

North Dakota Department of Human Services
Results of the 2015 Child Care Assistance Market Rate Survey
June 25, 2015

INTRODUCTION

The North Dakota Department of Human Services (DHS) Child Care Assistance Program (CCAP) helps low income eligible families pay for child care while parents work or participate in allowable training or education programs. The ND DHS sets maximum rates that can be paid for child care under CCAP. Federal regulations (45 CFR 98.16(1) and 98.43(b)(2)) require DHS to conduct a biennial market rate survey to ensure that payment rates allow CCAP families “equal access” to child care services. The federal Administration for Children and Families states that “payments established at least at the 75th percentile of the market would be regarded as providing equal access.” This report will provide both the 50th (median) and 75th percentiles of provider charges.

DATA COLLECTION AND ANALYSIS

The 2015 North Dakota Child Care Assistance Market Rate Survey consisted of four mailings:

- (1) an introductory letter (February 13, 2015),
- (2) a one-page survey, cover letter and self-addressed stamped return envelope (February 27, 2015),
- (3) a thank you/reminder postcard (March 23, 2015), **and**
- (4) a replacement survey, cover letter and self-addressed stamped return envelope (April 13, 2015).

The last day of survey collection was May 8, 2013.

Surveys were sent by the Division of Public Assistance to all Center and Licensed Family/Group child care providers in the State.

Data were gathered for 3 different rate/billing structures and 4 different child age groups.

The rate/billing structures were:

- Full Time Weekly (40 hours per week)
- Part Time Weekly (24 hours per week)
- Hourly Weekly (13 hours or less per week)

The child age groups were:

- Infants (Under 2)
- Toddlers, (2 and 3)
- Preschool (4 and 5)
- School Aged (6 up to 12)

Sharon Freeman (328-3579) of ITD Records Management developed the TeleForm (scannable survey) and Access database.

The returned surveys were scanned into a Microsoft Access database by Peggy Backman (retired) of DHS Human Resources (HR). Prior to and during the scanning process, extensive data quality control checks were performed to ascertain data acceptability and readability. Upon completion of scanning, the data were imported into SAS for data analysis and statistical generation. Additional data quality control checks were incorporated into the programming.

RESULTS

A total of 1,564 surveys were mailed to all Center and Licensed/Family Group child care providers, certified or registered with the state of North Dakota (Survey instrument, Appendix C). A listing of all current child care providers is generated monthly by Information Technology Services (ITS) for DHS Children and Family Services (CFS). This listing was obtained from Jennifer Barry (No longer working for the state) of CFS. The listing that was used as the data source for the market rate survey was generated on January 2, 2015. The following types of providers were included in the mailing:

CENTER

- Child care center, C
- Preschool education facility, E
- School age child care, K
- Multiple license, M

LICENSED FAMILY/GROUP

- Family child care, F
- Group child care home, G
- Group child care facility, H

Of the 1,564 surveys mailed, 940 were returned and usable for an overall response rate of 60.1%. Additionally, 118 facilities responded that they had no private pay clients. These surveys were excluded from the analysis because the pricing scheme of their facility was not representative of an actual market (non-subsidized) price. Ultimately, 1,446 valid surveys were mailed and 822 valid surveys were returned resulting in an adjusted response rate of 56.8%. The tables below show the overall and adjusted response rates by provider type.

Overall Response Rate

Provider Type	Total Number of Mailed Surveys	Completed/Returned Surveys	Overall Response Rate
Child Care Center, C	128	88	68.8%
Preschool Education Facility, E	58	35	60.3%
Family Child Care, F	355	200	56.3%
Group Child Care Home, G	781	484	62.0%
Group Child Care Facility, H	116	66	56.9%
School Age Child Care, K	58	20	34.5%
Multiple License, M	68	47	69.1%
Total	1,564	940	60.1%

Adjusted Response Rate

Provider Type	Total Number of Valid Mailed Surveys	Completed /Returned Surveys (with valid rate data)	Adjusted Response Rate
Child Care Center, C	121	81	66.9%
Preschool Education Facility, E	54	31	57.4%
Family Child Care, F	334	178	53.3%
Group Child Care Home, G	710	414	58.3%
Group Child Care Facility, H	108	58	53.7%
School Age Child Care, K	55	17	30.1%
Multiple License, M	64	43	67.2%
Total	1,446	822	56.8%

Valid surveys were returned from 51 of 53 counties (no usable surveys were received from Billings and Slope counties). Additionally, four counties in Minnesota (Clay, Otter Tail, Polk and Wilkin) and one county in Montana (Richland) were represented. These counties border North Dakota, and child care providers within these counties provide services to North Dakota residents. The table below shows the distribution of survey respondents by county of location/residence.

County	Number of Completed Surveys, (n)
Adams	3
Barnes	8
Benson	4
Bottineau	9
Bowman	5
Burke	1
Burleigh	99
Cass	201
Cavalier	3
Dickey	8
Divide	1
Dunn	2
Eddy	3
Emmons	4
Foster	1
Golden Valley	1
Grand Forks	99
Grant	4
Griggs	2
Hettinger	4
Kidder	1
LaMoure	5
Logan	2
McHenry	8
McIntosh	5
McKenzie	1
McLean	7

Mercer	4
Morton	29
Mountrail	6
Nelson	3
Oliver	1
Pembina	5
Pierce	4
Ramsey	17
Ransom	7
Renville	1
Richland	37
Rolette	11
Sargent	4
Sheridan	1
Sioux	1
Stark	39
Steele	2
Stutsman	26
Traill	12
Walsh	9
Ward	62
Wells	4
Williams	19
Clay (MN)	10
Otter Tail (MN)	1
Polk (MN)	8
Wilkins (MN)	7
Richland (MT)	1
Total	951

A total of children 16,971 were currently enrolled with survey respondents in spring of 2015. The table below shows the distribution of enrolled children by provider type and age group

Provider Type	Age Group				Total	Percent of Total
	Infants (Under 2)	Toddlers (2 and 3)	Preschool Age (4 and 5)	School Age (6 through 12)		
Child Care Center, C	1070	1319	1763	973	5125	30.2%
Preschool Education Facility, E	--	120	947	--	1067	6.3%
Family Child Care, F	367	426	240	125	1158	6.8%
Group Child Care Home, G	973	1397	1119	855	4344	25.6%
Group Child Care Facility, H	291	411	308	181	1191	7.0%
School Age Child Care, K	12	35	72	882	1001	5.9%
Multiple License, M	449	713	1333	590	3085	18.2%
Total	3162	4421	5782	3606	16971	

The 50th and 75th percentiles were computed for two categorical provider type classifications: Center (C, E, K, M) and Licensed Family/Group (F, G, H). Refer to Appendix A for the results. In addition, the graphs below show the current allowable maximums (effective November 1, 2014), along with the 50th and 75th percentiles for each provider category.

FULL-TIME (40 hours per week)

Center

The current allowable maximums for Center full-time weekly rates are consistently below the 50th percentile, with the exception of the 50th percentile for School Age children.

The current allowable maximums for Center full-time weekly rates are consistently below the 75th percentile.

Licensed Family/Group

The current allowable maximums for Licensed Family/Group full-time weekly rates are consistently below the 50th and 75th percentiles.

PART-TIME (24 hours per week)

Center

The current allowable maximums for Center part-time weekly rates are consistently below both the 50th and 75th percentile.

Licensed Family/Group

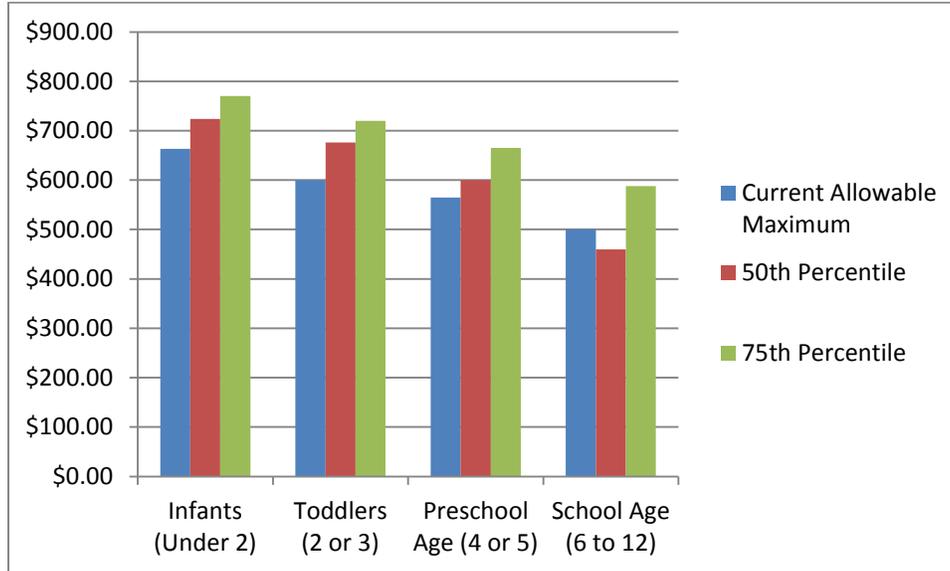
The current allowable maximums for Licensed Family/Group part-time weekly rates are below the 50th and 75th percentiles.

HOURLY

Center & Licensed Family/Group

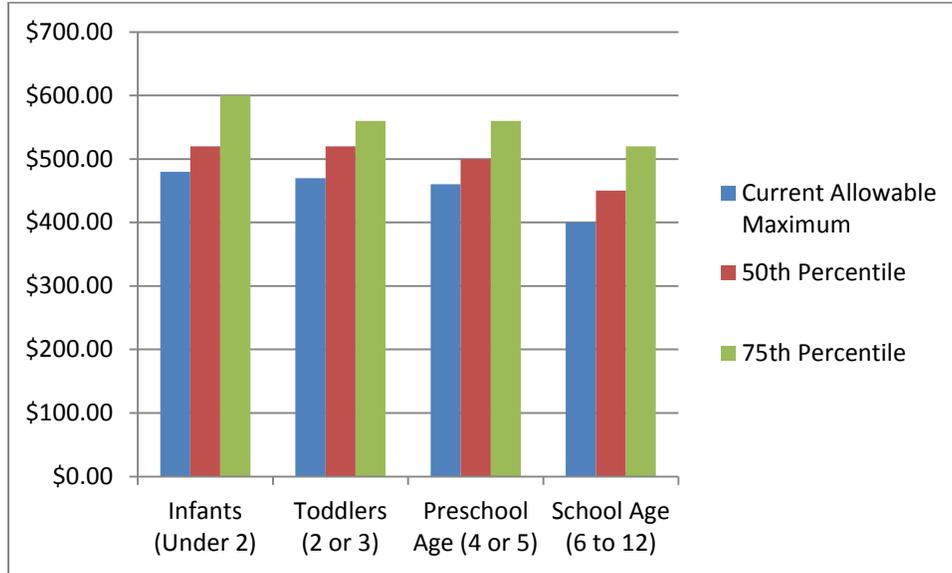
The current allowable maximums for Center & Licensed Family/Group hourly rates are consistently below both the 50th and 75th percentile.

Weekly Full-Time (160 hours per month)
Center (C,E,K,M)
(based on weekly full-time rates *)
Current Allowable Maximums, 50th and 75th Percentiles



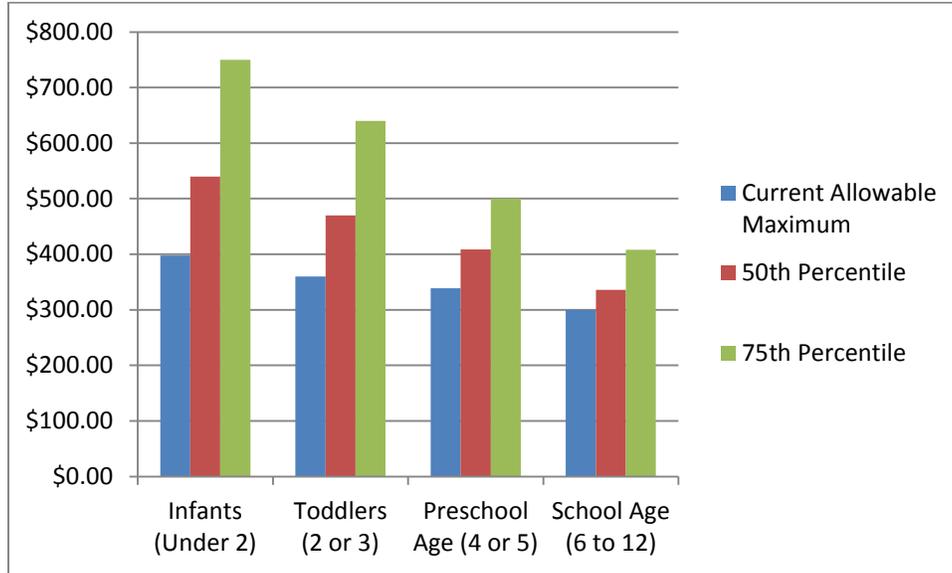
	Infants (Under 2)	Toddlers (2 or 3)	Preschool Age (4 or 5)	School Age (6 to 12)
Current Allowable Maximum	\$663.00	\$600.00	\$565.00	\$500.00
50th Percentile	\$724.00	\$676.00	\$600.00	\$460.00
75th Percentile	\$770.00	\$720.00	\$665.00	\$588.00

Weekly Full-Time (160 hours per month)
 Licensed Family/Group (F,G,H)
 (based on weekly full-time rates *)
 Current Allowable Maximums, 50th and 75th Percentiles



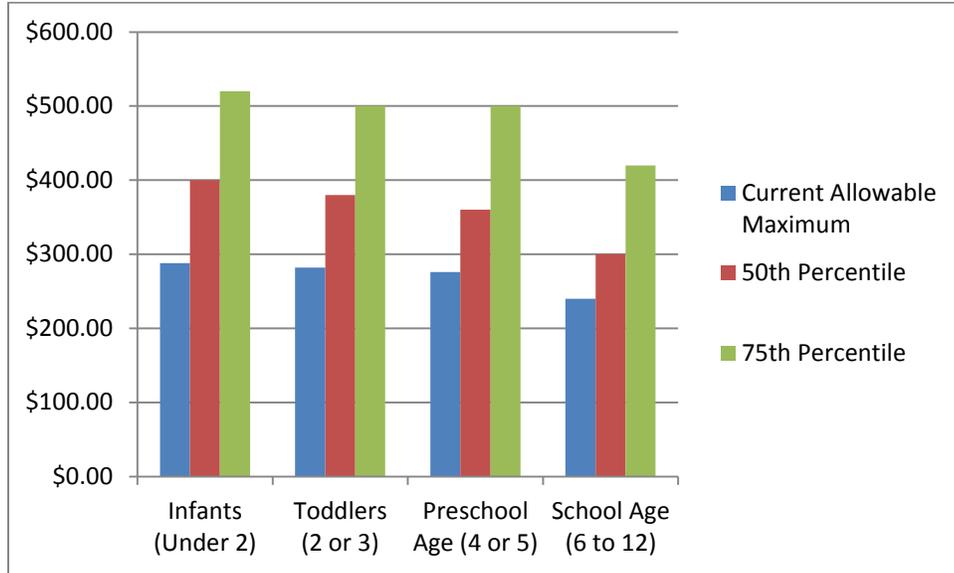
	Infants (Under 2)	Toddlers (2 or 3)	Preschool Age (4 or 5)	School Age (6 to 12)
Current Allowable Maximum	\$480.00	\$470.00	\$460.00	\$400.00
50th Percentile	\$520.00	\$520.00	\$500.00	\$450.00
75th Percentile	\$600.00	\$560.00	\$560.00	\$520.00

Weekly Part-Time (24 hours per week)
Center (C,E,K,M)
(based on weekly part-time rates *)
Current Allowable Maximums, 50th and 75th Percentiles



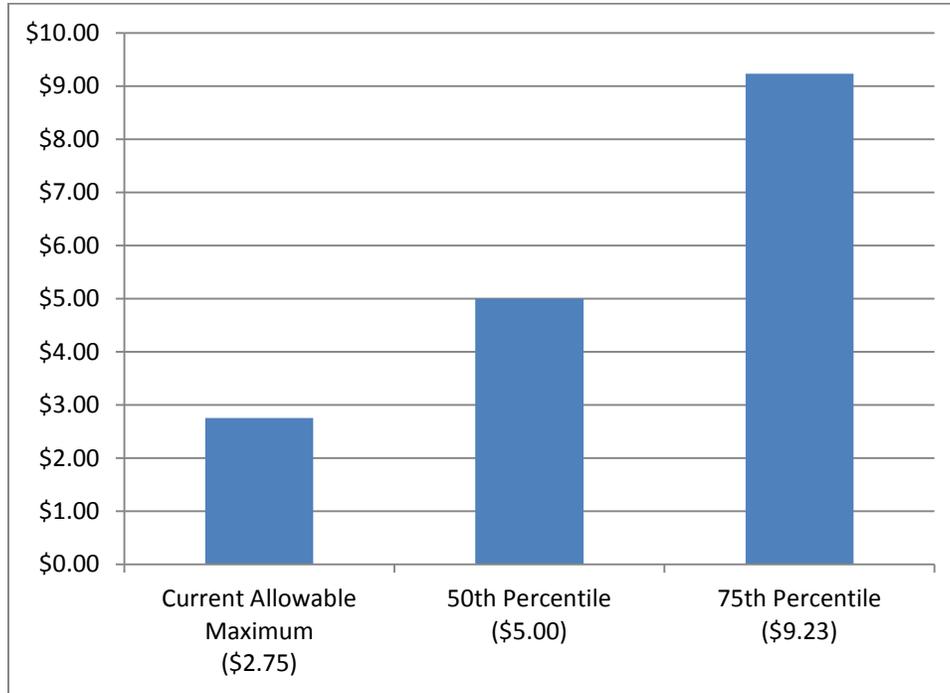
	Infants (Under 2)	Toddlers (2 or 3)	Preschool Age (4 or 5)	School Age (6 to 12)
Current Allowable Maximum	\$398.00	\$360.00	\$339.00	\$300.00
50th Percentile	\$540.00	\$470.00	\$408.70	\$336.00
75th Percentile	\$750.00	\$640.00	\$500.00	\$408.00

Weekly Part-Time (24 hours per week)
 Licensed Family/Group (F,G,H)
 (based on weekly part-time rates *)
 Current Allowable Maximums, 50th and 75th Percentiles



	Infants (Under 2)	Toddlers (2 or 3)	Preschool Age (4 or 5)	School Age (6 to 12)
Current Allowable Maximum	\$288.00	\$282.00	\$276.00	\$240.00
50th Percentile	\$400.00	\$380.00	\$360.00	\$300.00
75th Percentile	\$520.00	\$500.00	\$500.00	\$420.00

Hourly (13 hours or less per week)
Center (C,E,K,M) & Licensed Family/Group (F,G,H)
Current Allowable Maximums, 50th and 75th Percentiles
(Across Age Groups)



In addition to 50th and 75th percentiles, other measures were computed in an attempt to demonstrate the range of rates within each provider type (refer to Appendix B for the results). The measures included:

- (1) providers, n (number of providers with valid rate data),
- (2) mean (average) rate,
- (3) minimum rate,
- (4) maximum rate, **and**
- (5) 50th, 55th, 60th, 65th, 70th, 75th and 80th percentiles.

Do any of the children enrolled at this location receive benefits from North Dakota's Child Care Assistance Program?

Response	Count, (n)	Percent
Yes	452	55.0%
No	370	45.0%
Total	822	100%

LIMITATIONS & OBSERVATIONS

- Child care providers may or may not have included meals, snacks and formula in their rates.
- The hourly rate was calculated across all age groups and provider types since it is dispersed as a single standardized rate across these categories.

Staff contacts involved in the successful completion of this project:

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Samantha O'Brien, ND Child Care Assistance Program Subsidy Administrator

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Peggy Backman, (Retired)

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