Equal Access Resources

Introduction

Equal access refers to the assurance that states and territories must provide in their Child Care and Development Fund (CCDF) plans that CCDF subsidies are sufficient to ensure eligible children have the same access to child care services that are comparable to services provided to children whose parents are not eligible to receive child care assistance. Equal access is comprised of the following components:

- How a choice of the full range of providers is available
- How payment rates are adequate and based on the most recent market rate survey or alternative methodology
- How base payment rates support health, safety, quality, and staffing requirements
- How the cost for higher quality care has been addressed
- How co-payments based on a sliding fee scale are affordable
- How payment practices support equal access by providing stable funding and encourage providers to serve CCDF children
- How and on what factors the Lead Agency differentiates payment rates.
- Any additional facts used to determine payment rates ensure equal access.

Below is a list of current resources addressing different components of the equal access requirements in the CCDF Final Rule. Resources are organized under four headings: (1) Program Instructions and Regulations, (2) Guidance, (3) Final Rule Resources, and (4) Data. Each resource is briefly summarized and annotated with abbreviated text boxes to indicate which of the following equal access-related topics is addressed: Market Rate Surveys, Payment Rates, Cost of Care, Payment Practices, and Copays (see legend below).
Program Instructions and Regulations

CCDF-ACF-PI-2016-08 provides state and territorial Lead Agencies with guidance on the timelines and requirements for developing and conducting market rate surveys or alternative methodologies to set provider payment rates. The CCDF-ACF-PI-2016-08 Attachment: CCDBG Act and Final Rule Requirements for Market Rate Surveys & Alternative Methodologies accompanies the Program Information, providing statutory and regulatory citations and provisions for market rate survey-related topics.

CCDF-ACF-PI-2018-01 provides state and territorial Lead CCDF Agencies with guidance on developing and conducting alternative methodologies and narrow cost analyses to establish subsidy payment rates.

A copy of the CCDF Regulations with track changes shows the CCDF reauthorization regulatory changes as of September 23, 2016, including all added and deleted text. Section 98.45 deals with equal access and reflects significant revisions.
Guidance

The **Guidance on Estimating and Reporting the Costs of Child Care** aims to support Lead Agencies and their partners as they create cost estimates, including more narrowly-focused cost estimates, prepare detailed reports, and use cost estimates to inform their rate setting. Specifically, this guidance outlines factors that influence the cost of care, sources of information that can inform cost estimates, and methods of calculating costs.

**Addressing Equal Access through Alternative Methodologies and Cost Analyses** provides an overview of terminology related to equal access, and outlines the data needed to set payment rates. In particular, market rate surveys, narrow cost analysis and alternative methodologies are discussed and guidance on estimating and reporting the costs of care is presented.
**Planning Your Market Rate Survey** brief describes what a market rate survey is and outlines the requirements. The brief walks Lead Agencies through the steps of planning their market rate surveys, including considering what market information is already known, suggesting the types of providers that should be included in a survey, highlighting the importance of engaging stakeholders, and considering who and how to conduct the survey.

**What is a Market Rate Survey?**

A market rate survey is the collection and analysis of prices and fees charged by child care providers for services in the market. The intended market refers to the open market where the parent and provider do not have a relationship that could alter the price charged. In other words, an arm’s-length transaction. A well-developed and conducted market rate survey provides qualitative and quantitative insights into provider business practices and prices for location, setting, children’s ages, and the three dimensions of care. The purpose of the market rate survey is to guide Lead Agencies in setting payment rates within the context of market conditions that are fair and have to provide equal access to the full range of child care services, which may include high-quality child care. Additionally, a market rate survey may provide what is a valid and reliable survey?

- A market rate survey is statistically valid and reliable if:
  - includes the potential child care market;
  - provides complete and current data;
  - represents geographic variability;
  - uses rigorous data collection procedures; and
  - analyzes data in a manner that captures market differences.

**Designing and Conducting Your Market Rate Survey** brief includes the designing and conducting market rate survey. The brief describes: (1) how administrative data can be used; (2) proposes how the questionnaire should be structured; (3) outlines how to ensure standardized reported prices; (4) describes how to use sampling, recommends how to communicate with providers; and (5) outlines 10 basic principles of creating a valid market rate survey.
The **Analyzing Your Market Rate Survey Data** brief addresses how to evaluate survey responses to ensure appropriate regional responses. It also shares how to prepare raw data, provides tips to ensure the validity of data. The brief offers suggestions for weighting prices by capacity and assists in how to determine market rate percentiles.

The **Using Market Rate Survey and Other Data to Set Subsidy Payment Rates** brief outlines steps to gather additional data for rate setting, outlines how to prepare the detailed report, reminds readers of considerations in setting subsidy payment rates, highlights the importance of payment practice policies, and includes a chart with examples of the factors that need to be addressed to demonstrate equal access.
The **CCDF Family Co-Payments and Sliding Fee Scales** brief describes sliding fee scale designs and how co-payments are an important component of equal access. The cost of child care can be a significant barrier for low-income families to access child care. This resource outlines: (1) regulatory requirements for setting co-payments, (2) highlights the CCDF plan provisions, (3) considers elements of fee scale design, (4) addresses countable income, and (5) provides examples of fee scale considerations.

**OPRE Report 2017-115 Market Rate Surveys and Alternative Methods of Data Collection and Analysis to Inform Subsidy Payment Rates** provides research- and expert-informed guidance on collecting data on child care prices and costs for the purpose of setting child care subsidy payment rates. This report addresses market rate surveys and alternative methodologies, and criteria and considerations for assessing methods to inform rate setting.
Final Rule Resources

**CCDF Final Rule Fact sheet** provides an overview of the CCDF Final Rule and the Child Care and Development Block Grant (CCDBG) Act and summarizes the major changes of the Act and the final rule in a variety of areas, including equal access.

The **CCDF Final Rule FAQs** addresses frequently asked questions about the CCDF Final Rule. The final section of the document describes the means through which equal access is supported. Frequently asked questions related to payment rates, co-payments, and payment practices are answered.

The **CCDF Final Rule Overview Webinar** (see slides here: [CCDF Final Rule Overview Webinar Slides](#)) provides an overview of the final rule requirements. The components of equal access are reviewed with a focus on new provisions. Payment rates based on a valid market rate survey or alternative methodology are addressed, followed by a discussion of family co-payments, improving payment practices, and provider stability.
The **CCDF Final Rule: Equal Access Provisions** provides a deeper look into the equal access provisions in the final rule, including payment rates, market rate survey or alternative methodology, family co-payments, improving payment practices and provider stability, ensuring access for specific populations, and a tribal CCDF framework. New components are highlighted and a roadmap to key provisions in 45 CFR 98.45 is provided.

### Data

The **Priorities Report: FY 2018** outlines state initiatives for serving prioritized children with CCDF child care assistance. Related to equal access, the report highlights how some states provide higher payment rates to providers caring for children with special needs. Additionally, some states waive co-payments for families with very low incomes or for those experiencing homelessness. The appendices offer tables on the percent of children receiving CCDF services below poverty in each state and children experiencing homelessness who are receiving CCDF services in each state.

In relation to equal access, the **Characteristics of Families Served by the Child Care and Development Fund (CCDF) Based on Preliminary FY 2017 Data** highlights family co-payment characteristics. In FY 2017, approximately 75 percent of families with reported incomes paid a co-payment as compared to 25 percent that did not have a co-payment. For families that were assessed a co-payment, the average was 7 percent of the family income.