

Attachment 2.7.4

2.7.4. Market Rate Survey

Lead Agencies must complete a local Market Rate Survey (MRS) no earlier than two years prior to the effective date of the Plan (no earlier than October 1, 2009). The MRS must be completed prior to the submission of the CCDF Plan (see Program Instruction CCDF-ACF-PI-2009-02 <http://www.acf.hhs.gov/programs/ccb/law/guidance/current/pi2009-02/pi2009-02.htm> for more information on the MRS deadline).

a) Provide the month and year when the local Market Rate Survey(s) was completed (§98.43(b)(2)): May 2010.

b) Attach a copy of the MRS instrument and a summary of the results of the survey as Attachment 2.7.4. For Lead Agencies that use an administrative provider database, provide a copy of the intake form as the instrument. The summary should include a description of the sample population, data source, the type of methodology used, response rate, description of analyses, and key findings

Summary of the Results

Sample Population

The ECSB sent Market Rate Survey letters to all active registered and licensed child care facilities in the state. The Market Rate Survey was sent to approximately 1214 providers in Montana. The return rate was approximately 69%.

Data Source

The data source for conducting the 2010 Market Rate Survey was the Child Care Under the Big Sky (CCUBS) computer system. The ECSB was able to pull a list of addresses to mail the Market Rate Survey letter for all currently registered or licensed family, group and child care center providers.

Type of Methodology

Before the market rate survey analysis, Montana sends a letter to each child care provider, requesting that current rates be updated on CCUBS, through their local Child Care Resource and Referral agency. The letter points out the need for current rates, even if the provider does not currently serve subsidized children. The survey is completed in a 15-day period. The provider is responsible tear off the attached postcard on the Market Rate Survey letter and mail to their local child care resource and referral agency. The child care resource and referral agency inputs the data into the CCUBS system. When the time frame for providers to send in their postcards has expired, the ECSB pulls a report to analyze all rates by each district, age of child, and type of facility.

Child Care Resource & Referral District	Child Care Setting	Type of Child Care
HRDC District 7 CCR&R (Billings area) Child Care Connections (Bozeman area) Butte 4 C's (Butte area) Hi-Line Home Programs, Inc (Glasgow area) Child Care Solutions (Great Falls area) District IV HRDC Child Care Link (Havre area) Child Care Partnerships (Helena area) The Nurturing Center (Kalispell area) HRDC District VI Child Care Link (Lewistown area) DEAP CCR&R (Miles City area) DEAP CCR&R (Glendive area) Child Care Resources (Missoula area) Montana Out-of-State Rate <i>(Used for out-of-state child care facilities serving Montana foster care children and for providers licensed or registered in a neighboring state yet serving children who reside in Montana)</i>	Child Care Center Group Child Care Home Family Child Care Home Legally Certified Provider <i>(Includes in-home care)</i>	Age 2+, Daily Age 2+, Hourly Infant, Daily Infant, Hourly

A copy of the Market Rate Survey letter is attached at the end of the document.
 Current provider rates can be found in Attachment 2.7.1

Montana conducted a market rate survey in May, 2010. Montana uses district rates to facilitate access to care in areas where families and providers experience a higher cost of living. Provider rate data is extracted from the Child Care Under the Big Sky (CCUBS) computer system and sorted by three categories for statistical analysis: 1) geographic location, 2) child care setting, and 3) type of child care. The next market rate survey will be conducted in May/June 2011.

Response Rate

The Market Rate Survey was sent to approximately 1214 providers in Montana. The return rate was approximately 69%.

Description of Analysis

Before the market rate survey analysis, Montana sends a letter to each child care provider, requesting that current rates be updated on CCUBS, through their local child care and referral agency. The letter points out the need for current rates, even if the provider does not currently serve subsidized children.

Montana conducted a market rate survey in May, 2010. Montana uses district rates to facilitate access to care in areas where families and providers experience a higher cost of living. Provider rate data is extracted from the Child Care Under the Big Sky (CCUBS) computer system and sorted by three categories for statistical analysis: 1) geographic location, 2) child care setting, and 3) type of child care.

The State is interested in helping families afford quality child care for the same price the public pays. The Best Beginnings Child Care Scholarship Program balances the need for families to access quality care and the need to serve as many low-income families as possible. Maintaining rates at the 75th Percentile ensures that scholarship families can afford to purchase child care services at most (75%) of the programs available in their area. A family may choose to supplement their scholarship and select a higher cost program.

Rates are calculated by analyzing current provider rate information for each geographical area. If 100 child care providers line up according to their rates, provider number 75 represents the 75th Percentile. The 75th Percentile is higher than the median rate and it is usually higher than the average rate. Note that the 75th Percentile is not 75% of an average rate.

By providing scholarships at the 75th percentile, the State enables a family to shop in 75% of the child care market and to afford a quality child care program. Depending on budget conditions, the State tries to adjust rates every year.

Key Findings

Rates for Centers, Group and Family Homes are currently set at the **75th percentile** of the 2009 Market Rate Survey. Because there is no “market” for Legally Certified Provider (LCP) or Legally Certified In-home (LCI) care, LCP/LCI rates are set at 75 percent of the corresponding Family Home rates.

Child Care Center means an out-of-home place in which day care is provided to 13 or more children on a regular basis.

Family Child Care Home means a private residence in which day care is provided to three to six children on a regular basis. In addition to the previous defined language found at 52-2-703, MCA, the term also means: a day care facility providing care to no more than three children under two years of age unless care is provided for infants only.

- For facilities providing care only for infants, family day care home means a place in which child care is provided for up to four infants. No other children shall be in attendance.

Group Child Care Home means a private residence or other structure in which day care is provided to seven to twelve children on a regular basis. In addition to the previous defined language found at 52-2-703, MCA, the term also means a day care facility providing care to seven to twelve children with no more than six children under two years of age, unless care is provided for infants only.

- For facilities providing care only for infants, group day care home means a place in which child care is provided for up to eight infants. No other children shall be in attendance.

Legally Certified Provider (LCP) means a person providing child care to two separate children of separate families or all of the children in one family and approved by the State for payment purposes. LCPs are not required to be registered or licensed as a child care facility and are not preschool or drop-in facilities, including providers whose child care services are provided in the home of the parents, for which a payment number (PV) has been established.

Legally Certified In-Home Provider (LCI) means a legally certified provider caring for children in the parent’s home including At-Home Relative Care.

Montana allows payment for more than a full day of child care in a 24-hour period. A child care ‘day’ is defined as 6 to 10 hours. To accommodate families who must be away from their children longer than 10 hours a day, we pay an hourly rate for care in excess of 10 hours in one day. For care of 16 or more hours/day, we will pay another full day of child care in a 24-hour period.

The Montana Statewide Rate is used when paying out-of-state child care facilities that serve Montana’s children who are in out-of-state foster care placements and for providers licensed or registered in a neighboring state yet serving children who reside in Montana.

Montana requires child care providers to notify the State of their rates as a prerequisite to issuing payment for child care services. The Child Care Under the Big Sky (CCUBS) computer system looks for the provider rate before an invoice is processed. This procedure ensures that Montana is paying the provider’s rate, if the District rate is higher than the provider’s rate. It also ensures that Montana is informed of provider rates statewide.

**DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES**



BRIAN SCHWEITZER
GOVERNOR

ANNA WHITING SORRELL
DIRECTOR

STATE OF MONTANA

www.dphhs.mt.gov
www.childcare.mt.gov

PO Box 202925
HELENA, MT 59602-2925

May 14th, 2010

Dear

On an annual basis and as required by law, the Early Childhood Services Bureau collects child care market rate information. This information is used to determine the current market rate for each region, by facility type and age group. This in turn, provides the state with current rate information in the field and assists with budgeting and policy development.

The department is requesting your help with this process, by doing the following things.

- Review the rates that are in the states eligibility system -CCUBS (provided below)
- Provide new rates or verify current rates by filling out the attached postcard
 - Provide just the rates that your facility charges
- Mail to your local Child Care Resource & Referral Agency by **May 31, 2010**

It is important to return the survey even if:

- Your rates have not changed (please mark if your rates have not changed on the post card)
- You do not take Best Beginnings Scholarship Children

What will happen once the information is returned?

- The Child Care Resource and Referral agency will update your rates in CCUBS

If you have any questions about the Market Rate Survey, please contact your CCR&R:

We greatly appreciate your assistance in collecting this information.

Sincerely,

Chauntel Lucier

ECSB Child Care Policy Program Specialist
(406) 329-1286 or clucier@mt.gov

Melody Olson

ECSB Management Analyst
(406) 444-1839 or molson@mt.gov

The CCUBS system currently lists your facilities rates as:		Hourly	Daily
	Child (2 yrs +)		
	Infant (0-23 months)		

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES
EARLY CHILDHOOD SERVICES BUREAU
2010 MARKET RATE SURVEY

Do you take Best Beginnings Scholarship Children? YES NO

What age range do you serve? _____ min age to _____ max age

Do you have changes to your current rates that are in CCUBS?

NO (return blank post card) YES (provide updated rate information)

	Hourly	Daily	Weekly	Monthly
Child (2 yrs +)				
Infant (0-23 months)				

COMMENTS:

**PLEASE
MAIL
POSTCARD
BY
May 31, 2010**



Department of Public Health & Human Services
Early Childhood Services Bureau
PO Box 202925
Helena MT 59620

MARKET RATE SURVEY

RETURN BY

MAY 31st, 2010



STATE OF MONTANA
DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES
EARLY CHILDHOOD SERVICES BUREAU
PO BOX 202925
HELENA, MT 59620

Child Care Region Name

HRDC District 7 CCR&R
 - Billings area

County Name

Big Horn
 Carbon
 Stillwater
 Sweet Grass
 Yellowstone

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 29.90	\$ 5.50	\$ 34.00	\$ 6.00
Family	\$ 25.00	\$ 5.00	\$ 28.00	\$ 5.50
Group	\$ 27.00	\$ 5.50	\$ 30.00	\$ 6.00
LCP	\$ 18.80	\$ 3.80	\$ 21.00	\$ 4.20

Child Care Region Name

Child Care Connections
 - Bozeman area

County Name

Gallatin
 Meagher
 Park

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 33.30	\$ 6.00	\$ 36.50	\$ 6.50
Family	\$ 30.00	\$ 5.00	\$ 30.00	\$ 5.50
Group	\$ 31.00	\$ 6.00	\$ 34.60	\$ 6.00
LCP	\$ 22.50	\$ 3.80	\$ 22.50	\$ 4.20

Child Care Region Name

Butte 4C's
 - Butte area

County Name

Beaverhead
 Deer Lodge
 Granite
 Madison
 Powell
 Silver Bow

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 25.00	\$ 5.00	\$ 25.50	\$ 5.00
Family	\$ 23.90	\$ 4.00	\$ 25.00	\$ 4.00
Group	\$ 23.50	\$ 4.00	\$ 25.00	\$ 4.00
LCP	\$ 18.00	\$ 3.00	\$ 18.80	\$ 3.00

Child Care Region Name

Hi-Line Home Programs, Inc
 - Glasgow area

County Name

Daniels
 Phillips
 Roosevelt
 Sheridan
 Valley

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 27.50	\$ 3.00	\$ 27.50	\$ 3.00
Family	\$ 25.00	\$ 3.00	\$ 25.00	\$ 3.30
Group	\$ 27.00	\$ 3.00	\$ 29.80	\$ 3.00
LCP	\$ 18.80	\$ 2.30	\$ 18.80	\$ 2.50

Child Care Region Name

Family Connections
 - Great Falls area

County Name

Cascade
 Chouteau
 Glacier
 Pondera
 Teton
 Toole

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 28.00	\$ 5.50	\$ 36.70	\$ 7.50
Family	\$ 24.50	\$ 4.00	\$ 25.00	\$ 4.40
Group	\$ 26.00	\$ 4.70	\$ 28.00	\$ 4.80
LCP	\$ 18.40	\$ 3.00	\$ 18.80	\$ 3.30

Child Care Region Name

District IV HRDC Child Care Link
 - Havre area

County Name

Blaine
 Hill
 Liberty

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 27.20	\$ 3.20	\$ 27.40	\$ 3.80
Family	\$ 22.50	\$ 3.50	\$ 24.40	\$ 3.50
Group	\$ 27.00	\$ 5.00	\$ 27.50	\$ 5.30
LCP	\$ 16.90	\$ 2.70	\$ 18.30	\$ 2.70

Child Care Region Name

Child Care Partnerships
 - Helena area

County Name

Broadwater
 Jefferson
 Lewis and Clark

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 25.00	\$ 5.00	\$ 31.00	\$ 6.50
Family	\$ 23.00	\$ 3.80	\$ 25.00	\$ 4.00
Group	\$ 23.90	\$ 4.50	\$ 27.00	\$ 5.00
LCP	\$ 17.30	\$ 2.90	\$ 18.80	\$ 3.00

Child Care Region Name

The Nurturing Center
 - Kalispell area

County Name

Flathead
 Lake
 Lincoln
 Sanders

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 36.10	\$ 5.00	\$ 40.00	\$ 5.00
Family	\$ 25.00	\$ 5.00	\$ 27.60	\$ 5.00
Group	\$ 25.60	\$ 5.00	\$ 27.00	\$ 5.00
LCP	\$ 18.80	\$ 3.80	\$ 20.70	\$ 3.80

Child Care Region Name

HRDC District VI Child Care Link
 - Lewistown area

County Name

Fergus
 Golden Valley
 Judith Basin
 Musselshell
 Petroleum
 Wheatland

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 25.00	\$ 5.00	\$ 26.60	\$ 5.50
Family	\$ 22.90	\$ 4.30	\$ 25.50	\$ 4.30
Group	\$ 22.50	\$ 5.00	\$ 24.10	\$ 5.00
LCP	\$ 17.20	\$ 3.30	\$ 19.20	\$ 3.30

Child Care Region Name

DEAP CCR&R
 - Miles City area

County Name

Carter
 Custer
 Fallon
 Powder River
 Rosebud
 Treasure

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 20.00	\$ 2.70	\$ 22.00	\$ 3.30
Family	\$ 22.00	\$ 3.90	\$ 22.60	\$ 3.80
Group	\$ 24.00	\$ 4.00	\$ 25.00	\$ 3.80
LCP	\$ 16.50	\$ 3.00	\$ 17.00	\$ 2.90

Child Care Region Name

DEAP CCR&R
 - Glendive area

County Name

Dawson
 Garfield
 McCone
 Prairie
 Richland
 Wibaux

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 26.10	\$ 3.40	\$ 27.60	\$ 3.80
Family	\$ 25.00	\$ 3.00	\$ 25.50	\$ 3.00
Group	\$ 22.60	\$ 2.90	\$ 24.50	\$ 3.00
LCP	\$ 18.80	\$ 2.30	\$ 19.20	\$ 2.30

Child Care Region Name

Child Care Resources
 - Missoula area

County Name

Mineral
 Missoula
 Ravalli

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 29.20	\$ 5.00	\$ 30.00	\$ 5.50
Family	\$ 25.30	\$ 5.00	\$ 27.00	\$ 5.00
Group	\$ 27.00	\$ 5.00	\$ 29.00	\$ 5.00
LCP	\$ 19.00	\$ 3.80	\$ 20.30	\$ 3.80

STATE

2010 Survey Results

	Child Daily	Child Hourly	Infant Daily	Infant Hourly
Center	\$ 30.00	\$ 5.50	\$ 35.00	\$ 6.50
Family	\$ 25.00	\$ 5.00	\$ 27.00	\$ 5.00
Group	\$ 27.00	\$ 5.10	\$ 29.00	\$ 5.50
LCP	\$ 18.80	\$ 3.80	\$ 20.30	\$ 3.80