3.9% | 0.0% | 0.0% | 0.0% |
| 6-9 years, summer | 0.7% | 0.0% | 0.8% | 0.0% | 0.0% | 0.0% |
| 10-12 years | 3.9% | 0.0% | 4.3% | 0.0% | 0.0% | 0.0% |
| 10-12 years, summer | 1.4% | 0.0% | 1.5% | 0.0% | 0.0% | 0.0% |
| Source: author's calculations from MRS data and accrediting agencies | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

For Center Licensed facilities, national accreditation is also the quality indicator that is associated with the highest increase in market rates at the 75th percentile. Table 6.11 reports the market rates at the 75th percentile for nationally accredited Center Licensed facilities, and for Family Licensed facilities that self-report national accreditation. Facilities that meet the standards for national accreditation implement potentially costly investments across multiple dimensions, including the quality indicators like staff-child ratios and director education that are shown to be associated with higher market rates above. Nationally accredited Center Licensed providers in Utah charge prices between 25 and 52 percent higher than providers that are not accredited. Notably, this relationship between national accreditation and higher market rates is not present in the market for Family Licensed child care, where the 75th percentile market rate is lower for providers that report accreditation compared to those that do not.

***Table 6.11: Market Rate at the 75th Percentile by Reported National Accreditation***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | No Accreditation | Accredited | unweighted n | Providers Reporting No Accreditation | Providers Reporting Accreditation |
| 0-12 months | 147 | $940 | $1,360 | 138 | $728 | $625 |
| 1 year | 152 | $940 | $1,317 | 147 | $726 | $600 |
| 2 years | 169 | $785 | $1,176 | 162 | $683 | $600 |
| 3 years | 177 | $740 | $1,050 | 166 | $650 | $600 |
| 4 years | 170 | $695 | $1,032 | 160 | $650 | $600 |
| 5 years, not in kindergarten | 148 | $689 | $1,050 | 125 | $650 | $600 |
| 5 years, kindergarten | 147 | $675 | $1,104 | 99 | $625 | $450 |
| 5 years, kindergarten summer | 109 | $689 | $1,040 | 80 | $640 | NA |
| 6-9 years | 135 | $620 | $915 | 73 | $600 | NA |
| 6-9 years, summer | 105 | $650 | $990 | 66 | $650 | NA |
| 10-12 years | 107 | $620 | $780 | 53 | $600 | NA |
| 10-12 years, summer | 84 | $680 | $990 | 48 | $640 | NA |
| Source: author’s calculations from MRS data and accrediting agencies | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

## Section 6.2: Access to high quality-rated care

Ensuring that subsidized households have equal access to high quality-rated care is a core principle of the CCDF and a central objective of Utah's Office of Child Care. The preamble to the 2016 CCDF final rule emphasizes setting subsidy rates at or above the 75th percentile of market rates as a benchmark for equal access (CCDF, 2016 and ACF, 2016). The narrow cost analysis provides additional information about state child care markets that contextualizes this definition of equal access in terms of the quality of care by determining if a base payment rate is adequate for child care providers to meet the health, safety, quality, and staffing requirements in the final rule.

The preceding analysis of TOP Star participation, staff-child ratios, group size, director or licensee education, and national accreditation demonstrates that high quality-rated care is often – but not always – associated with higher market rates. In this section we evaluate what these findings mean for access to providers that report meeting higher quality standards.

Tables 6.12 and 6.13 evaluate the market for high quality-rated providers, with a high quality-rated provider defined as a one that has achieved or reported achieving one or more of the higher quality standards established for the five indicators reviewed above. Table 6.12 compares the 75th percentile market rate for high quality-rated Center Licensed and Family Licensed child care providers to the 75th percentile for the market overall (presented in Section 3 of this report).

*Table 6.12: Market Rates at the 75th Percentile for Providers That Report Meeting Standards for High Quality-Rated Child Care*

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | unweighted n | High Quality-Rated Market 75th Percentile Market Rate | Difference from Overall Market at 75th Percentile | unweighted n | High Quality-Rated Market 75th Percentile Market Rate | Difference from Overall Market at 75th Percentile |
| 0-12 months | 93 | $1,020 | 2.1% | 60 | $740 | 0.0% |
| 1 year | 94 | $980 | -1.9% | 66 | $750 | 1.4% |
| 2 years | 124 | $850 | 3.8% | 161 | $700 | 2.2% |
| 3 years | 141 | $760 | 0.6% | 164 | $660 | 1.5% |
| 4 years | 132 | $725 | -3.6% | 144 | $650 | 0.0% |
| 5 years, not in kindergarten | 110 | $695 | -4.7% | 97 | $662 | 3.4% |
| 5 years, kindergarten | 112 | $675 | -7.4% | 86 | $625 | -2.3% |
| 5 years, kindergarten summer | 77 | $707 | -3.0% | 67 | $640 | 0.0% |
| 6-9 years | 108 | $620 | 0.0% | 68 | $600 | 0.0% |
| 6-9 years, summer | 79 | $652 | 5.2% | 57 | $640 | 6.7% |
| 10-12 years | 83 | $620 | 0.0% | 48 | $600 | 0.0% |
| 10-12 years, summer | 62 | $736 | 18.7% | 41 | $640 | 6.7% |
| Source: author's calculations from CAC and MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

The largest deviations from the overall market occur among the school-age groups specified in summer sessions. These higher prices observed among summer care groups are notably different from the rest of the data. For all other age groups, market rates for high quality-rated care options among both Center Licensed and Family Licensed facilities deviate little from those of the market overall. For Center Licensed Facilities, the 75th percentile market rate ranges from 7 percent below the market overall to 4 percent above. For Family Licensed facilities the 75th percentile market rate ranges from 2.3 percent below the market overall to 3.4 percent above.

Table 6.13 evaluates access to the market for high quality-rated child care with a subsidy set at the 75th percentile for the market overall. The table shows the share of the available child care slots for providers that report meeting the criteria for high quality-rated care and which report a market rate that can be fully covered with a subsidy set at the 75th percentile of market rates overall. In all markets shown, the subsidy rate provides access to the majority of high quality-rated providers. At the state level, the subsidy rate covers 63 to 86 percent of high quality-rated Center and Family Licensed child care slots, depending on child age group. The lowest coverage rates are in the school-age groups specified for summer care. In the market for Center Licensed care, the subsidy provides greater access to high quality-rated care in urban markets compared to rural. In the market for Family Licensed care access is greater in rural regions.

***Table 6.13: Share of the Child Care Market Meeting Standards for High Quality-Rated Care that is Accessible with a Subsidy at the 75th Percentile for the Market Overall***

| | Center Licensed | | | Family Licensed | | |
|---|---|---|---|---|---|---|
| | Statewide | Rural | Urban | Statewide | Rural | Urban |
| 0-12 months | 75% | 80% | 74% | 76% | 81% | 75% |
| 1 year | 80% | 80% | 80% | 71% | 94% | 67% |
| 2 years | 70% | 57% | 72% | 72% | 52% | 68% |
| 3 years | 72% | 57% | 74% | 74% | 86% | 72% |
| 4 years | 78% | 58% | 80% | 77% | 83% | 76% |
| 5 years, not in kindergarten | 81% | 57% | 84% | 70% | 89% | 67% |
| 5 years, kindergarten | 86% | 60% | 88% | 80% | 85% | 79% |
| 5 years, kindergarten summer | 80% | 51% | 83% | 76% | 93% | 72% |
| 6-9 years | 83% | 60% | 85% | 78% | 82% | 77% |
| 6-9 years, summer | 67% | 47% | 68% | 67% | 100% | 61% |
| 10-12 years | 81% | 61% | 83.4% | 77% | 70% | 78% |
| 10-12 years, summer | 63% | 30% | 67% | 69% | 100% | 64% |
| Source: author's calculations from CAC and MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

This section demonstrates that a subsidy rate set at the 75th percentile of market rates would provide Utah families with a scope of options in the market for child care that is comparable to that available to non-subsidized households, including access to providers that meet the higher standards associated with high quality-rated care.

# REFERENCES

Administration for Children and Families (December 20, 2016). Policy Guidance CCDF-ACF-PI-2016-08. United States Department of Health and Human Services. Available at https://www.acf.hhs.gov/occ/policy-guidance/ccdf-acf-pi-2016-08.

Bureau of Labor Statistics Occupational Employment Statistics (March 31, 2020). May 2019 State Occupational Employment and Wage Estimates: Utah. United States Department of Labor. Available at https://www.bls.gov/oes/current/oes_ut.htm.

Child Care and Development Fund; Final Rule. 81 Federal Register 67438 (September 30, 2016). (to be codified at 45 CFR Part 98.) Available at https://www.govinfo.gov/content/pkg/FR-2016-09-30/pdf/2016-22986.pdf.

Council on Accreditation. Search for a COA-accredited organization or program near you: Utah. Available at https://coanet.org/accreditation-search/.

Grobe, Deana, Weber, Roberta B., Davis, Elizabeth, E., Kreader, J. Lee, & Pratt, Clara C. (2008). Study of Market Prices: Validating Child Care Market Rate Surveys. Family Policy Program, Oregon State University, Oregon Childcare Research Partnership. Available at https://health.oregonstate.edu/sites/health.oregonstate.edu/files/sbhs/pdf/Validity-Study-FINAL-1-27-09.pdf.

Morgan, Gwen G (2000). The Director as a Key to Quality. In M. Culkin (Ed.) Managing quality in young children's programs: The leader's role (pp. 40-58). New York: Teacher's College Press. Available at https://www.the-registry.org/Portals/0/Documents/Credentials/Leadership/Documents/The%20Director%20as%20a%20Key%20to%20Quality.pdf.

National Association for the Education of Young Children. Search NAEYC Accredited Programs: Utah. Available at https://families.naeyc.org/search_programs/results/0/UT/0/10/0/0/0/us/0.

National Center on Early Childhood Quality Assurance and the National Center on Subsidy Innovation and Accountability (July 2018). Guidance on Estimating and Reporting the Costs of Child Care. Early Childhood National Centers. Available at https://childcareta.acf.hhs.gov/sites/default/files/public/guidance_estimating_cost_care_0.pdf.

National Center on Subsidy Innovation and Accountability (2018a). Market Rate Surveys: Planning Your Market Rate Survey. Available at https://childcareta.acf.hhs.gov/sites/default/files/public/planning_market_rate_surveys_brief_1.pdf.

National Center on Subsidy Innovation and Accountability (2018b). Market Rate Surveys: Designing and Conducting Your Market Rate Survey. Available at https://childcareta.acf.hhs.gov/sites/default/files/public/designing_market_rate_surveys_brief_2_0.pdf.

National Center on Subsidy Innovation and Accountability (2018c). Market Rate Surveys: Analyzing Your Market Rate Survey Data. Available at https://childcareta.acf.hhs.gov/sites/default/files/public/analyzing_market_rate_surveys_brief_3.pdf.

National Early Childhood Program Accreditation. Search NECPA Accredited Programs: Utah. Available at https://necpa.net/programs/.

National Institute of Child Health and Human Development (2006). The NICHD Study of Early Child Care and Youth Development: Findings for Children Up to Age 4 Years. United States Department of Health, National Institutes of Health. Available at https://www.nichd.nih.gov/sites/default/files/publications/pubs/documents/seccyd_06.pdf.

NICHD Early Child Care Research Network. (May 2002). Child care structure process outcome: Direct and indirect effects of child care quality on young children's development. Psychological Science, 13(3), 199-206. Available at https://www.jstor.org/stable/40063707.

Office of Management and Budget (March 6, 2020). 0MB Bulletin No. 20-01. Executive Office of the President, Office of Management and Budget. Available at https://www.whitehouse.gov/wp-content/uploads/2020/03/Bulletin-20-01.pdf.

United States Bureau of Economic Analysis (February 2021). Real Personal Income and Regional Price Parities. Available at https://www.bea.gov/system/files/methodologies/RPP2020-methodology_1.pdf.

United States Bureau of Economic Analysis. Statistical Areas. Retrieved from https://apps.bea.gov/regional/docs/msalist.cfm.

United States Census American Community Survey (2020). Poverty Status in the Past 12 Months, ACS 2019: 1-Year Estimates Subject Tables, Table ID S1701. Retrieved from https://data.census.gov/cedsci/table?q=S1701&tid=ACSST1Y2019.S1701.

United States Census Small Area Income and Poverty Estimates (December 2020). SAIPE State and County Estimates for 2019. Retrieved from https://www.census.gov/data/datasets/2019/demo/saipe/2019-state-and-county.html.

Utah Department of Health EPICC Program. TOP Star Program: Endorsed Facilities. Retrieved from http://choosehealth.utah.gov/prek-12/childcare/top-star-program/endorsed-facilities.php.

Utah Department of Health Child Care Licensing. Child Care Provider Types. Retrieved from https://childcarelicensing.utah.gov/Types.html.

Utah Department of Workforce Services Office of Child Care (2021). Guidance: How to Choose a Child Care Program. Retrieved from https://jobs.utah.gov/occ/parent/find/guidance.html.

Utah Department of Workforce Services Office of Child Care. Utah's Child Care Quality System: Program Guide for Providers. Retrieved from https://jobs.utah.gov/occ/provider/ccqs/ccqsprogramguide.pdf.

# APPENDIX A TABLE A1: COUNTY REPORTING RATES

| | Population | | | | *CAC Data Sample: Percentage of Providers Represented* | | | |
|---|---|---|---|---|---|---|---|---|
| County | Total Providers | Center Licensed | Family Licensed | Residential Certificate | Total Providers | Center Licensed | Family Licensed | Residential Certificate |
| Beaver | 3 | 2 | 1 | 0 | 100% | 100% | 100% | |
| Box Elder | 25 | 3 | 21 | 1 | 100% | 100% | 100% | 100% |
| Cache | 69 | 9 | 60 | 0 | 97% | 100% | 97% | |
| Carbon | 7 | 2 | 5 | 0 | 100% | 100% | 100% | |
| Davis | 100 | 33 | 59 | 8 | 96% | 94% | 98% | 88% |
| Duchesne | 6 | 0 | 6 | 0 | 100% | | 100% | |
| Emery | 2 | 0 | 2 | 0 | 100% | | 100% | |
| Garfield | 1 | 1 | 0 | 0 | 100% | 100% | | |
| Grand | 8 | 1 | 7 | 0 | 100% | 100% | 100% | |
| Iron | 29 | 4 | 24 | 1 | 97% | 100% | 96% | 100% |
| Juab | 3 | 2 | 1 | 0 | 100% | 100% | 100% | |
| Millard | 2 | 2 | 0 | 0 | 100% | 100% | | |
| Morgan | 2 | 0 | 1 | 1 | 100% | | 100% | 100% |
| Salt Lake | 498 | 170 | 292 | 36 | 95% | 92% | 97% | 94% |
| San Juan | 5 | 1 | 4 | 0 | 100% | 100% | 100% | |
| Sanpete | 9 | 3 | 6 | 0 | 89% | 67% | 100% | |
| Sevier | 16 | 2 | 13 | 1 | 94% | 100% | 92% | 100% |
| Summit | 19 | 11 | 8 | 0 | 100% | 100% | 100% | |
| Tooele | 24 | 5 | 16 | 3 | 100% | 100% | 100% | 100% |
| Uintah | 5 | 3 | 2 | 0 | 100% | 100% | 100% | |
| Utah | 171 | 32 | 130 | 9 | 99% | 100% | 98% | 100% |
| Wasatch | 7 | 4 | 2 | 1 | 86% | 75% | 100% | 100% |
| Washington | 47 | 15 | 31 | 1 | 89% | 87% | 90% | 100% |
| Wayne | 1 | 0 | 1 | 0 | 0% | | 0% | |
| Weber | 103 | 38 | 58 | 7 | 97% | 100% | 97% | 86% |
| ***Total*** | 1162 | 343 | 750 | 69 | 96% | 94% | 97% | 94% |

# APPENDIX A TABLE A1: COUNTY REPORTING RATES (Continued)

| | Population | | | | *MRS Data Sample: Percentage of Providers Represented* | | | |
|---|---|---|---|---|---|---|---|---|
| County | Total Providers | Center Licensed | Family Licensed | Residential Certificate | Total Providers | Center Licensed | Family Licensed | Residential Certificate |
| Beaver | 3 | 2 | 1 | 0 | 67% | 50% | 100% | |
| Box Elder | 25 | 3 | 21 | 1 | 72% | 100% | 71% | 0% |
| Cache | 69 | 9 | 60 | 0 | 62% | 56% | 63% | |
| Carbon | 7 | 2 | 5 | 0 | 57% | 100% | 40% | |
| Davis | 100 | 33 | 59 | 8 | 72% | 85% | 75% | 0% |
| Duchesne | 6 | 0 | 6 | 0 | 100% | | 100% | |
| Emery | 2 | 0 | 2 | 0 | 100% | | 100% | |
| Garfield | 1 | 1 | 0 | 0 | 100% | 100% | | |
| Grand | 8 | 1 | 7 | 0 | 88% | 100% | 86% | |
| Iron | 29 | 4 | 24 | 1 | 76% | 75% | 75% | 100% |
| Juab | 3 | 2 | 1 | 0 | 67% | 100% | 0% | |
| Millard | 2 | 2 | 0 | 0 | 100% | 100% | | |
| Morgan | 2 | 0 | 1 | 1 | 100% | | 100% | 100% |
| Salt Lake | 498 | 170 | 292 | 36 | 53% | 61% | 50% | 47% |
| San Juan | 5 | 1 | 4 | 0 | 20% | 100% | 0% | |
| Sanpete | 9 | 3 | 6 | 0 | 78% | 67% | 83% | |
| Sevier | 16 | 2 | 13 | 1 | 75% | 50% | 77% | 100% |
| Summit | 19 | 11 | 8 | 0 | 100% | 109% | 88% | |
| Tooele | 24 | 5 | 16 | 3 | 58% | 40% | 69% | 33% |
| Uintah | 5 | 3 | 2 | 0 | 100% | 100% | 100% | |
| Utah | 171 | 32 | 130 | 9 | 77% | 78% | 78% | 67% |
| Wasatch | 7 | 4 | 2 | 1 | 86% | 100% | 50% | 100% |
| Washington | 47 | 15 | 31 | 1 | 66% | 60% | 68% | 100% |
| Wayne | 1 | 0 | 1 | 0 | 100% | | 100% | |
| Weber | 103 | 38 | 58 | 7 | 61% | 74% | 55% | 43% |
| ***Total*** | 1162 | 343 | 750 | 69 | 64% | 70% | 63% | 46% |

# APPENDIX B: MONTHLY FULL-TIME CHILD CARE MARKET RATES FOR CHILD AGE GROUPS IN THE MRS DATA

The MRS data reports market rates for more finely grained age categories than the CAC database for children under 2 and children 5 and older. This appendix reports the distribution of market rates for these child age groups from the MRS data by provider type for statewide, urban, and rural geographies.

The market rate describes the price that child care providers charge to households for services. Market rates are reported at the 10th, 25th, 50th, 60th, 75th, and 90th percentiles to depict prices across the market rate distribution. Providers' reported rates are weighted by the number of available child care slots, or children served, to appropriately reflect the prices encountered by consumers in the market.

***Table B1: Monthly Market Rate Percentiles for Full-time Child Care, Children Ages 0-12 Months (MRS data)***

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 147 | $720 | $795 | $928 | $936 | $973 | $1,170 |
| Rural | 19 | $565 | $755 | $900 | $925 | $936 | $1,294 |
| Urban | 128 | $720 | $800 | $936 | $936 | $980 | $1,151 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 177 | $500 | $600 | $700 | $700 | $720 | $758 |
| Rural | 25 | $525 | $600 | $690 | $700 | $700 | $750 |
| Urban | 152 | $500 | $600 | $700 | $700 | $725 | $770 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 7 | $500 | $525 | $550 | $640 | $643 | $645 |
| Rural | 1 | | | $500 | | | |
| Urban | 6 | $525 | $550 | $595 | $640 | $645 | $648 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B2: Monthly Market Rate Percentiles for Full-time Child Care, Children Age 1 Year (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 152 | $720 | $800 | $925 | $936 | $960 | $1,135 |
| Rural | 20 | $600 | $758 | $900 | $925 | $936 | $1,298 |
| Urban | 132 | $740 | $800 | $936 | $936 | $960 | $1,128 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 194 | $500 | $600 | $690 | $700 | $723 | $780 |
| Rural | 29 | $425 | $525 | $675 | $690 | $700 | $725 |
| Urban | 165 | $500 | $600 | $700 | $700 | $725 | $800 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 8 | $500 | $550 | $600 | $640 | $645 | $650 |
| Rural | 1 | | | $500 | | | |
| Urban | 7 | $550 | $550 | $640 | $640 | $645 | $650 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B3: Monthly Market Rate Percentiles for Full-time Child Care, Children Age 5 Years, Not in Kindergarten (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 148 | $550 | $578 | $670 | $675 | $689 | $885 |
| Rural | 19 | $400 | $588 | $675 | $825 | $900 | $1,198 |
| Urban | 129 | $556 | $578 | $660 | $675 | $689 | $800 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 167 | $500 | $500 | $600 | $600 | $650 | $700 |
| Rural | 26 | $500 | $550 | $600 | $600 | $650 | $690 |
| Urban | 141 | $480 | $500 | $572 | $600 | $650 | $750 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 7 | $400 | $500 | $620 | $645 | $645 | $650 |
| Rural | 1 | | | $500 | | | |
| Urban | 6 | $400 | $600 | $643 | $645 | $645 | $650 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B4: Monthly Market Rate Percentiles for Full-time Child Care, Children Age 5 Years, in Kindergarten (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 147 | $485 | $550 | $605 | $650 | $675 | $795 |
| Rural | 16 | $200 | $440 | $577 | $675 | $844 | $1,198 |
| Urban | 131 | $495 | $560 | $605 | $650 | $675 | $750 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 133 | $450 | $500 | $575 | $600 | $640 | $692 |
| Rural | 24 | $480 | $542 | $600 | $600 | $650 | $690 |
| Urban | 109 | $450 | $500 | $563 | $600 | $628 | $700 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 6 | $400 | $400 | $500 | $600 | $600 | $640 |
| Rural | 1 | | | $500 | | | |
| Urban | 5 | $400 | $400 | $600 | $600 | $600 | $640 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B5: Monthly Market Rate Percentiles for Full-time Child Care, Children Age 5 Years, in Kindergarten Summer Rates (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 109 | $500 | $568 | $625 | $675 | $700 | $790 |
| Rural | 15 | $500 | $600 | $675 | $800 | $844 | $1,198 |
| Urban | 94 | $500 | $568 | $620 | $675 | $689 | $750 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 109 | $480 | $500 | $600 | $600 | $650 | $700 |
| Rural | 23 | $500 | $550 | $600 | $600 | $650 | $690 |
| Urban | 86 | $450 | $500 | $550 | $600 | $650 | $750 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 4 | $400 | $500 | $500 | $570 | $640 | $650 |
| Rural | 1 | | | $500 | | | |
| Urban | 3 | $400 | $400 | $640 | $640 | $650 | $650 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B6: Monthly Market Rate Percentiles for Full-time Child Care, Children Ages 6 to 9 Years (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 135 | $415 | $500 | $575 | $600 | $620 | $650 |
| Rural | 16 | $200 | $420 | $585 | $620 | $844 | $844 |
| Urban | 119 | $415 | $500 | $575 | $600 | $620 | $644 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 100 | $440 | $480 | $575 | $590 | $625 | $690 |
| Rural | 20 | $480 | $575 | $575 | $600 | $660 | $690 |
| Urban | 80 | $440 | $450 | $575 | $590 | $600 | $700 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 3 | $600 | $600 | $620 | $640 | $640 | $640 |
| Rural | 0 | | | | | | |
| Urban | 3 | $600 | $600 | $620 | $640 | $640 | $640 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B7: Monthly Market Rate Percentiles for Full-time Child Care, Children Ages 6 to 9 Years Summer Rates (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 105 | $450 | $525 | $615 | $620 | $652 | $750 |
| Rural | 13 | $400 | $565 | $620 | $800 | $844 | $1,198 |
| Urban | 92 | $460 | $525 | $615 | $620 | $650 | $738 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 88 | $450 | $500 | $575 | $600 | $650 | $750 |
| Rural | 19 | $523 | $575 | $575 | $575 | $650 | $690 |
| Urban | 69 | $450 | $475 | $600 | $600 | $663 | $750 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 3 | $600 | $600 | $640 | $640 | $640 | $650 |
| Rural | 0 | | | | | | |
| Urban | 3 | $600 | $600 | $640 | $640 | $640 | $650 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B8: Monthly Market Rate Percentiles for Full-time Child Care, Children Ages 10 to 12 Years (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 107 | $350 | $490 | $565 | $600 | $620 | $650 |
| Rural | 13 | $200 | $500 | $525 | $585 | $844 | $844 |
| Urban | 94 | $350 | $490 | $575 | $600 | $620 | $650 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 72 | $425 | $450 | $575 | $600 | $625 | $690 |
| Rural | 13 | $575 | $575 | $575 | $600 | $690 | $690 |
| Urban | 59 | $425 | $450 | $550 | $590 | $600 | $650 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 3 | $550 | $550 | $620 | $640 | $640 | $640 |
| Rural | 0 | | | | | | |
| Urban | 3 | $550 | $550 | $620 | $640 | $640 | $640 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

*Table B9: Monthly Market Rate Percentiles for Full-time Child Care, Children Ages 10 to 12 Years Summer Rates (MRS data)*

| Center Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
|---|---|---|---|---|---|---|---|
| Statewide | 84 | $500 | $560 | $615 | $620 | $700 | $790 |
| Rural | 12 | $400 | $565 | $800 | $844 | $844 | $1,198 |
| Urban | 72 | $500 | $560 | $605 | $620 | $675 | $756 |
| Family Licensed | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 65 | $440 | $500 | $575 | $600 | $650 | $700 |
| Rural | 12 | $575 | $575 | $575 | $600 | $690 | $690 |
| Urban | 53 | $440 | $450 | $550 | $600 | $640 | $700 |
| Residential Certificate | unweighted n | 10 | 25 | 50 | 60 | 75 | 90 |
| Statewide | 3 | $550 | $550 | $620 | $640 | $640 | $640 |
| Rural | 0 | | | | | | |
| Urban | 3 | $550 | $550 | $620 | $640 | $640 | $640 |
| Source: author's calculations from MRS data | | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | | |

# APPENDIX C: REGIONAL PRICE DIFFERENCES DATA TABLES

*Table C1: Monthly Rate for Full-time Center Licensed Child Care in Utah and by Region, 75th Percentile*

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Utah State | $999 | $819 | $756 | $752 | $729 | $620 |
| Nonmetropolitan Portion | $1,100 | $965 | $965 | $965 | $965 | $620 |
| Logan MSA | $805 | $765 | $700 | $755 | $755 | $755 |
| Ogden-Clearfield MSA | $936 | $765 | $712 | $689 | $675 | $620 |
| Provo-Orem MSA | $988 | $845 | $756 | $756 | $752 | $650 |
| Salt Lake City MSA | $1,100 | $875 | $824 | $783 | $760 | $620 |
| St. George MSA | $900 | $765 | $700 | $689 | $675 | $628 |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |

*Table C2: Regional Rate Differences from the State Level at the 75th Percentile, Full-time Center Licensed Care*

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Nonmetropolitan | 10.1% | 17.8% | 27.7% | 28.3% | 32.4% | 0.0% |
| Logan | -19.4% | -6.6% | -7.4% | 0.4% | 3.6% | 21.8% |
| Ogden-Clearfield | -6.3% | -6.6% | -5.8% | -8.4% | -7.4% | 0.0% |
| Provo-Orem | -1.1% | 3.2% | 0.0% | 0.5% | 3.2% | 4.8% |
| Salt Lake City | 10.1% | 6.8% | 9.1% | 4.1% | 4.3% | 0.0% |
| St. George | -9.9% | -6.6% | -7.4% | -8.4% | -7.4% | 1.2% |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |
| Regional rate difference describes the difference between the 75th percentile of market rates in the region from the 75th percentile for the state, reported as a percentage of the 75th percentile statewide. | | | | | | |

*Table C3: Monthly Rate for Full-time Family Licensed Child Care in Utah and by Region, 75th Percentile*

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Utah State | $740 | $685 | $650 | $650 | $640 | $600 |
| Nonmetropolitan Portion | $710 | $675 | $650 | $650 | $650 | $606 |
| Logan MSA | $700 | $650 | $620 | $610 | $600 | $575 |
| Ogden-Clearfield MSA | $700 | $650 | $625 | $610 | $600 | $600 |
| Provo-Orem MSA | $800 | $750 | $704 | $700 | $700 | $691 |
| Salt Lake City MSA | $750 | $700 | $650 | $650 | $630 | $600 |
| St. George MSA | $700 | $650 | $620 | $610 | $600 | $575 |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |

*Table C4: Regional Rate Differences from the State Level at the 75th Percentile, Full-time Family Licensed Care*

| | 0-24 months | 2 years | 3 years | 4 years | 5 years | 6 years and up |
|---|---|---|---|---|---|---|
| Nonmetropolitan | -4.1% | -1.5% | 0.0% | 0.0% | 1.6% | 1.0% |
| Logan | -5.4% | -5.1% | -4.6% | -6.2% | -6.3% | -4.2% |
| Ogden-Clearfield | -5.4% | -5.1% | -3.8% | -6.2% | -6.3% | 0.0% |
| Provo-Orem | 8.1% | 9.5% | 8.3% | 7.7% | 9.4% | 15.2% |
| Salt Lake City | 1.4% | 2.2% | 0.0% | 0.0% | -1.6% | 0.0% |
| St. George | -5.4% | -5.1% | -4.6% | -6.2% | -6.3% | -4.2% |
| Source: author's calculations from the CAC database | | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | | |
| Regional rate difference describes the difference between the 75th percentile of market rates in the region from the 75th percentile for the state, reported as a percentage of the 75th percentile statewide. | | | | | | |

# APPENDIX D: ADDITIONAL FINDINGS FROM THE MARKET RATE SURVEY

The market rate survey data facilitates analysis of variations in the child care market over multiple dimensions. This appendix reports new findings not captured in the estimates of the monthly market rate distribution for full-time child care. Section D1 examines the modes of payment accepted by providers. Section D2 reports the availability of part-time child care and the market rates charged in the part-time care market. Section D3 reports the availability of evening, weekend, and overnight care options.

All tables in this section report findings from the MRS data and include variations by age of child, provider type, and urban and rural geography where appropriate. Providers' reported rates are weighted by the number of available child care slots, or children served, to appropriately reflect the prices encountered by consumers in the market.

### Key findings from the MRS data include the following.

- Market rates for child care are most likely to be charged on a monthly basis for all provider types and for rural and urban geographies.
- Just over half of providers in the markets for Center Licensed and Residential Certificate care offer part-time child care options. Family Licensed child care is less likely to be available part-time, with just 31 percent of the market offering part time care.
- There is limited availability of evening, weekend, and overnight child care.

These findings suggest that the monthly market rate for full-time child care is the best measure to capture general trends in Utah's child care market. However, households seeking alternative payment modes, part-time care, and nonstandard care options face supply constraints that limit their choices in the market.

## *Section D1: Market rate payment modes*

In the market rate survey, providers reported market rates for full-time child care in as many payment modes as they offer. Many providers reported the availability of multiple payment modes at their facilities. Table D1 reports the share of providers that offer payment options in monthly, weekly, daily and hourly rates.

Monthly rates are the predominant mode of payment across provider types and geographies, with 83.6 percent of Center Licensed child care slots, 68.6 percent of Family Licensed, and 69.2 percent of Residential Certificate slots available at a monthly rate. At the statewide level, hourly rates were the least common mode of payment available for full-time care.

*Table D1: Availability of Monthly, Weekly, Daily and Hourly Payment Modes*

| Center Licensed | unweighted n | Monthly | Weekly | Daily | Hourly |
|---|---|---|---|---|---|
| Statewide | 223 | 83.6% | 51.8% | 32.3% | 15.0% |
| Rural | 30 | 88.4% | 33.8% | 35.5% | 32.2% |
| Urban | 193 | 83.2% | 53.4% | 32.0% | 13.5% |
| Family Licensed | unweighted n | Monthly | Weekly | Daily | Hourly |
| Statewide | 344 | 68.6% | 37.3% | 46.2% | 24.0% |
| Rural | 45 | 80.5% | 11.5% | 34.3% | 24.4% |
| Urban | 299 | 66.2% | 42.6% | 48.6% | 24.0% |
| Residential Certificate | unweighted n | Monthly | Weekly | Daily | Hourly |
| Statewide | 20 | 69.2% | 34.9% | 41.9% | 27.6% |
| Rural | 3 | 63.1% | 0.0% | 12.3% | 24.6% |
| Urban | 17 | 70.7% | 43.1% | 48.9% | 28.3% |
| Source: author's calculations from MRS data | | | | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | | | | |
| Providers offering care in multiple modes are included in each category. As a result, market shares do not sum to 100 percent. | | | | | |

Tables D2 through D13 present the median market rate for full-time care for weekly, daily, and hourly payment modes by child age, type of provider, and rural and urban geography.

Monthly market rates are reported in Section 3 based on the CAC data and for the more finely grained child age groups in the MRS data in Appendix B.

*Table D2: Median Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Ages 0-12 Months*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 77 | $195 | 49 | $52 | 22 | $6 |
| Rural | 4 | $190 | 5 | $39 | 6 | $4 |
| Urban | 73 | $196 | 44 | $55 | 16 | $7 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 93 | $150 | 108 | $35 | 53 | $4 |
| Rural | 5 | $153 | 12 | $30 | 9 | $3 |
| Urban | 88 | $150 | 96 | $35 | 44 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 6 | $150 | 6 | $30 | 5 | $4 |
| Rural | 0 | | 1 | $35 | 1 | $3 |
| Urban | 6 | $150 | 5 | $30 | 4 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D3: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 1 Year*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 79 | $200 | 49 | $55 | 22 | $6 |
| Rural | 5 | $190 | 6 | $39 | 6 | $4 |
| Urban | 74 | $205 | 43 | $55 | 16 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 98 | $159 | 114 | $31 | 51 | $4 |
| Rural | 6 | $148 | 12 | $30 | 9 | $3 |
| Urban | 92 | $159 | 102 | $32 | 42 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 7 | $150 | 11 | $30 | 5 | $4 |
| Rural | 0 | | 1 | $35 | 1 | $3 |
| Urban | 7 | $150 | 10 | $30 | 4 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D4: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 2 Years*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 84 | $175 | 57 | $44 | 23 | $6 |
| Rural | 5 | $160 | 6 | $33 | 6 | $4 |
| Urban | 79 | $175 | 51 | $45 | 17 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 113 | $150 | 135 | $30 | 61 | $4 |
| Rural | 6 | $140 | 15 | $30 | 11 | $3 |
| Urban | 107 | $150 | 120 | $30 | 50 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 7 | $150 | 10 | $30 | 5 | $4 |
| Rural | 0 | | 1 | $30 | 1 | $3 |
| Urban | 7 | $150 | 9 | $30 | 4 | $4 |
| Source: author’s calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D5: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 3 Years*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 90 | $160 | 59 | $42 | 25 | $6 |
| Rural | 5 | $150 | 7 | $30 | 7 | $5 |
| Urban | 85 | $160 | 52 | $43 | 18 | $7 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 115 | $146 | 134 | $30 | 63 | $4 |
| Rural | 6 | $150 | 15 | $30 | 11 | $3 |
| Urban | 109 | $146 | 119 | $30 | 52 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 5 | $145 | 9 | $28 | 4 | $4 |
| Rural | 0 | | 1 | $30 | 1 | $3 |
| Urban | 5 | $145 | 8 | $25 | 3 | $4 |
| Source: author’s calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D6: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 4 Years*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 87 | $150 | 56 | $40 | 24 | $6 |
| Rural | 5 | $142 | 6 | $27 | 6 | $4 |
| Urban | 82 | $150 | 50 | $40 | 18 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 111 | $140 | 133 | $30 | 61 | $4 |
| Rural | 6 | $130 | 15 | $30 | 12 | $3 |
| Urban | 105 | $140 | 118 | $30 | 49 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 6 | $150 | 7 | $25 | 5 | $4 |
| Rural | 0 | | 0 | | 1 | $3 |
| Urban | 6 | $150 | 7 | $25 | 4 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D7: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 5 Years, Not in Kindergarten*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 79 | $145 | 48 | $41 | 21 | $6 |
| Rural | 4 | $142 | 5 | $26 | 5 | $4 |
| Urban | 75 | $145 | 43 | $45 | 16 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 92 | $140 | 108 | $30 | 47 | $4 |
| Rural | 5 | $130 | 12 | $30 | 9 | $3 |
| Urban | 87 | $140 | 96 | $30 | 38 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 5 | $130 | 5 | $26 | 5 | $4 |
| Rural | 0 | | 0 | | 1 | $3 |
| Urban | 5 | $130 | 5 | $26 | 4 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D8: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 5 Years, in Kindergarten*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 82 | $140 | 50 | $40 | 21 | $6 |
| Rural | 4 | $142 | 5 | $26 | 5 | $4 |
| Urban | 78 | $140 | 45 | $40 | 16 | $7 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 63 | $140 | 80 | $30 | 48 | $4 |
| Rural | 5 | $130 | 12 | $30 | 10 | $3 |
| Urban | 58 | $140 | 68 | $28 | 38 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 2 | $160 | 2 | $30 | 3 | $4 |
| Rural | 0 | | 0 | | 1 | $3 |
| Urban | 2 | $160 | 2 | $30 | 2 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D9: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Age 5 years, in Kindergarten, Summer Rate*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 67 | $142 | 39 | $40 | 16 | $6 |
| Rural | 5 | $152 | 6 | $26 | 4 | $4 |
| Urban | 62 | $142 | 33 | $40 | 12 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 54 | $145 | 71 | $30 | 42 | $4 |
| Rural | 5 | $130 | 11 | $30 | 10 | $3 |
| Urban | 49 | $146 | 60 | $30 | 32 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 1 | $160 | 0 | | 1 | $4 |
| Rural | 0 | | 0 | | 0 | |
| Urban | 1 | $160 | 0 | | 1 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D10: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Ages 6 to 9 Years*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 75 | $125 | 46 | $35 | 24 | $6 |
| Rural | 4 | $132 | 5 | $26 | 5 | $4 |
| Urban | 71 | $125 | 41 | $38 | 19 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 49 | $135 | 64 | $30 | 40 | $4 |
| Rural | 4 | $150 | 7 | $30 | 6 | $5 |
| Urban | 45 | $135 | 57 | $28 | 34 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 1 | $160 | 2 | $30 | 1 | $4 |
| Rural | 0 | | 0 | | 0 | |
| Urban | 1 | $160 | 2 | $30 | 1 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D11: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Ages 6 to 9 Years, Summer Rate*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 69 | $142 | 39 | $40 | 16 | $6 |
| Rural | 5 | $130 | 6 | $26 | 4 | $4 |
| Urban | 64 | $142 | 33 | $43 | 12 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 40 | $150 | 60 | $30 | 33 | $4 |
| Rural | 3 | $125 | 6 | $30 | 5 | $3 |
| Urban | 37 | $150 | 54 | $30 | 28 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 1 | $160 | 1 | $30 | 1 | $4 |
| Rural | 0 | | 0 | | 0 | |
| Urban | 1 | $160 | 1 | $30 | 1 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D12: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Ages 10 to 12 Years*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 65 | $132 | 41 | $38 | 17 | $7 |
| Rural | 4 | $132 | 5 | $26 | 3 | $4 |
| Urban | 61 | $129 | 36 | $40 | 14 | $7 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 35 | $142 | 40 | $30 | 27 | $4 |
| Rural | 2 | $130 | 3 | $35 | 3 | $5 |
| Urban | 33 | $143 | 37 | $30 | 24 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 1 | $160 | 2 | $15 | 1 | $4 |
| Rural | 0 | | 0 | | 0 | |
| Urban | 1 | $160 | 2 | $15 | 1 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

*Table D13: Weekly, Daily, and Hourly Market Rates for Full-Time Child Care for Children Ages 10 to 12 Years, Summer Rate*

| | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 57 | $142 | 32 | $40 | 13 | $6 |
| Rural | 5 | $142 | 6 | $34 | 3 | $4 |
| Urban | 52 | $140 | 26 | $40 | 10 | $6 |
| Family Licensed | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 32 | $134 | 39 | $30 | 24 | $4 |
| Rural | 2 | $103 | 3 | $35 | 3 | $5 |
| Urban | 30 | $138 | 36 | $28 | 21 | $4 |
| Residential Certificate | unweighted n | median weekly rate | unweighted n | median daily rate | unweighted n | median hourly rate |
| Statewide | 1 | $160 | 1 | $30 | 1 | $4 |
| Rural | 0 | | 0 | | 0 | |
| Urban | 1 | $160 | 1 | $30 | 1 | $4 |
| Source: author's calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |

### *Section D2: Market rates for part-time child care*

Table D14 details the share of the child care market that offers any part-time rates for child care. Providers reported part-time rates in monthly, weekly, daily, or hourly modes where applicable. Center Licensed providers are most likely to offer part-time rates in the child care market, with 58.4 percent of the market offering part-time rates. Just over half (51.6 percent) of providers with a Residential Certificate offer part time rates. Family Licensed providers are least likely to offer part-time care options at 31.1 percent.

***Table D14: Percent of Child Care Market Available at Part-time Rates***

| Center Licensed | unweighted n | Share offering part-time rates |
|---|---|---|
| Statewide | 223 | 58.4% |
| Rural | 30 | 41.0% |
| Urban | 193 | 60.0% |
| Family Licensed | unweighted n | Share offering part-time rates |
| Statewide | 347 | 31.1% |
| Rural | 46 | 34.4% |
| Urban | 301 | 30.4% |
| Residential Certificate | unweighted n | Share offering part-time rates |
| Statewide | 20 | 51.6% |
| Rural | 3 | 63.1% |
| Urban | 17 | 48.9% |
| Source: author's calculations from MRS data | | |
| Weighted estimates, percentile calculated for the rate distribution of the child care market defined by available slots | | |

Tables D15 through D26 present the median market rate for weekly, daily, and hourly payment modes by child age, type of provider, and rural and urban geography

### *Table D15: Median Market Rates for Part-time Child Care for Children Ages 0 to 12 Months*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 60 | 625 | 24 | 143 | 8 | 43.53 | 4 | 4.25 |
| Rural | 12 | 530 | 1 | 143 | 0 | 0 | 1 | 5.75 |
| Urban | 48 | 640 | 23 | 143 | 8 | 43.53 | 3 | 4 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 15 | 400 | 12 | 75 | 22 | 30 | 11 | 3.75 |
| Rural | 6 | 375 | 0 | 0 | 1 | 12 | 1 | 2.5 |
| Urban | 9 | 425 | 12 | 75 | 21 | 30 | 10 | 3.75 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 1 | 100 | 1 | 20 | 0 | 0 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 1 | 100 | 1 | 20 | 0 | 0 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D16: Median Market Rates for Part-time Child Care for Children Age 1 Year*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 61 | 625 | 22 | 143 | 8 | 43.53 | 5 | 4.25 |
| Rural | 12 | 530 | 1 | 143 | 0 | 0 | 1 | 5.75 |
| Urban | 49 | 636 | 21 | 146.5 | 8 | 43.53 | 4 | 4 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 21 | 375 | 13 | 140 | 24 | 28 | 14 | 3.75 |
| Rural | 8 | 350 | 0 | 0 | 2 | 12 | 2 | 3.75 |
| Urban | 13 | 380 | 13 | 140 | 22 | 30 | 12 | 3.75 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 1 | 20 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 1 | 20 | 1 | 4 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

*Table D17: Median Market Rates for Part-time Child Care for Children Age 2 Years*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 95 | 522 | 41 | 130 | 8 | 35.58 | 6 | 5.5 |
| Rural | 19 | 479 | 1 | 120 | 0 | 0 | 1 | 5.5 |
| Urban | 76 | 535.5 | 40 | 130 | 8 | 35.58 | 5 | 6 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 26 | 350 | 17 | 100 | 28 | 25 | 16 | 4 |
| Rural | 8 | 375 | 1 | 75 | 2 | 10 | 2 | 2.5 |
| Urban | 18 | 350 | 16 | 101 | 26 | 25 | 14 | 4.5 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 1 | 20 | 2 | 2 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 1 | 20 | 2 | 2 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

*Table D18: Median Market Rates for Part-time Child Care for Children Age 3 Years*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 110 | 476 | 42 | 120 | 8 | 32.56 | 6 | 5 |
| Rural | 22 | 440 | 1 | 111 | 0 | 0 | 1 | 4.75 |
| Urban | 88 | 480 | 41 | 120 | 8 | 32.56 | 5 | 6 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 32 | 350 | 19 | 110 | 25 | 30 | 14 | 4 |
| Rural | 11 | 375 | 2 | 87.5 | 2 | 10 | 2 | 2.5 |
| Urban | 21 | 340 | 17 | 115 | 23 | 30 | 12 | 4.5 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 1 | 70 | 1 | 20 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 1 | 70 | 1 | 20 | 1 | 4 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D19: Median Market Rates for Part-time Child Care for Children Age 4 Years*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 98 | 469 | 42 | 119 | 7 | 40 | 5 | 5 |
| Rural | 15 | 408 | 1 | 107 | 0 | 0 | 1 | 4.5 |
| Urban | 83 | 470 | 41 | 119 | 7 | 40 | 4 | 5 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 26 | 350 | 17 | 115 | 24 | 30 | 16 | 4 |
| Rural | 11 | 375 | 2 | 87.5 | 2 | 10 | 2 | 2.5 |
| Urban | 15 | 325 | 15 | 120 | 22 | 30 | 14 | 4 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 1 | 20 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 1 | 20 | 1 | 4 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D20: Median Market Rates for Part-time Child Care for Children Age 5 Years, Not in Kindergarten*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 71 | 470 | 34 | 117 | 7 | 40 | 6 | 5 |
| Rural | 16 | 560 | 1 | 107 | 0 | 0 | 1 | 4 |
| Urban | 55 | 469 | 33 | 117 | 7 | 40 | 5 | 5 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 23 | 350 | 13 | 90 | 19 | 30 | 13 | 5 |
| Rural | 9 | 377 | 2 | 75 | 1 | 10 | 1 | 2.5 |
| Urban | 14 | 300 | 11 | 115 | 18 | 30 | 12 | 5 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 1 | 20 | 0 | 0 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 1 | 20 | 0 | 0 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D21: Median Market Rates for Part-time Child Care for Children Age 5 Years, in Kindergarten*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 72 | 464 | 40 | 107 | 8 | 27.5 | 5 | 3.75 |
| Rural | 13 | 330 | 1 | 107 | 0 | 0 | 1 | 4 |
| Urban | 59 | 475 | 39 | 107 | 8 | 27.5 | 4 | 2 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 13 | 332.5 | 14 | 85 | 14 | 25 | 11 | 4 |
| Rural | 6 | 350 | 2 | 35 | 1 | 10 | 1 | 2.5 |
| Urban | 7 | 300 | 12 | 100 | 13 | 25 | 10 | 4 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 0 | 0 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 0 | 0 | 1 | 4 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D22: Median Market Rates for Part-time Child Care for Children Age 5 Years, in Kindergarten Summer Rate*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 47 | 500 | 21 | 107.25 | 6 | 31.4 | 4 | 4 |
| Rural | 15 | 466 | 1 | 117 | 0 | 0 | 1 | 4 |
| Urban | 32 | 500 | 20 | 107.25 | 6 | 31.4 | 3 | 3.75 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 9 | 332.5 | 11 | 115 | 13 | 25 | 9 | 3.75 |
| Rural | 5 | 350 | 2 | 75 | 1 | 10 | 1 | 2.5 |
| Urban | 4 | 300 | 9 | 115 | 12 | 25 | 8 | 5 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 0 | 0 | 0 | 0 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

*Table D23: Median Market Rates for Part-time Child Care for Children Ages 6 to 9 Years*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 59 | 436.3333 | 36 | 99 | 7 | 27.5 | 5 | 5 |
| Rural | 14 | 315 | 1 | 99 | 0 | 0 | 1 | 4 |
| Urban | 45 | 440 | 35 | 99 | 7 | 27.5 | 4 | 5 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 9 | 295 | 12 | 85 | 10 | 20 | 6 | 4 |
| Rural | 4 | 350 | 2 | 35 | 0 | 0 | 0 | 0 |
| Urban | 5 | 200 | 10 | 92.5 | 10 | 20 | 6 | 4 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 0 | 0 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 0 | 0 | 1 | 4 |
| Source: author’s calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

*Table D24: Median Market Rates for Part-time Child Care for Children Ages 6 to 9 Years Summer Rate*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 35 | 490 | 22 | 109 | 6 | 28.84 | 4 | 4 |
| Rural | 10 | 434 | 1 | 109 | 0 | 0 | 1 | 4 |
| Urban | 25 | 490 | 21 | 107.25 | 6 | 28.84 | 3 | 5 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 7 | 340 | 11 | 90 | 10 | 25 | 5 | 4 |
| Rural | 4 | 375 | 2 | 75 | 0 | 0 | 0 | 0 |
| Urban | 3 | 250 | 9 | 125 | 10 | 25 | 5 | 4 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 325 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 325 | 0 | 0 | 0 | 0 | 0 | 0 |
| Source: author’s calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D25: Median Market Rates for Part-time Child Care for Children Ages 10 to 12 Years*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 44 | 421 | 28 | 100 | 5 | 28.84 | 5 | 8 |
| Rural | 11 | 332.5 | 1 | 99 | 0 | 0 | 1 | 4 |
| Urban | 33 | 422 | 27 | 100 | 5 | 28.84 | 4 | 8 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 3 | 150 | 9 | 100 | 8 | 25 | 4 | 3 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 3 | 150 | 9 | 100 | 8 | 25 | 4 | 3 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 300 | 0 | 0 | 0 | 0 | 1 | 4 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 300 | 0 | 0 | 0 | 0 | 1 | 4 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

### *Table D26: Median Market Rates for Part-time Child Care for Children Ages 10 to 12 Years Summer Rate*

| | Monthly Rate | | Weekly Rate | | Daily Rate | | Hourly Rate | |
|---|---|---|---|---|---|---|---|---|
| Center Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 27 | 496 | 20 | 107.25 | 5 | 25 | 3 | 4 |
| Rural | 7 | 839 | 1 | 109 | 0 | 0 | 1 | 4 |
| Urban | 20 | 496 | 19 | 107.25 | 5 | 25 | 2 | 5 |
| Family Licensed | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 3 | 200 | 8 | 125 | 8 | 25 | 4 | 4.5 |
| Rural | 1 | 340 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 200 | 8 | 125 | 8 | 25 | 4 | 4.5 |
| Residential Certificate | unweighted n | Median Monthly Rate | unweighted n | Median Weekly Rate | unweighted n | Median Daily Rate | unweighted n | Median Hourly Rate |
| Statewide | 2 | 300 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rural | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Urban | 2 | 300 | 0 | 0 | 0 | 0 | 0 | 0 |
| Source: author's calculations from MRS data | | | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | | | |

## Section D3: Evening, weekend, and overnight care

The market rate survey asked providers to report if they offer evening, Saturday, Sunday, or overnight care on a regular basis, and if so, to report the market rate for these nonstandard hours of care if it differs from regular rates.

Overall, very few providers reported offering care outside of standard working hours. A relatively small portion of those who offer nonstandard care hours also reported charging higher market rates for these care periods. Table D27 describes the availability of nonstandard care.

### *Table D27: Availability of Evening, Weekend, and Overnight Care*

| Center Licensed | unweighted n | Evenings | Saturday | Sunday | Overnight | Share of Nonstandard Care Market that Charges More for Nonstandard Hours |
|---|---|---|---|---|---|---|
| Statewide | 226 | 7.2% | 4.4% | 2.6% | 2.4% | 30.1% |
| Rural | 30 | 14.8% | 11.5% | 11.5% | 11.5% | 78.2% |
| Urban | 196 | 6.4% | 3.7% | 1.7% | 1.4% | 19.0% |
| Family Licensed | unweighted n | Evenings | Saturday | Sunday | Overnight | Share of Nonstandard Care Market that Charges More for Nonstandard Hours |
| Statewide | 351 | 14.3% | 12.2% | 5.7% | 9.3% | 6.3% |
| Rural | 46 | 36.6% | 6.8% | 2.9% | 13.7% | 0.0% |
| Urban | 305 | 10.8% | 13.1% | 6.1% | 8.6% | 8.5% |
| Residential Certificate | unweighted n | Evenings | Saturday | Sunday | Overnight | Share of Nonstandard Care Market that Charges More for Nonstandard Hours |
| Statewide | 20 | 36.3% | 19.6% | 9.9% | 28.3% | 0.0% |
| Rural | 3 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Urban | 17 | 45.5% | 24.5% | 12.5% | 35.4% | 0.0% |
| Source: author’s calculations from MRS data | | | | | | |
| Weighted estimates, percentages describe shares of the child care market defined by available slots | | | | | | |