



State and Territory Administrators Meeting

STAM 2022

Rate Setting Data Plan for Next Three-Year CCDF Plan Cycle

The window opened July 1, 2022, for gathering data needed for setting rates for the FY 2025-2027 CCDF Plan. Use the following to complete a plan customized for the work your Lead Agency needs to address in the coming two years.

Lead Agency: _____

Objective: Develop a data gathering plan

Activity	Considerations	Timeline	Notes
Meet with internal team	<ul style="list-style-type: none"> ◆ Identify Lead Agency objectives using an equity lens ◆ Evaluate team capacity for the work ◆ Identify and assign staff to objectives/activities OR begin process for securing consultant(s) to assist (see Consider Resources Needed below) ◆ Evaluate existing data ◆ Plan for partner meeting ◆ Consider possible data gathering methods which are accessible regardless of language, literacy, or other barriers 		

Activity	Considerations	Timeline	Notes
Engage partners and stakeholders	<ul style="list-style-type: none"> ◆ Identify diverse partners to engage ◆ Prepare partners for the process using materials which are linguistically, culturally, and appropriately accessible ◆ Seek feedback on Lead Agency objectives ◆ Seek input on proposed data gathering methods ◆ Plan for future engagements ◆ Identify any state approvals necessary and ensure those required to approve are engaged ◆ Engage stakeholders, including state advisory council, local child care administrators, local CCR&R, and organizations representing child care caregivers, teachers and directors, into the process for plan for collecting data 		
Finalize data gathering methods	<ul style="list-style-type: none"> ◆ Seek legislative or administrative approval for data gathering plan if needed ◆ If conducting an alternative methodology, determine method to be used — survey, cost model, or other ◆ Decide how you will estimate cost of base and higher-level care for the required narrow cost analysis — use existing data, incorporate as part of alternative methodology, conduct a limited survey, develop a cost model ◆ Seek OCC pre-approval if conducting an alternative methodology unless the Lead Agency will also pursue a market rate survey. Requests for pre-approval must be submitted with enough advance time to allow for OCC review and Lead Agency completion prior to July 1, 2024. ◆ Decide how you will gather information on providers' barriers to subsidy participation and, if you allow providers to charge parents more than the subsidy, how you will gather data on frequency and cost 		

Activity	Considerations	Timeline	Notes
Consider resources needed	<ul style="list-style-type: none"> ◆ Identify budget needed to cover costs ◆ Determine responsibilities of contractor, if applicable ◆ Identify roles of contractor vs. staff and partners ◆ Discuss contracting with budget and procurement staff ◆ Create scope of work and timeline 		

Objective: Implement data gathering plan

Activity	Considerations	Timeline	Notes
Collect current data	<ul style="list-style-type: none"> ◆ If surveying for either price or cost, gather data over a three-month window ◆ If using existing data, ensure it is current or updated and equitable (within the two-year state plan gathering window) ◆ When surveying, evaluate response rate midway to ensure adequate response (target: 65%) from diverse sources and need for outreach which addresses language and literacy barriers ◆ Engage partners to provide input and review gathered data 		

Objective: Analyze data

Activity	Considerations	Timeline	Notes
If using MRS, review survey data	<ul style="list-style-type: none"> ◆ Affirm data cleaning process and decisions ◆ Review price data as sorted by provider type, geographic area, and age of child and identify areas of need. Consider disaggregating data by race and ethnicity. ◆ Review 75th percentile findings, comparing to current rates ◆ Review full-time vs. part-time prices and affirm Lead Agency definitions and current prices. Consider if changes are needed to Lead Agency definitions. ◆ Ensure narrow cost analysis is completed, i.e., cost data identifies costs associated with base levels of care and higher levels of care, as defined by the Lead Agency 		
Review cost data, AM and/or NCA	<ul style="list-style-type: none"> ◆ Affirm data cleaning process and decisions ◆ Review cost data as identified by provider type, geographic area, and age of child. Consider disaggregating data by race and ethnicity. ◆ Ensure narrow cost analysis is completed, i.e., cost data identifies costs associated with base levels of care and higher levels of care, as defined by the Lead Agency ◆ Evaluate the gap between provider subsidy rates to the cost of care at the base level and higher levels of care by age of child, provider, and geographic area 		

Activity	Considerations	Timeline	Notes
If using cost modeling, prepare cost modeling scenarios	<ul style="list-style-type: none"> ◆ Determine tool you will use to create your model ◆ Work with licensing staff to prepare a model that reflects licensing requirements ◆ Work with licensing staff to determine a “typical” child care program ◆ Work with quality staff to understand quality standards to model 		
Identify policy options and potential impacts	<ul style="list-style-type: none"> ◆ Develop a plan for addressing the gaps between rates and costs ◆ Explore options and impacts for rate increases, considering all factors that could influence the decision ◆ Explore options and impacts for other policy changes, i.e., paying providers based on enrollment and other payment practices ◆ Identify and plan for engaging decision-makers who need to be involved in rate increases and other policy changes 		

Objective: Share findings in detailed report

Activity	Considerations	Timeline	Notes
Summarize data gathering/analyzing process	<ul style="list-style-type: none"> ◆ Describe the MRS or AM process ◆ Describe the partner and stakeholder engagement process ◆ Incorporate findings from MRS or AM ◆ Incorporate findings from NCA ◆ Incorporate partner feedback and any actions taken by the Lead Agency in response to the feedback 		

Activity	Considerations	Timeline	Notes
Post detailed report	<ul style="list-style-type: none"> ◆ Ensure report is publicly available and posted within 30 days of report completion 		

Objective: Utilize report to improve subsidy rates and policies

Activity	Considerations	Timeline	Notes
Develop a short-term plan for subsidy rate changes	<ul style="list-style-type: none"> ◆ Develop a plan for rate setting based on findings. Reminder – lead agencies are required to use the data to set rates and must change rates if the data show increases. ◆ Identify potential policy changes and draft language ◆ Share an accessible detailed report with partners and public, and engage legislative and administrative leadership in rate setting if needed ◆ Plan communications and outreach regarding any changes considering language, literacy, and other barriers 		
Develop a strategic plan for subsidy rate changes over time if applicable	<ul style="list-style-type: none"> ◆ Develop a long-range plan for rate changes based on findings ◆ Identify potential policy changes and draft language ◆ Share an accessible detailed report and engage legislative and administrative leadership in planning for rate setting changes if needed ◆ Plan communications and outreach regarding any long-term goals considering language, literacy, and other barriers 		