Equal Access:
Steps to Conduct a Market Rate Survey or Alternative Methodology
Across the 3-Year CCDF Plan Cycle

<table>
<thead>
<tr>
<th>Exploring</th>
<th>Developing</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1st: Data gathering window opens for FFY CCDF Plan cycle no more than 2 years prior to due date*</td>
<td>Design instrument Conduct data gathering</td>
<td>MRS/AM/NCA data + analysis + detailed report completed by the July 1st CCDF Plan submission due date</td>
</tr>
<tr>
<td>Stakeholder engagement</td>
<td>Price or cost data analysis</td>
<td>Detailed report must be posted within 30 days of completion</td>
</tr>
<tr>
<td>Stakeholder engagement</td>
<td>Price or cost data analysis</td>
<td>MRS/AM/NCA data + analysis + detailed report completed by the July 1st CCDF Plan submission due date</td>
</tr>
<tr>
<td>Determine approaches</td>
<td>Price or cost data analysis</td>
<td>Detailed report must be posted within 30 days of completion</td>
</tr>
<tr>
<td>Stakeholder engagement</td>
<td>Price or cost data analysis</td>
<td>MRS/AM/NCA data + analysis + detailed report completed by the July 1st CCDF Plan submission due date</td>
</tr>
<tr>
<td>Seek preapproval (if needed)</td>
<td>Price or cost data analysis</td>
<td>Detailed report must be posted within 30 days of completion</td>
</tr>
</tbody>
</table>

* For the FY2025-27 CCDF Plan timeframe, price and cost gathering can begin July 1, 2022. All the requirements for the market rate study/alternative methodology, narrow cost analysis, and detailed report must be completed by July 1, 2024.

NOTE: The above visual is a generalization. Timelines are dependent on state or territory specifics, including: the availability of Lead Agency staff and contractor (if used); engagement strategies with and meeting dates of stakeholders; processes and timelines for procurement; internal processes and timeframes for decision-making and document review; and legislative and administrative timeframes for policy changes and rate setting. Lead Agencies will need to outline their timeframes accordingly. Lead Agencies are encouraged to review the market rate survey briefs, as well as the other materials related to cost gathering on the CCTAN-NCSIA website for further detail regarding the steps.
## Stakeholder engagement

**Prior** to conducting an MRS or AM and NCA, engage at a minimum the required stakeholders to help determine:
- ☐ What are the objectives of the data collection?
- ☐ Who should conduct the data collection?
- ☐ What methods might be used to gather data?
- ☐ How to ensure a diverse range of providers are included?

### Determine approach for:
- ☐ Market rate survey (price), alternative methodology (costs), or hybrid
- ☐ Narrow cost analysis (estimating, surveying, or modeling)

### Proposing an alternative methodology:
- ☐ Identify data not able to be obtained from a more rigorous narrow cost analysis
- ☐ Decide: cost survey, cost estimation model, or other method
- ☐ Seek approval from Office of Child Care prior to gathering data

### Procurement of contractor (if used)
- ☐ Procure and hold preliminary meetings with contractor to outline scope of work

## Design the survey or data gathering instrument
- ☐ Ensure statistical validity and reliability for MRS or AM
- ☐ Incorporate variations such as geographic location, category of provider, and age of child

### Gather data
- ☐ Decide whether to survey, interview, or both; if using a survey, decide whether to gather data by census (whole population) or through sampling
- ☐ Establish strategies to assure at least a 65% response rate to ensure data is representative (for market rate survey, cost surveys)
- ☐ Plan for a three-month period of data collection for surveys, including follow-up with providers
- ☐ Collect cost data via pre-approved method (if using an alternative methodology) or for the narrow cost analysis

### Analyze the data
- ☐ Allow time for data clean-up
- ☐ If using an MRS, determine the 75th percentile within the rates as a benchmark for ensuring access
- ☐ If using an alternative methodology, analyze the cost survey or modeling data; establish benchmark to be used to determine a per child or per unit cost
- ☐ Conduct (or incorporate within the alternative methodology) the narrow cost analysis; estimate and analyze cost to providers for both base costs and higher quality care

## Price and cost data analysis

### Completed
- ☐ Market rate survey or alternative methodology complete
- ☐ Narrow cost analysis complete including measuring the gap between costs and subsidy rates

### Detailed written report includes:
- ☐ Responses to stakeholder input
- ☐ Results of MRS/AM

### Results of narrow cost analysis:
- ☐ Estimated costs of care by relevant variations (e.g., locality, provider type and ages of children) to support:
  - ☐ The cost of child care providers’ implementation of health, safety, quality, and staffing requirements
  - ☐ The cost of each level of higher quality, as established by a QRIS or other quality metric

### Detailed written report completed
- ☐ Posted within 30 days of completion

## Stakeholder engagement encouraged throughout process

### REMINDER FOR CCDF PLAN:
Additional data and facts relied on to determine if the payment rates ensure equal access. They may be gathered as part of MRS, AM, or other approaches.

1. The extent that providers participate in subsidy program and any barriers to participation
2. The extent that providers charge additional amounts to parents beyond the co-payment (size and frequency)
3. Providers’ generally-accepted payment practices (Not applicable if Lead Agency pays based on full- and part-time care and pays for reasonable mandatory registration fees.)