



NATIONAL WOMEN'S LAW CENTER

SHORTCHANGING OUR YOUNGEST CHILDREN: State Payment Rates for Infant Care

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ABOUT THE CENTER

The National Women’s Law Center is a non-profit organization working to expand the possibilities for women and their families by removing barriers based on gender, opening opportunities, and helping women and their families lead economically secure, healthy, and fulfilled lives—with a special focus on the needs of low-income women and their families.

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Introduction

High-quality infant care is essential for families. During the first few years of life, children's brain architecture—the foundation for later learning and well-being—is built, with more than 1 million new neural connections formed every second.¹ Given the importance of the early years, infants need child care environments that encourage their healthy growth and development. Parents also need reliable infant care so they can work and support their young families—especially since most parents do not have access to paid family leave—or so they can attend school to get the education and credentials they need for a better job. Yet high-quality infant care is hard to find and difficult to afford, particularly for low- and moderate-income families. The average annual cost of infant care ranges from nearly \$3,500 to over \$20,000, depending on the state and the type of care.²

Some families are able to receive child care assistance to help cover these costs through the federal Child Care and Development Block Grant (CCDBG). This program provides funds to states to help low-income families pay for child care as well as to support efforts to improve the quality of care. Under CCDBG, states have the flexibility, within federal parameters, to determine their own policies. For example, states set their own eligibility criteria, which determine who can receive child care assistance. States also decide how much to pay the child care providers who serve families receiving child care assistance, which determines families' child care options and child care providers' ability to sustain their businesses.

When payment rates for child care providers are too low, providers are reluctant to serve families receiving child care assistance and those providers who

do serve these families lack the resources to offer the high-quality care that children need. Without sufficient resources, providers cannot attract and retain good staff, keep child-staff ratios low, purchase sufficient supplies, or maintain facilities. In many cases, low payment rates that do not cover the cost of providing care leave providers struggling to even keep their doors open. Parents receiving child care assistance can only truly access the child care they want for their infants if the rates paid to providers serving these families are adequate.

The federal government establishes some requirements and guidelines for how states should set these payment rates and offers some recommendations on where rates should be set. However, it does not require states to set provider payment rates at any particular level. Consequently, most states are not paying adequate rates for infant care, making it challenging for families receiving child care assistance to access the high-quality care their very young children need. Forty-six states—*92 percent of states*—and the District of Columbia (counted as a state in the analysis below) fail to set payment rates for infant care in a child care center at recommended levels. This harms families, children, and providers.

Parents receiving child care assistance can only truly access the child care they want for their infants if the rates paid to providers serving these families are adequate.

This report analyzes state-by-state data from February 2017 on payment rates for infant care, including:

- **Payment rates for center care (care in a child care center) for infants compared to the federally recommended level:** This comparison helps in evaluating whether state payment rates are sufficient to give families receiving child care assistance and looking for infant care an adequate choice of child care centers.
- **Payment rates for family child care (care by a regulated provider in the provider's own home) for infants compared to the federally recommended level:** This comparison helps in assessing whether state payment rates are sufficient to provide families receiving child care assistance and looking for infant care with an adequate choice of family child care homes.
- **Tiered (higher) payment rates for higher-quality center care for infants:** This analysis assesses the extent to which states are offering adequate resources and incentives for child care centers caring for infants to meet higher quality standards.
- **Tiered payment rates for higher-quality family child care for infants:** This analysis examines the extent to which states are offering adequate resources and incentives for family child care providers caring for infants to meet higher quality standards.
- **Payment rates for center care for infants compared to payment rates for center care for preschool-age children:** This comparison enables states to more closely examine whether their rates for infant care exceed their rates for preschool-age care by enough to offset the additional costs of caring for very young children and to offer providers incentive to offer care to infants.
- **Payment rates for center care for infants compared to payment rates for family child care for infants:** This comparison gives states information to help determine whether the difference between their rates for family child care and their rates for center care is justifiable, based on differences in market prices, the need to provide additional incentives for one type of care to secure an adequate supply of that care, or other factors related to ensuring sufficient child care options for families and their infants.

Key findings from this analysis of payment rates for infant care as of February 2017 include:

- Only four states paid rates for center care for infants that were at or above the federally recommended level (the 75th percentile of current market rates); the remaining states set rates below the recommended level, including 23 states with rates for center care for infants that were 20 percent or more below the recommended level.
- Only seven states paid rates for family child care for infants that were at or above the federally recommended level (the 75th percentile of current market rates); the remaining states set rates below the recommended level, including 18 states with rates for family child care for infants that were 20 percent or more below the recommended level.
- Forty states paid higher rates for infant care provided by centers meeting higher-quality standards, but in 28 of these states, rates for centers at the highest quality level were still below the federally recommended level.
- Thirty-nine states paid higher rates for infant care provided by family child care homes meeting higher-quality standards, but in 21 of these states, rates for family child care at the highest quality level were still below the federally recommended level.
- All states paid higher rates for infant care than for preschool-age care, but the amount by which rates for infant care exceeded rates for preschool-age care varied widely, from 5 percent to 107 percent.
- Forty-eight states paid higher rates for infant care in centers than in family child care, with the amount by which rates for centers exceeded rates for family child care ranging from 4 percent to 115 percent. Two states paid higher rates for infant care in family child care than in centers, and one state paid the same rates for infant care in centers as in family child care.

Infant Care Payment Rates Are Below Recommended Payment Levels in Most States

Adequate payment rates for infant care are crucial to ensure that providers serving families receiving child care assistance have sufficient resources to pay qualified teachers, allow child care workers to earn sufficient salaries to support themselves and their families, maintain low child-teacher ratios so that very young children receive the individualized attention they need, buy cribs and high chairs, purchase books and learning materials, maintain safe facilities, and cover other expenses. Federal regulations recommend that rates be set at the 75th percentile of current market rates for a given category of care.³ This rate is designed to give families access to 75 percent of the providers in their community.

The vast majority of states set their payment rates for infant care below this federally recommended level, including many states that set their payment rates substantially below the recommended level.⁴ As a result of these low rates that fail to cover the cost of providing care, high-quality providers are discouraged from serving families receiving child care assistance and their infants. Providers that do serve these families do not have the resources they need to support high-quality infant care—or, in some cases, even sustain their businesses.

In February 2017:

- Only four states (Arkansas, South Carolina, South Dakota, and West Virginia) had payment rates for center care for a one-year-old that were at or above the 75th percentile of market rates (based on the state's most recent market rate survey) for this type of care (see *Table 1*).⁵ In the remaining states,

payment rates for center care for a one-year-old were below the 75th percentile of market rates, including 23 states where the payment rate was at least 20 percent below the 75th percentile of market rates.

Payment Rates for Center Care for a One-Year-Old Compared to the 75th Percentile of Market Rates

<i>Payment rates were below the 75th percentile of market rates for this type of care by...</i>	<i>In this number of states...</i>
2 to 9 percent	9
10 to 19 percent	15
20 to 29 percent	13
30 to 39 percent	6
40 to 44 percent	4

As a result of low rates that fail to cover the cost of providing care, high-quality providers are discouraged from serving families receiving child care assistance and their infants.

- Only seven states (Arkansas, California, Connecticut, New York, South Carolina, South Dakota, and West Virginia) had payment rates for family child care for a one-year-old that were at or above the 75th percentile of market rates (based on the state's most recent market rate survey) for this type of care.⁶ In the remaining states for which data were available,⁷ payment rates for family child care for a one-year-old were below the 75th percentile of market rates, including 18 states where the payment rate was at least 20 percent below the 75th percentile of market rates.

Payment Rates for Family Child Care for a One-Year-Old Compared to the 75th Percentile of Market Rates	
<i>Payment rates were below the 75th percentile of market rates for this type of care by...</i>	<i>In this number of states...</i>
1 to 9 percent	9
10 to 19 percent	16
20 to 29 percent	12
30 to 39 percent	5
40 to 45 percent	1

Four-Fifths of States Pay Tiered Rates for Higher-Quality Care for Infants

Forty states had higher payment rates (tiered rates) for infant care provided by centers that met higher-quality standards in 2017.⁸ All but one of these states also had tiered rates for infant care by family child care providers. Some of these states with tiered rates had a single higher payment rate; other states had progressively higher payment rates for progressively higher levels of quality.

Tiered payment rates can offer child care providers incentives and support to improve the quality of their care. However, the differential should be large enough to cover the additional costs entailed in raising quality to meet the standards required to receive a higher rate. These costs include expenses for the additional teachers needed to reduce child-teacher ratios, increased salaries for teachers with advanced education in early childhood development, teacher training, facilities upgrades, and/or new equipment and materials. Small independent centers, family child care providers, and child care providers located in low-income communities—which often struggle just to stay in business—in particular need significant additional resources to enable them to reach and sustain higher quality levels. Yet, in many states, the differential is small and even the rate for providers at the highest quality level falls below the recommended level.

TIERED RATES FOR CENTER CARE FOR INFANTS

In over two-thirds of states with tiered rates for center care for infants, the payment rate at the highest quality level fell below the 75th percentile of

current market rates. In over two-fifths of states with tiered rates for center care for infants, the highest payment rate was less than 20 percent above the base rate.

In February 2017:

- Nine of the 40 states with tiered rates for center care for a one-year-old had two rate levels (including the base level),⁹ six states had three levels, 12 states had four levels, eight states had five levels, two states had six levels, and three states had seven levels (see *Table 2*).
- In over two-thirds of the 40 states with tiered rates for center care for a one-year-old, the payment rate for this type of care at the highest quality level was below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care.¹⁰
 - In 28 of the 40 states, the payment rate at the highest quality level was below the 75th percentile of market rates. In nine of these states (Arizona, Connecticut, District of Columbia, Georgia, Indiana, Mississippi, New Jersey, North Carolina, and Washington), the payment rate at the highest quality level was at least 20 percent below the 75th percentile.
 - In two of the 40 states, the payment rate at the highest quality level was equal to the 75th percentile of market rates.
 - In 10 of the 40 states, the payment rate at the highest quality level was above the 75th

percentile of market rates. In seven of these states (Arkansas, Montana, Nebraska, New Mexico, New York, South Carolina, and West Virginia), the payment rate at the highest quality level was at least 10 percent above the 75th percentile.

- Among the 40 states with tiered rates for center care for a one-year-old, the difference between a state's lowest rate and highest rate for this type of care ranged from 3 percent in Massachusetts to 118 percent in Oklahoma.¹¹ In 17 of these 40 states, the highest rate was less than 20 percent above the lowest rate.

Tiered Rate Differential for Center Care for a One-Year-Old	
<i>The highest rate exceeded the lowest rate by...</i>	<i>In this number of states...</i>
3 to 9 percent	5
10 to 19 percent	12
20 to 29 percent	10
30 to 49 percent	8
50 percent or more	5

- In the majority of states with tiered rates, the differential between the lowest and highest rates for center care for a one-year-old was the same as the differential between the lowest and highest rates for center care for a four-year-old, but the differential for care for a one-year-old was greater in some states and smaller in others (see Table 3). In many states and communities, it may be necessary for the differential for infant care to be greater than that for care for other age groups to address a particularly serious shortage of high-quality infant care.

- In 24 states, the differential between the lowest and highest rates for center care for a one-year-old was equal to the differential between the lowest and highest rates for center care for a four-year-old.

- In five states, the differential between the lowest and highest rates for center care for a one-year-old was greater than the differential between the lowest and highest rates for center care for a four-year-old—by anywhere from 1 percentage point more in Colorado to 44 percentage points more in Oklahoma.

- In 10 states, the differential between the lowest and highest rates for center care for a one-year-old was smaller than the differential between the lowest and highest rates for center care for a four-year-old—by anywhere from 1 percentage point less in Kentucky to 24 percentage points less in Nevada.

- One state (Massachusetts) had tiered rates for care for infants and toddlers (up to 2.9 years of age), but not for preschoolers, and one state (Hawaii) had tiered rates for care for preschoolers (from 24 months old through the eligible age for kindergarten or junior kindergarten), but not for infants.

TIERED RATES FOR FAMILY CHILD CARE FOR INFANTS

Most states with tiered rates for center care for an infant also had tiered rates for family child care for an infant, and in most states, tiered rates were structured similarly for both types of care. However, in a number of states, the amount of the differential between the lowest and highest rates differed by the type of care. As with center care for infants, the payment rate for infant care for family child care at the highest quality level was still below the recommended level in the majority of states with tiered rates for this type of care.

Adequate base rates as well as sufficient differentials for tiered rates for family child care are essential to ensure that high-quality family child care is available to families who prefer this option for their very young children—particularly since recent trends indicate a dwindling supply of family child care. Due to a decrease in funding for child care, there has been a significant decline in the number of children receiving child care assistance over the past decade, and a corresponding decline in the number of providers receiving CCDBG funds to serve children receiving assistance, with a particularly dramatic drop among family child care providers.¹² Between 2006 and 2015, the number of centers serving families receiving CCDBG assistance decreased by 4 percent (from 88,297 to 85,194), while the number of family child care providers serving families receiving CCDBG assistance decreased by 60 percent (from 427,915 to 172,348).¹³

In February 2017:

- Thirty-nine states had tiered rates for family child care for a one-year-old (see *Table 4*).
- One state (Alabama) that had tiered rates for center care for a one-year-old did not have tiered rates for family child care for a one-year-old.
- Nine of the 39 states with tiered rates for family child care for a one-year-old had two rate levels (including the base level), seven states had three levels, 12 states had four levels, seven states had five levels, one state had six levels, and three states had seven levels.
- Most states had the same number of tier levels for family child care as for center care, but one state (South Carolina) had fewer levels for family child care than for center care (three versus five levels).

- In over half of the 39 states with tiered rates for family child care for a one-year-old, the payment rate at the highest quality level was below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care.¹⁴
- In 21 of the 39 states, the payment rate at the highest quality level was below the 75th percentile of market rates. In five of these states (District of Columbia, Georgia, Massachusetts, Mississippi, and North Carolina), the payment rate at the highest quality level was at least 20 percent below the 75th percentile.
- In one of the 39 states, the payment rate at the highest quality level was equal to the 75th percentile of market rates.
- In 16 of the 39 states, the payment rate at the highest quality level was above the 75th percentile of market rates. In 10 of these states (Arkansas, Colorado, Connecticut, Illinois, Indiana, Michigan, Montana, New Mexico, New York, and West Virginia), the payment rate at the highest quality level was at least 10 percent above the 75th percentile.
- In one of the 39 states, data on the 75th percentile of market rates for family child care were not available.

Between 2006 and 2015, the number of family child care providers serving families receiving CCDBG assistance decreased by 60 percent.

- Among the 39 states with tiered rates for family child care for a one-year-old, the difference between a state's lowest rate and highest rate for this type of care ranged from 3 percent in Massachusetts to 99 percent in Oklahoma.¹⁵ In 16 of these 39 states, the highest rate was less than 20 percent above the lowest rate.

Tiered Rate Differential for Family Child Care for a One-Year-Old	
<i>The highest rate exceeded the lowest rate by...</i>	<i>In this number of states...</i>
3 to 9 percent	6
10 to 19 percent	10
20 to 29 percent	12
30 to 49 percent	10
50 percent or more	1

- In the majority of states with tiered rates, the differential between the lowest and highest rates for family child care for a one-year-old was the same as the differential between the lowest and highest rates for center care for a one-year-old, but differential was greater for family child care than center care in some states and smaller in others.
- In 21 states, the differential between the lowest and highest rates for family child care for a one-year-old was equal to the differential between the lowest and highest rates for center care for a one-year-old.

- In eight states, the differential between the lowest and highest rates for family child care for a one-year-old was greater than the differential between the lowest and highest rates for center care for a one-year-old—by anywhere from 1 percentage point more in Tennessee and Kentucky to 8 percentage points more in Michigan.
- In 10 states, the differential between the lowest and highest rates for family child care for a one-year-old was smaller than the differential between the lowest and highest rates for center care for a one-year-old—by anywhere from 1 percentage point less in Colorado to 32 percentage points less in New Mexico.

Small independent centers, family child care providers, and child care providers located in low-income communities in particular need significant additional resources to enable them to reach and sustain higher quality levels.

Infant Care Payment Rates Exceed Preschool-Age Care Payment Rates in All States

All states pay higher rates for infant care than for preschool-age care. This reflects the fact that, in the private market, child care providers charge more for infant care than for care for older children. Infant care requires more staff to provide the individualized attention that very young children need, and is therefore more costly to provide.

While payment rates for infant care are higher than those for care for preschool-age children in every state, the extent of that difference varies widely across states, due to various factors. Some states have a greater difference in market prices by age group than others, and the difference in payment rates simply reflects this difference. Some states have a particularly wide difference between payment rates by age group because they set the infant care rate at a higher percentile of market rates than is used for preschool-age care. For example, in Alaska, payment rates for infant and toddler care were set at the 75th percentile of 2009 market rates while payment rates for all other age categories were set at the 50th percentile—and the state’s payment rate for center care for an infant was 31 percent higher than that for a preschooler in February 2017. In some states, the difference in rates between age categories is greater than the difference in market prices between age categories because rates for infant care have been increased more frequently or more recently than rates for other age categories. For example, the District of Columbia increased payment rates for infant and toddler care by 15 percent in October 2013, while leaving rates for care for other age groups unchanged since 2006—and the state’s payment rate for center care for an infant was 49 percent higher than that for a

preschooler in February 2017.¹⁶ It is important for all states to carefully examine whether infant care rates exceed rates for preschool-age care by enough to compensate providers for the additional costs of providing infant care and to offer incentives to provide infant care in communities where there are few if any infant slots available.

In February 2017:

- The amount by which the payment rate for center care for a one-year-old exceeded the payment rate for center care for a four-year-old ranged from 5 percent in Vermont and Louisiana to 107 percent in Hawaii (see Table 5).¹⁷
- In nearly half (23) of the states, the payment rate for center care for a one-year-old was less than 20 percent higher than the payment rate for center care for a four-year-old. In over half (28) of the states, the payment rate for center care for a one-year-old was at least 20 percent higher than the payment rate for center care for a four-year-old.

Comparison of Payment Rates for Center Care for a One-Year-Old and a Four-Year-Old	
<i>The payment rate for center care for a one-year-old exceeded the payment rate for center care for a four-year-old by...</i>	<i>In this number of states...</i>
5 to 9 percent	4
10 to 19 percent	19
20 to 29 percent	9
30 to 39 percent	7
40 to 49 percent	7
50 percent or more	5

Centers Receive Higher Payment Rates for Infant Care than Family Child Care Homes in Most States

All but three states pay higher rates for infant care in child care centers than in family child care (see *Table 6*).¹⁸ However, the differential between rates for centers and family child care varies widely across states—depending on the relative cost of providing each type of care, the relative supply and demand of each type of care, and policy choices in each state. State decisions about where to set their payment rates for center care and family child care relative to one another are important because they affect the child care options families have and whether they can access the care they prefer for their children.

Some states may have a large differential in payment rates between types of care that merely reflects a large differential in market prices between centers and family child care in the state. Other states have a large differential in payment rates because they have made a deliberate decision to increase rates more, or more frequently, for centers than family child care. And some states have a small differential between payment rates for centers and family child care, or rates for family child care that are actually higher than rates for centers, because they have made a deliberate decision to bolster family child care.¹⁹ In a few states, unions representing family child care providers have won rate increases that only apply to those providers. For example, New Jersey increased payment rates for approved home providers and registered family child care providers represented by the Child Care Workers Union in April 2014 and again in August 2014, while payment rates for centers remained the same from 2008 through 2017;²⁰ the state's payment rate for center care for an infant was only 4 percent higher than the payment rate for family child care for an infant in February 2017.

In February 2017:

- In two states (Connecticut and Washington), the payment rate for center care for a one-year-old was lower than the payment rate for family child care for a one-year-old (by 5 percent and 22 percent, respectively). Both of these states have unions representing family child care providers.
- In one state (Arkansas), the payment rate for center care for a one-year-old was equal to the payment rate for family child care for a one-year-old.
- In the remaining 48 states, the payment rate for center care for a one-year-old was higher than the payment rate for family child care for a one-year-old. The payment rate for center care for a one-year-old was at least 30 higher than the payment rate for family child care for a one-year-old in nearly half (23) of these states, including one state (Hawaii) where the payment rate for center care for a one-year-old was more than 100 percent higher than the payment rate for family child care for a one-year-old.

Comparison of Payment Rates for Center Care and Family Child Care for a One-Year-Old

<i>The payment rate for center care for a one-year-old exceeded the payment rate for family child care for a one-year-old by...</i>	<i>In this number of states...</i>
4 to 9 percent	5
10 to 19 percent	4
20 to 29 percent	16
30 to 39 percent	9
40 to 49 percent	6
50 to 99 percent	7
100 percent or more	1

Conclusion

High-quality child care offering a nurturing, supportive environment is important for infants and their families, particularly infants in low-income families.²¹ Child care assistance can help low-income families afford high-quality infant care that would otherwise be out of reach. Yet, even with assistance, low-income families may still lack access to high-quality infant care due to low state payment rates. It is essential for states to raise payment rates for infant care—across all types of care and all levels of quality—so that, during their earliest years, children receive the care they need for a strong start and the foundation they need to thrive throughout their lives.

Methodology

The National Women's Law Center collected the data in this report from state child care administrators in the 50 states and the District of Columbia (counted as a state in this report). The Center sent the state child care administrators a survey in the spring of 2017 requesting data on policies as of February 2017 in five key areas, including provider payment rates. State child care administrators were asked to provide data on payment rates for providers—including payment rates for providers at different quality levels if the state had tiered rates—and the 75th percentile of market rates for center care for a four-year-old, center care for a one-year-old, and family child care for a one-year-old, in the state's most populous city, county, or region. The survey also requested data on income eligibility limits, waiting lists, parent copayments, and eligibility for child care assistance for parents searching for a job; these data, along with some of the payment rate data, were analyzed in a separate Center report published in October 2017, *Persistent Gaps: State Child Care Assistance Policies 2017*. Center staff contacted state administrators for follow-up information on their payment rate and other policies as necessary. The Center obtained supplementary information about states' policies from documents available on state agencies' websites.

Endnotes

- 1 Center on the Developing Child, Five Numbers to Remember About Early Childhood Development (Brief) (2009), *available at* <https://developingchild.harvard.edu/resources/five-numbers-to-remember-about-early-childhood-development/>.
- 2 Child Care Aware of America, Parents and the High Cost of Child Care: 2017 Appendices (Arlington, VA: Child Care Aware of America, 2017), 4-5, *available at* <http://usa.childcareaware.org/advocacy-public-policy/resources/costofcare/>.
- 3 This recommendation to set payment rates at the 75th percentile of current market rates is in the preamble to the current regulations issued in September 2016, see Child Care and Development Fund (Preamble to Final Rule), 81 Fed. Reg. 190 (September 30, 2016). Under the CCDBG Act of 2014, which codified the ways in which states must set payment rates, states must set their rates using a market rate survey or alternative methodology that they have “developed and conducted (not earlier than 2 years before the date of the submission of the application containing the State plan).” Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1985-1986 (2014). Since the law also requires states to submit their plans only once every three years, Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1972 (2014), the effect of the statutory language is to permit rates to be set based on a market rate survey older than two years. However, this report, as in the Center’s annual report on state child care assistance policies for 2017 and prior years, considers rates to be current if based on a market rate survey conducted no more than two years earlier.
- 4 The analysis in this report is based on rates in each state’s most populous city, county, or region. Also note that for states that pay higher rates for higher-quality care, the analysis in this section uses the state’s most common payment rate level (the level representing the greatest number of providers).
- 5 States were asked to report the 75th percentile of market rates based on their most recent market rate survey, and most states reported data from 2015 or more recent surveys. However, nine states—Alabama, Arizona, District of Columbia, Illinois, Iowa, Kansas, Louisiana, New Jersey, and Oklahoma—reported data from 2012 or 2014.
- 6 The payment rates for family child care used for the analysis in this report are for regulated care. States vary in how they define regulated family child care and in the threshold number of children in care at which a provider is required to be regulated; some states regulate all providers regularly caring for at least one child, while other states only regulate providers caring for several children. Also note that a few states have separate rates for small family child care homes and for large family child care homes; in such cases, this analysis generally uses rates for small family child care homes.
- 7 New Jersey was not able to provide data on the 75th percentile of market rates for family child care for an infant.
- 8 This analysis is based on tiered rates in each state’s most populous city, county, or region. Within each state, the use and structure of tiered rates may vary across cities, counties, or regions.
- 9 This analysis is based on the number of different rate levels, not based on the number of quality levels. The base rate refers to the lowest rate level, regardless of whether the base level is incorporated into the state’s quality rating and improvement system (for example, a base rate that is the initial one-star rate in a five-star rating system) or is not a level of the quality rating and improvement system (for example, a base rate that is the rate for providers not participating in a voluntary five-star rating system).
- 10 For most states, this analysis compares payment rates for providers at the highest quality level to the 75th percentile of market rates for providers at all quality levels. However, a few states, including Florida, Indiana, New Mexico, and North Carolina, differentiate by quality level for their market rate surveys. For each of these states, the rate for centers at the highest quality level is compared to the 75th percentile of market rates for centers at that same quality level.
- 11 There was no clear correlation between the percentage difference in the lowest and highest rates for center care for a one-year-old and whether the state’s highest rate was above or below the 75th percentile of market rates.
- 12 Anitha Mohan, Fewer Children, Fewer Providers: Trends in CCDBG Participation (Washington, DC: CLASP, 2017), *available at* <https://www.clasp.org/sites/default/files/publications/2017/04/CCDBG-Provider-Factsheet-2006-2015.pdf>.
- 13 National Women’s Law Center calculations based on data from U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, Child Care and Development Fund Statistics, FY 2015 CCDF Data Tables (Preliminary) (Published: November 1, 2016), Table 7: Number of Child Care Providers Receiving CCDF Funds, *available at* <https://www.acf.hhs.gov/occ/resource/preliminary-fy2015>; and from U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, Child Care and Development Fund Statistics, FY 2006 CCDF Data Tables (Final) (Published: July 1, 2008), Table 7: Number of Child Care Providers Receiving CCDF Funds, *available at* <https://www.acf.hhs.gov/occ/resource/ccdf-data-06acf800-final>. For the data used in these calculations, family child care providers include licensed and regulated providers, as well as relative and non-relative providers legally operating without regulation, caring for children in the provider’s home.
- 14 For most states, this analysis compares payment rates for providers at the highest quality level to the 75th percentile of market rates for providers at all quality levels. However, for Florida, Indiana, and North Carolina, which differentiate by quality level for their market rate surveys, the rates for family child care at the highest quality level are compared to the 75th percentile of market rates for family child care at that same quality level. For New Mexico, which also differentiates by quality level for its market rate survey, the rate for family child care at the highest quality level is compared to the 75th percentile of market rates at the base level, because the state’s market rate survey collected data from only a very limited number of family child care providers at higher quality levels.
- 15 There was no clear correlation between the percentage difference in the lowest and highest rates for family child care for a one-year-old and whether the state’s highest rate was above or below the 75th percentile of market rates.
- 16 In addition, some of the variation among states in the differential between payment rates for care for a one-year-old and for a four-year-old may be due to variation in how states define their age groupings. For example, one state may have a payment rate that applies to care for children from birth to age two, while another state may have one payment rate that applies to care for children from birth to age 11 months and a separate payment rate that applies to care for children from age 12 months to 24 months.
- 17 For states that pay higher rates for higher-quality care, the analysis in this section uses the state’s most common payment rate level for center care (the level representing the greatest number of providers).
- 18 The analysis in this section compares the base rate for center care to the base rate for family child care for each state, except for North Carolina; for North Carolina, rates for three-star providers are compared, because all providers (except religious-sponsored providers and new providers with a temporary license) must have a three-star rating or higher in the state’s quality rating and improvement system (which has five star levels) to serve families receiving child care assistance.
- 19 In addition, some of the variation among states in the differential between payment rates for center care and for family child care may be due to variation in how states define regulated family child care.

- 20 New Jersey increased its payment rates for child care centers as of January 7, 2018—the first increase since 2008. New Jersey Department of Human Services, “Christie Administration Raises Pay Rates for Certain Child-Care Providers,” December 18, 2017, *available at* <http://www.nj.gov/humanservices/news/press/2017/approved/20171218.html>; State of New Jersey, Department of Human Services, SFY 2018 Maximum Child Care Payment Rates (Effective: January 7, 2018), *available at* https://www.echildcarenj.org/eccpw/pdf/SFY_2018_Maximum_Child_Care_Payment_Rates.pdf.
- 21 Suzanne Helburn, Mary L. Culkin, Carollee Howes, Donna Bryant, Richard Clifford, Debby Cryer, Ellen Peisner-Feinberg, and Sharon Lynn Kagan, *Cost, Quality, and Child Outcomes in Child Care Centers* (Denver, CO: University of Colorado, 1995); Ellen S. Peisner-Feinberg, Richard M. Clifford, Mary L. Culkin, Carollee Howes, Sharon Lynn Kagan, et al., *The Children of the Cost, Quality, and Outcomes Study Go to School* (Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Center, 1999); Eric Dearing, Kathleen McCartney, and Beck A. Taylor, Does Higher Quality Early Child Care Promote Low-Income Children’s Math and Reading Achievement in Middle Childhood?, *Child Development*, 80 (5), 2009, 1329-1349; National Research Council and the Institute of Medicine, *From Neurons to Neighborhoods: The Science of Early Childhood Development* (Washington, DC: National Academy Press, 2000).

Table 1: State Payment Rates for Child Care for a One-Year-Old in 2017 Compared to the Federally Recommended Level

State	City/county/ region	Center care for a one-year-old					Family child care for a one-year-old				
		Monthly state payment rate	75th percentile of market rates	Year of market rate survey	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile	Monthly state payment rate	75th percentile of market rates	Year of market rate survey	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile
Alabama	Birmingham Region	\$511	\$658	2014	-\$147	-22%	\$407	\$524	2014	-\$117	-22%
Alaska*	Anchorage	\$850	\$1,020	2015	-\$170	-17%	\$700	\$800	2015	-\$100	-13%
Arizona	Maricopa County (Phoenix)	\$576	\$1,005	2014	-\$429	-43%	\$433	\$541	2014	-\$108	-20%
Arkansas	Urban Areas	\$618	\$615	2015	\$3	1%	\$618	\$541	2015	\$77	14%
California*	Los Angeles County	\$1,466	\$1,594	2016	-\$129	-8%	\$927	\$925	2016	\$2	0%
Colorado*	Denver County	\$1,088	\$1,529	2015	-\$441	-29%	\$639	\$857	2015	-\$218	-25%
Connecticut	North Central	\$870	\$1,407	2015	-\$537	-38%	\$914	\$866	2015	\$48	6%
Delaware	New Castle County	\$622	\$1,024	2015	-\$402	-39%	\$476	\$758	2015	-\$281	-37%
District of Columbia*	Citywide	\$1,355	\$1,829	2012	-\$474	-26%	\$709	\$1,294	2012	-\$584	-45%
Florida*	Miami-Dade County	\$464	\$628	2015	-\$164	-26%	\$430	\$541	2015	-\$112	-21%
Georgia*	Zone 1	\$559	\$996	2017	-\$437	-44%	\$433	\$693	2017	-\$260	-38%
Hawaii	Statewide	\$1,395	\$1,490	2016	-\$95	-6%	\$650	\$700	2016	-\$50	-7%
Idaho*	Cluster 2 (Boise)	\$696	\$745	2015	-\$49	-7%	\$618	\$675	2015	-\$57	-8%
Illinois*	Metropolitan Region	\$1,007	\$1,287	2014	-\$280	-22%	\$764	\$801	2014	-\$37	-5%
Indiana*	Marion County (Indianapolis)	\$1,269	\$1,594	2015	-\$325	-20%	\$541	\$650	2015	-\$109	-17%
Iowa*	Statewide	\$738	\$902	2014	-\$164	-18%	\$571	\$605	2014	-\$34	-6%
Kansas	Sedgwick	\$694	\$844	2014	-\$150	-18%	\$468	\$544	2014	-\$76	-14%
Kentucky	Central Region	\$553	\$714	2015	-\$161	-23%	\$486	\$563	2015	-\$77	-14%
Louisiana	Statewide	\$487	\$585	2014	-\$97	-17%	\$346	\$433	2014	-\$87	-20%
Maine*	Cumberland County	\$1,057	\$1,185	2015	-\$128	-11%	\$779	\$953	2015	-\$173	-18%
Maryland*	Region W	\$865	\$1,298	2017	-\$433	-33%	\$679	\$974	2017	-\$295	-30%
Massachusetts*	Boston (Region 6)	\$1,292	\$1,637	2015	-\$345	-21%	\$779	\$1,083	2015	-\$303	-28%
Michigan*	Statewide	\$828	\$1,027	2015	-\$199	-19%	\$565	\$682	2015	-\$117	-17%
Minnesota	Hennepin County	\$1,160	\$1,624	2016	-\$463	-29%	\$676	\$823	2016	-\$146	-18%
Mississippi	Statewide	\$375	\$520	2016	-\$145	-28%	\$272	\$371	2016	-\$99	-27%
Missouri	St. Louis County	\$695	\$1,013	2016	-\$318	-31%	\$435	\$487	2016	-\$52	-11%
Montana	Yellowstone County (Billings)	\$758	\$801	2016	-\$43	-5%	\$620	\$650	2016	-\$29	-5%
Nebraska*	Urban Counties	\$927	\$958	2017	-\$31	-3%	\$650	\$736	2017	-\$87	-12%
Nevada	Clark County	\$606	\$1,039	2015	-\$433	-42%	\$585	\$752	2015	-\$168	-22%
New Hampshire*	Statewide	\$931	\$1,147	2016	-\$217	-19%	\$747	\$758	2016	-\$11	-1%
New Jersey*	Statewide	\$695	\$1,200	2012	-\$505	-42%	\$670	N/A	N/A	N/A	N/A
New Mexico*	Statewide	\$721	\$736	2015	-\$15	-2%	\$567	\$671	2015	-\$104	-16%
New York	New York City	\$1,606	\$1,650	2015	-\$43	-3%	\$866	\$866	2015	\$0	0%
North Carolina*	Mecklenburg County	\$870	\$1,170	2014-15	-\$300	-26%	\$573	\$737	2014-15	-\$164	-22%
North Dakota	Statewide	\$663	\$770	2015	-\$107	-14%	\$480	\$600	2015	-\$120	-20%
Ohio	Cuyahoga County (Cleveland)	\$713	\$1,125	2016	-\$412	-37%	\$655	\$954	2016	-\$299	-31%
Oklahoma*	Enhanced Area Counties	\$624	\$714	2014	-\$90	-13%	\$580	\$650	2014	-\$70	-11%
Oregon*	Group Area A	\$1,255	\$1,370	2016	-\$115	-8%	\$1,000	\$1,150	2016	-\$150	-13%
Pennsylvania	Philadelphia	\$902	\$1,039	2015-16	-\$137	-13%	\$729	\$974	2015-16	-\$246	-25%
Rhode Island	Statewide	\$838	\$1,037	2015	-\$199	-19%	\$736	\$785	2015	-\$49	-6%
South Carolina	Statewide Urban Counties	\$688	\$688	2015	\$0	0%	\$541	\$541	2015	\$0	0%
South Dakota	Minnehaha County (Sioux Falls)	\$770	\$770	2015	\$0	0%	\$555	\$555	2015	\$0	0%
Tennessee*	Top Tier Counties	\$684	\$844	2016	-\$160	-19%	\$520	\$585	2016	-\$65	-11%
Texas*	Gulf Coast Area	\$713	\$807	2015	-\$95	-12%	\$558	\$680	2015	-\$122	-18%
Utah	Statewide	\$758	\$780	2015	-\$22	-3%	\$575	\$600	2015	-\$25	-4%
Vermont	Statewide	\$846	\$1,039	2015	-\$193	-19%	\$525	\$758	2015	-\$233	-31%
Virginia	Fairfax County	\$1,364	\$1,645	2015	-\$281	-17%	\$953	\$1,126	2015	-\$173	-15%
Washington*	King County	\$939	\$1,519	2015	-\$580	-38%	\$1,269	\$1,290	2015	-\$21	-2%
West Virginia	Statewide	\$693	\$693	2015	\$0	0%	\$541	\$541	2015	\$0	0%
Wisconsin	Milwaukee County	\$1,070	\$1,426	2015	-\$356	-25%	\$826	\$1,087	2015	-\$261	-24%
Wyoming	Statewide	\$573	\$740	2015	-\$168	-23%	\$530	\$650	2015	-\$119	-18%

* See table notes on page 21.

Table 2: Tiered Payment Rates for Higher-Quality Center Care for a One-Year-Old in 2017

State	City/county/ region	Number of quality tier levels (including base rate)	Monthly payment rate for lowest tier	Monthly payment rate for highest tier	Payment rates between lowest and highest tiers	Difference between lowest and highest tiers	Percentage difference between lowest and highest tiers	75th percentile of market rates	Difference between highest rate and 75th percentile	Percentage difference between highest rate and 75th percentile
Alabama	Birmingham Region	6	\$511	\$563	\$520, \$529, \$541, \$554	\$52	10%	\$658	-\$95	-14%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arizona	Maricopa County (Phoenix)	2	\$576	\$633	N/A	\$58	10%	\$1,005	-\$372	-37%
Arkansas	Urban Areas	3	\$618	\$711	\$649	\$93	15%	\$615	\$96	16%
California	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colorado*	Denver County	5	\$1,066	\$1,580	\$1,088, \$1,326, \$1,559	\$514	48%	\$1,529	\$51	3%
Connecticut	North Central	2	\$870	\$914	N/A	\$44	5%	\$1,407	-\$493	-35%
Delaware	New Castle County	4	\$622	\$958	\$752, \$874	\$337	54%	\$1,024	-\$66	-6%
District of Columbia*	Citywide	3	\$1,013	\$1,355	\$1,176	\$341	34%	\$1,829	-\$474	-26%
Florida*	Miami-Dade County	2	\$464	\$556	N/A	\$93	20%	\$655	-\$99	-15%
Georgia*	Zone 1	4	\$559	\$698	\$586, \$614	\$139	25%	\$996	-\$298	-30%
Hawaii*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Illinois*	Metropolitan Region	3	\$1,007	\$1,157	\$1,107	\$151	15%	\$1,287	-\$129	-10%
Indiana*	Marion County (Indianapolis)	4	\$905	\$1,269	\$1,087, \$1,178	\$364	40%	\$1,594	-\$325	-20%
Iowa*	Statewide	2	\$738	\$902	N/A	\$164	22%	\$902	\$0	0%
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kentucky*	Central Region	4	\$541	\$603	See notes	\$62	12%	\$714	-\$111	-16%
Louisiana*	Statewide	5	\$487	\$585	\$502, \$526, \$553	\$97	20%	\$585	\$0	0%
Maine	Cumberland County	4	\$1,057	\$1,162	\$1,078, \$1,109	\$106	10%	\$1,185	-\$23	-2%
Maryland*	Region W	4	\$865	\$1,246	\$1,056, \$1,186	\$381	44%	\$1,298	-\$52	-4%
Massachusetts*	Boston (Region 6)	2	\$1,292	\$1,331	N/A	\$39	3%	\$1,637	-\$306	-19%
Michigan*	Statewide	5	\$731	\$926	\$779, \$828, \$877	\$195	27%	\$1,027	-\$101	-10%
Minnesota	Hennepin County	3	\$1,160	\$1,393	\$1,335	\$232	20%	\$1,624	-\$231	-14%
Mississippi	Statewide	2	\$339	\$375	N/A	\$36	11%	\$520	-\$145	-28%
Missouri	St. Louis County	2	\$695	\$834	N/A	\$139	20%	\$1,013	-\$179	-18%
Montana	Yellowstone County (Billings)	5	\$758	\$910	\$796, \$834, \$872	\$152	20%	\$801	\$109	14%
Nebraska*	Urban Counties	7	\$927	\$1,103	\$973, \$1,000, \$1,022, \$1,050, \$1,073	\$176	19%	\$958	\$145	15%
Nevada	Clark County	5	\$606	\$909	\$693, \$758, \$844	\$303	50%	\$1,039	-\$130	-13%
New Hampshire*	Statewide	3	\$931	\$1,024	\$977	\$93	10%	\$1,147	-\$123	-11%
New Jersey*	Statewide	2	\$695	\$730	N/A	\$35	5%	\$1,200	-\$470	-39%
New Mexico*	Statewide	7	\$721	\$1,271	\$809, \$821, \$843, \$871, \$1,001	\$550	76%	\$931	\$340	36%
New York*	New York City	2	\$1,606	\$1,847	N/A	\$241	15%	\$1,650	\$198	12%
North Carolina*	Mecklenburg County	4	\$536	\$870	\$787, \$822	\$334	62%	\$1,170	-\$300	-26%
North Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ohio	Cuyahoga County (Cleveland)	7	\$713	\$1,001	\$778, \$784, \$875, \$897, \$956	\$288	40%	\$1,125	-\$124	-11%
Oklahoma*	Enhanced Area Counties	4	\$336	\$732	\$439, \$624	\$396	118%	\$714	\$18	3%
Oregon*	Group Area A	4	\$1,255	\$1,345	\$1,309, \$1,327	\$90	7%	\$1,370	-\$25	-2%
Pennsylvania*	Philadelphia	5	\$902	\$1,084	\$909, \$935, \$1,022	\$182	20%	\$1,039	\$44	4%
Rhode Island	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
South Carolina	Statewide Urban Counties	5	\$628	\$818	\$688, \$732, \$775	\$190	30%	\$688	\$130	19%
South Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	Top Tier Counties	4	\$572	\$684	\$602, \$658	\$112	20%	\$844	-\$160	-19%
Texas*	Gulf Coast Area	4	\$713	\$779	\$748, \$763	\$66	9%	\$807	-\$28	-4%
Utah	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vermont	Statewide	6	\$651	\$912	\$684, \$716, \$781, \$825	\$260	40%	\$1,039	-\$128	-12%
Virginia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Washington*	King County	5	\$903	\$1,038	\$921, \$939, \$993	\$135	15%	\$1,519	-\$480	-32%
West Virginia	Statewide	3	\$693	\$779	\$736	\$87	13%	\$693	\$87	13%
Wisconsin	Milwaukee County	4	\$1,016	\$1,337	\$1,070, \$1,177	\$321	32%	\$1,426	-\$89	-6%
Wyoming	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* See table notes on page 21.

Table 3: Comparison of Tiered Rates for Center Care for a One-Year-Old and a Four-Year-Old in 2017

State	City/county/ region	Center care for a one-year-old				Center care for a four-year-old				Gap between tiered differentials for care for a one-year-old and care for a four-year-old (in percentage points)
		Monthly payment rate for lowest tier	Monthly payment rate for highest tier	Difference between lowest and highest tiers	Percentage difference between lowest and highest tiers	Monthly payment rate for lowest tier	Monthly payment rate for highest tier	Difference between lowest and highest tiers	Percentage difference between lowest and highest tiers	
Alabama	Birmingham Region	\$511	\$563	\$52	10%	\$468	\$515	\$48	10%	0%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arizona	Maricopa County (Phoenix)	\$576	\$633	\$58	10%	\$515	\$567	\$52	10%	0%
Arkansas	Urban Areas	\$618	\$711	\$93	15%	\$511	\$588	\$77	15%	0%
California	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colorado*	Denver County	\$1,066	\$1,580	\$514	48%	\$682	\$1,001	\$319	47%	1%
Connecticut	North Central	\$870	\$914	\$44	5%	\$693	\$727	\$35	5%	0%
Delaware	New Castle County	\$622	\$958	\$337	54%	\$574	\$883	\$310	54%	0%
District of Columbia*	Citywide	\$1,013	\$1,355	\$341	34%	\$632	\$909	\$277	44%	-10%
Florida*	Miami-Dade County	\$464	\$556	\$93	20%	\$419	\$503	\$84	20%	0%
Georgia*	Zone 1	\$559	\$698	\$139	25%	\$494	\$617	\$123	25%	0%
Hawaii*	Statewide	N/A	N/A	N/A	N/A	\$675	\$710	\$35	5%	N/A
Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Illinois*	Metropolitan Region	\$1,007	\$1,157	\$151	15%	\$708	\$815	\$106	15%	0%
Indiana	Marion County (Indianapolis)	\$905	\$1,269	\$364	40%	\$762	\$1,065	\$303	40%	0%
Iowa*	Statewide	\$738	\$902	\$164	22%	\$595	\$770	\$175	29%	-7%
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kentucky*	Central Region	\$541	\$603	\$62	12%	\$476	\$538	\$61	13%	-1%
Louisiana*	Statewide	\$487	\$585	\$97	20%	\$465	\$559	\$93	20%	0%
Maine	Cumberland County	\$1,057	\$1,162	\$106	10%	\$909	\$1,000	\$91	10%	0%
Maryland*	Region W	\$865	\$1,246	\$381	44%	\$546	\$687	\$142	26%	18%
Massachusetts*	Boston (Region 6)	\$1,292	\$1,331	\$39	3%	N/A	N/A	N/A	N/A	N/A
Michigan*	Statewide	\$731	\$926	\$195	27%	\$487	\$682	\$195	40%	-13%
Minnesota	Hennepin County	\$1,160	\$1,393	\$232	20%	\$870	\$1,044	\$174	20%	0%
Mississippi	Statewide	\$339	\$375	\$36	11%	\$312	\$339	\$27	9%	2%
Missouri	St. Louis County	\$695	\$834	\$139	20%	\$406	\$487	\$81	20%	0%
Montana	Yellowstone County (Billings)	\$758	\$910	\$152	20%	\$662	\$794	\$132	20%	0%
Nebraska*	Urban Counties	\$927	\$1,103	\$176	19%	\$779	\$1,024	\$245	31%	-12%
Nevada	Clark County	\$606	\$909	\$303	50%	\$498	\$866	\$368	74%	-24%
New Hampshire*	Statewide	\$931	\$1,024	\$93	10%	\$779	\$857	\$78	10%	0%
New Jersey*	Statewide	\$695	\$730	\$35	5%	\$573	\$604	\$31	5%	0%
New Mexico*	Statewide	\$721	\$1,271	\$550	76%	\$491	\$841	\$350	71%	5%
New York*	New York City	\$1,606	\$1,847	\$241	15%	\$1,048	\$1,205	\$157	15%	0%
North Carolina*	Mecklenburg County	\$536	\$870	\$334	62%	\$477	\$776	\$299	63%	0%
North Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ohio	Cuyahoga County (Cleveland)	\$713	\$1,001	\$288	40%	\$570	\$800	\$230	40%	0%
Oklahoma*	Enhanced Area Counties	\$336	\$732	\$396	118%	\$292	\$509	\$217	74%	44%
Oregon*	Group Area A	\$1,255	\$1,345	\$90	7%	\$965	\$1,055	\$90	9%	-2%
Pennsylvania*	Philadelphia	\$902	\$1,084	\$182	20%	\$707	\$869	\$162	23%	-3%
Rhode Island	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
South Carolina	Statewide Urban Counties	\$628	\$818	\$190	30%	\$563	\$758	\$195	35%	-4%
South Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	Top Tier Counties	\$572	\$684	\$112	20%	\$429	\$515	\$86	20%	0%
Texas*	Gulf Coast Area	\$713	\$779	\$66	9%	\$507	\$554	\$47	9%	0%
Utah	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vermont	Statewide	\$651	\$912	\$260	40%	\$578	\$809	\$231	40%	0%
Virginia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Washington*	King County	\$903	\$1,038	\$135	15%	\$758	\$871	\$114	15%	0%
West Virginia	Statewide	\$693	\$779	\$87	13%	\$606	\$693	\$87	14%	-2%
Wisconsin	Milwaukee County	\$1,016	\$1,337	\$321	32%	\$789	\$1,038	\$249	32%	0%
Wyoming	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* See table notes on page 21.

Table 4: Tiered Payment Rates for Higher-Quality Family Child Care for a One-Year-Old in 2017

State	City/county/ region	Number of quality tier levels (including base rate)	Monthly payment rate for lowest tier	Monthly payment rate for highest tier	Payment rates between lowest and highest tiers	Difference between lowest and highest tiers	Percentage difference between lowest and highest tiers	75th percentile of market rates	Difference between highest rate and 75th percentile	Percentage difference between highest rate and 75th percentile
Alabama	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arizona	Maricopa County (Phoenix)	2	\$433	\$476	N/A	\$43	10%	\$541	-\$65	-12%
Arkansas	Urban Areas	3	\$618	\$711	\$649	\$93	15%	\$541	\$170	31%
California	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colorado*	Denver County	5	\$639	\$942	\$655, \$790, \$936	\$303	47%	\$857	\$85	10%
Connecticut	North Central	2	\$914	\$959	N/A	\$46	5%	\$866	\$93	11%
Delaware	New Castle County	4	\$476	\$707	\$554, \$644	\$230	48%	\$758	-\$51	-7%
District of Columbia*	Citywide	3	\$709	\$871	\$774	\$162	23%	\$1,294	-\$422	-33%
Florida*	Miami-Dade County	2	\$430	\$516	N/A	\$86	20%	\$541	-\$26	-5%
Georgia*	Zone 1	4	\$433	\$541	\$455, \$476	\$108	25%	\$693	-\$152	-22%
Hawaii*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Illinois*	Metropolitan Region	3	\$764	\$879	\$841	\$115	15%	\$801	\$78	10%
Indiana*	Marion County (Indianapolis)	4	\$541	\$758	\$650, \$706	\$217	40%	\$650	\$108	17%
Iowa*	Statewide	2	\$571	\$605	N/A	\$34	6%	\$605	\$0	0%
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kentucky*	Central Region	4	\$476	\$537	See notes	\$60	13%	\$563	-\$26	-5%
Louisiana*	Statewide	5	\$346	\$416	\$357, \$374, \$393	\$69	20%	\$433	-\$17	-4%
Maine*	Cumberland County	4	\$779	\$857	\$795, \$818	\$78	10%	\$953	-\$95	-10%
Maryland*	Region W	4	\$679	\$875	\$753, \$828	\$197	29%	\$974	-\$98	-10%
Massachusetts*	Boston (Region 6)	2	\$779	\$803	N/A	\$23	3%	\$1,083	-\$280	-26%
Michigan*	Statewide	5	\$565	\$760	\$614, \$663, \$711	\$195	34%	\$682	\$78	11%
Minnesota	Hennepin County	3	\$676	\$811	\$778	\$135	20%	\$823	-\$11	-1%
Mississippi	Statewide	2	\$245	\$272	N/A	\$27	11%	\$371	-\$99	-27%
Missouri	St. Louis County	2	\$435	\$522	N/A	\$87	20%	\$487	\$35	7%
Montana	Yellowstone County (Billings)	5	\$620	\$744	\$651, \$682, \$713	\$124	20%	\$650	\$95	15%
Nebraska*	Urban Counties	7	\$650	\$788	\$682, \$714, \$716, \$750, \$752	\$138	21%	\$736	\$52	7%
Nevada	Clark County	5	\$585	\$758	\$628, \$671, \$714	\$173	30%	\$752	\$5	1%
New Hampshire*	Statewide	3	\$747	\$822	\$784	\$75	10%	\$758	\$64	8%
New Jersey	Statewide	2	\$670	\$703	N/A	\$33	5%	N/A	N/A	N/A
New Mexico*	Statewide	7	\$567	\$817	\$655, \$667, \$689, \$717, \$747	\$250	44%	\$671	\$146	22%
New York*	New York City	2	\$866	\$996	N/A	\$130	15%	\$866	\$130	15%
North Carolina*	Mecklenburg County	4	\$446	\$591	\$561, \$573	\$145	33%	\$750	-\$159	-21%
North Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ohio	Cuyahoga County (Cleveland)	7	\$599	\$842	\$655, \$659, \$736, \$754, \$804	\$242	40%	\$954	-\$112	-12%
Oklahoma*	Enhanced Area Counties	4	\$314	\$624	\$418, \$580	\$310	99%	\$650	-\$26	-4%
Oregon*	Group Area A	4	\$1,000	\$1,090	\$1,054, \$1,072	\$90	9%	\$1,150	-\$60	-5%
Pennsylvania*	Philadelphia	5	\$729	\$910	\$736, \$762, \$849	\$182	25%	\$974	-\$64	-7%
Rhode Island	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
South Carolina	Statewide Urban Counties	3	\$498	\$585	\$541	\$87	17%	\$541	\$44	8%
South Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	Top Tier Counties	4	\$433	\$520	\$455, \$498	\$87	20%	\$585	-\$65	-11%
Texas*	Gulf Coast Area	4	\$558	\$609	\$586, \$597	\$52	9%	\$680	-\$70	-10%
Utah	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vermont	Statewide	6	\$525	\$735	\$551, \$578, \$630, \$683	\$210	40%	\$758	-\$23	-3%
Virginia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Washington*	King County	5	\$1,154	\$1,385	\$1,177, \$1,269, \$1,327	\$231	20%	\$1,290	\$95	7%
West Virginia	Statewide	3	\$541	\$628	\$585	\$87	16%	\$541	\$87	16%
Wisconsin	Milwaukee County	4	\$785	\$1,033	\$826, \$909	\$248	32%	\$1,087	-\$54	-5%
Wyoming	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* See table notes on page 21.

Table 5: Comparison of Payment Rates for Center Care for a One-Year-Old and for a Four-Year-Old in 2017

State	City/county/ region	Monthly payment rate for center care for a one-year-old	Monthly payment rate for center care for a four-year-old	Difference in rates for care for a one-year-old and a four-year-old	Percentage difference in rates for care for a one-year-old and a four-year- old
Alabama	Birmingham Region	\$511	\$468	\$43	9%
Alaska*	Anchorage	\$850	\$650	\$200	31%
Arizona	Maricopa County (Phoenix)	\$576	\$515	\$61	12%
Arkansas	Urban Areas	\$618	\$511	\$107	21%
California*	Los Angeles County	\$1,466	\$1,039	\$427	41%
Colorado*	Denver County	\$1,088	\$693	\$395	57%
Connecticut	North Central	\$870	\$693	\$178	26%
Delaware	New Castle County	\$622	\$574	\$48	8%
District of Columbia*	Citywide	\$1,355	\$909	\$446	49%
Florida*	Miami-Dade County	\$464	\$419	\$45	11%
Georgia*	Zone 1	\$559	\$494	\$65	13%
Hawaii	Statewide	\$1,395	\$675	\$720	107%
Idaho*	Cluster 2 (Boise)	\$696	\$623	\$73	12%
Illinois*	Metropolitan Region	\$1,007	\$708	\$298	42%
Indiana	Marion County (Indianapolis)	\$1,269	\$1,065	\$204	19%
Iowa*	Statewide	\$738	\$595	\$143	24%
Kansas	Sedgwick	\$694	\$526	\$168	32%
Kentucky	Central Region	\$553	\$487	\$66	14%
Louisiana	Statewide	\$487	\$465	\$22	5%
Maine	Cumberland County	\$1,057	\$909	\$147	16%
Maryland*	Region W	\$865	\$546	\$320	59%
Massachusetts*	Boston (Region 6)	\$1,292	\$869	\$423	49%
Michigan*	Statewide	\$828	\$585	\$244	42%
Minnesota	Hennepin County	\$1,160	\$870	\$290	33%
Mississippi	Statewide	\$375	\$339	\$36	11%
Missouri	St. Louis County	\$695	\$406	\$289	71%
Montana	Yellowstone County (Billings)	\$758	\$662	\$97	15%
Nebraska*	Urban Counties	\$927	\$779	\$147	19%
Nevada	Clark County	\$606	\$498	\$108	22%
New Hampshire*	Statewide	\$931	\$779	\$152	19%
New Jersey*	Statewide	\$695	\$573	\$122	21%
New Mexico	Statewide	\$721	\$491	\$230	47%
New York	New York City	\$1,606	\$1,048	\$559	53%
North Carolina*	Mecklenburg County	\$870	\$776	\$94	12%
North Dakota	Statewide	\$663	\$565	\$98	17%
Ohio	Cuyahoga County (Cleveland)	\$713	\$570	\$143	25%
Oklahoma*	Enhanced Area Counties	\$624	\$461	\$163	35%
Oregon*	Group Area A	\$1,255	\$965	\$290	30%
Pennsylvania	Philadelphia	\$902	\$707	\$195	28%
Rhode Island	Statewide	\$838	\$700	\$138	20%
South Carolina	Statewide Urban Counties	\$688	\$628	\$60	10%
South Dakota	Minnehaha County (Sioux Falls)	\$770	\$692	\$78	11%
Tennessee*	Top Tier Counties	\$684	\$515	\$169	33%
Texas*	Gulf Coast Area	\$713	\$507	\$205	40%
Utah	Statewide	\$758	\$568	\$190	33%
Vermont	Statewide	\$846	\$809	\$37	5%
Virginia	Fairfax County	\$1,364	\$1,147	\$217	19%
Washington*	King County	\$939	\$788	\$151	19%
West Virginia	Statewide	\$693	\$606	\$87	14%
Wisconsin	Milwaukee County	\$1,070	\$830	\$239	29%
Wyoming	Statewide	\$573	\$521	\$52	10%

* See table notes on page 21.

Table 6: Comparison of Payment Rates for Center Care and Family Child Care for a One-Year-Old in 2017

State	City/county/ region	Base monthly payment rate for center care for a one-year-old	Base monthly payment rate for family child care for a one-year-old	Difference in rates for center care and family child care for a one-year-old	Percentage difference in rates for center care and family child care for a one-year-old
Alabama	Birmingham Region	\$511	\$407	\$104	26%
Alaska*	Anchorage	\$850	\$700	\$150	21%
Arizona	Maricopa County (Phoenix)	\$576	\$433	\$143	33%
Arkansas	Urban Areas	\$618	\$618	\$0	0%
California*	Los Angeles County	\$1,466	\$927	\$539	58%
Colorado*	Denver County	\$1,066	\$639	\$428	67%
Connecticut	North Central	\$870	\$914	-\$43	-5%
Delaware	New Castle County	\$622	\$476	\$145	30%
District of Columbia*	Citywide	\$1,013	\$709	\$304	43%
Florida*	Miami-Dade County	\$464	\$430	\$34	8%
Georgia*	Zone 1	\$559	\$433	\$126	29%
Hawaii	Statewide	\$1,395	\$650	\$745	115%
Idaho*	Cluster 2 (Boise)	\$696	\$618	\$78	13%
Illinois*	Metropolitan Region	\$1,007	\$764	\$242	32%
Indiana	Marion County (Indianapolis)	\$905	\$541	\$364	67%
Iowa*	Statewide	\$738	\$571	\$167	29%
Kansas	Sedgwick	\$694	\$468	\$226	48%
Kentucky	Central Region	\$541	\$476	\$65	14%
Louisiana	Statewide	\$487	\$346	\$141	41%
Maine*	Cumberland County	\$1,057	\$779	\$277	36%
Maryland*	Region W	\$865	\$679	\$187	28%
Massachusetts*	Boston (Region 6)	\$1,292	\$779	\$513	66%
Michigan*	Statewide	\$731	\$565	\$166	29%
Minnesota	Hennepin County	\$1,160	\$676	\$484	72%
Mississippi	Statewide	\$339	\$245	\$94	38%
Missouri	St. Louis County	\$695	\$435	\$261	60%
Montana	Yellowstone County (Billings)	\$758	\$620	\$138	22%
Nebraska*	Urban Counties	\$927	\$650	\$277	43%
Nevada	Clark County	\$606	\$585	\$22	4%
New Hampshire*	Statewide	\$931	\$747	\$184	25%
New Jersey*	Statewide	\$695	\$670	\$25	4%
New Mexico	Statewide	\$721	\$567	\$154	27%
New York	New York City	\$1,606	\$866	\$740	86%
North Carolina*	Mecklenburg County	\$787	\$561	\$226	40%
North Dakota	Statewide	\$663	\$480	\$183	38%
Ohio	Cuyahoga County (Cleveland)	\$713	\$599	\$113	19%
Oklahoma*	Enhanced Area Counties	\$336	\$314	\$22	7%
Oregon*	Group Area A	\$1,255	\$1,000	\$255	26%
Pennsylvania	Philadelphia	\$902	\$729	\$173	24%
Rhode Island	Statewide	\$838	\$736	\$103	14%
South Carolina	Statewide Urban Counties	\$628	\$498	\$130	26%
South Dakota	Minnehaha County (Sioux Falls)	\$770	\$555	\$215	39%
Tennessee*	Top Tier Counties	\$572	\$433	\$139	32%
Texas*	Gulf Coast Area	\$713	\$558	\$155	28%
Utah	Statewide	\$758	\$575	\$183	32%
Vermont	Statewide	\$651	\$525	\$126	24%
Virginia	Fairfax County	\$1,364	\$953	\$411	43%
Washington*	King County	\$903	\$1,154	-\$251	-22%
West Virginia	Statewide	\$693	\$541	\$152	28%
Wisconsin	Milwaukee County	\$1,016	\$785	\$231	29%
Wyoming	Statewide	\$573	\$530	\$42	8%

* See table notes on page 21.

Table Notes

State payment rates are compared to the 75th percentile of market rates (the rate designed to allow families access to 75 percent of providers in their community) because federal regulations recommend that rates be set at this level.

States were asked to report payment rates and the 75th percentile of market rates for their most populous city, county, or region. Monthly rates were calculated from hourly, daily, and weekly rates assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month. Differences between state payment rates and the 75th percentile were calculated using raw data, rather than the rounded numbers shown in the tables.

For states that pay higher rates for higher-quality care, the most common rate level (the level representing the greatest number of providers) for each state is used for the data analysis in Tables 1 and 5, and the base rate is used for the data analysis in Table 6, unless otherwise indicated. The rates analyzed in the tables do not reflect other types of higher rates or rate enhancements, such as higher rates paid for care for children with special needs or care during non-traditional hours.

Data in the tables reflect policies as of February 2017. Certain changes in policies since February 2017 are noted below.

Alaska: The state increased payment rates from the 75th percentile of 2009 market rates for infant and toddler care and the 50th percentile of 2009 market rates for all other categories of care to the 15th percentile of 2015 market rates as of October 2017.

California: The state increased payment rates for licensed care from the 75th percentile of 2014 market rates to the 75th percentile of 2016 market rates (unless existing rates were higher, in which case they did not change) as of January 2018.

Colorado: Counties determine their payment rates and when to change them. Also note as of September 2016, all counties are required to have higher rates for higher-quality care; previously, counties determined whether to offer tiered rates for higher-quality care (and some counties, including Denver, did offer such rates prior to the requirement).

District of Columbia: The District increased payment rates for care for infants and toddlers by 4 percent for centers and 10 percent for family child care as of October 2017.

Florida: Local early learning coalitions determine their payment rates and when to update them. In addition, local coalitions may pay rates that are up to 20 percent higher than the base rate for Gold Seal providers, a designation indicating higher-quality care and tied to accreditation. The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at the base level and at the Gold Seal level; in Table 1, the payment rate for the base level (the most common rate level) is compared to the 75th percentile for that same quality level, and in Tables 2 and 4, the payment rate for the highest quality level (the Gold Star level) is compared to the 75th percentile for that quality level.

Georgia: Zone 1 includes Camden, Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Paulding, and Rockdale Counties.

Hawaii: The state has higher payment rates for accredited center care for children over age 24 months through the time the children are eligible to enroll in kindergarten or junior kindergarten (usually age five by the end of the calendar year, depending on the child's birth date). The state does not have accredited rates for care for infants and toddlers or for family child care.

Idaho: Cluster 2 includes Ada, Blaine, Boise, Bonner, Bonneville, Latah, Lewis, Teton, and Valley Counties.

Illinois: The Metropolitan Region (referred to as Group 1A) includes Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry Counties.

Indiana: The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level; in Table 1, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Tables 2 and 4, the payment rate for the highest quality level is compared to the 75th percentile for that quality level.

Iowa: The state calculates payments based on units of care; a unit is a half day (up to 5 hours of service per 24-hour period), so 9 hours of care a day, 5 days a week, 4.33 weeks a month would equal 44 units.

Kentucky: For center care, the amount of the bonus above the base payment rate at each star level of the state's quality rating and improvement system varies depending on the percentage of children served by the provider who are receiving child care assistance. For center care for a one-year-old, the bonus ranges from \$8 to \$12 per month for two-star providers, \$12 to \$16 per month for three-star providers, and \$15 to \$19 per month for four-star providers. For center care for a four-year-old, the bonus ranges from \$7 to \$11 per month for two-star providers, \$11 to \$15 per month for three-star providers, and \$14 to \$18 per month for four-star providers. For family child care, the bonus is a flat amount, regardless of the percentage of children receiving child care assistance; for family child care for a one-year-old, the bonus is \$10 per month for two-star providers, \$14 per month for three-star providers, and \$17 per month for four-star providers. (All providers that serve children receiving child care assistance must participate in the state's quality rating and improvement system. One-star providers do not receive a bonus above the base rate.) For all levels, a licensed or certified provider may receive, to the extent funds are available, \$2 per day beyond the maximum rate if the provider is accredited. The highest payment rates shown in Tables 2, 3, and 4 assume that the provider receives the maximum allowable bonus at the four-star level and is accredited.

Louisiana: Bonuses for higher-quality care, although shown in Tables 2, 3, and 4 as incorporated into the monthly payment rate, are paid quarterly.

Maine: The state increased base payment rates for licensed family child care from the 50th percentile to the 75th percentile of 2015 market rates as of June 2017.

Maryland: Region W includes Anne Arundel, Calvert, Carroll, Charles, and Prince George's Counties. Also note that the state increased payment rates by 2 percent as of July 2017.

Massachusetts: The state increased payment rates for center care and family child care for infants and toddlers to the 50th percentile of 2015 market rates in regions where rates were below that level as of April 2017. In addition, the state increased rates for all providers by 6 percent in August 2017 (retroactive to July 2017), and announced an additional 2 percent increase in rates in October 2017. Also note that the state pays higher rates (3 percent above the base rate) for center care and family child care at level two or above of the state's quality rating and improvement system (which has four levels) for children up to 2.9 years old.

Michigan: The state increased base payment rates and rates for higher-quality care as of July 2017. The base rate for all providers was increased by 25 cents per hour. Rates for centers and family child care providers with ratings of one or two stars in the state's quality rating and improvement system (which has five star levels) were also increased by 25 cents per hour. Rates for three- and four-star centers and family child care providers were increased by 50 cents per

hour, and rates for five-star centers and family child care providers and license-exempt family child care providers at level two (providers that complete additional training) were increased by 75 cents per hour.

Nebraska: Urban Counties include Dakota, Douglas, Lancaster, and Sarpy Counties. The state increased base payment rates from the 60th percentile of 2015 market rates to the 50th percentile of 2017 market rates (unless existing rates were higher, in which case they were not changed), and increased rates for accredited care in some categories, as of July 2017. Under the state's tiered rates system, non-accredited providers are paid at the base rate if they do not participate in the state's quality rating and improvement system (which has five levels) or are at step one or two of the system, 5 percent above the base rate once they reach step three, 5 percent above the rate for step three once they reach step four, and 5 percent above the rate for step four once they reach step five; accredited providers are paid at the accredited rate if they do not participate in the quality rating and improvement system or are at step one, two, or three, 5 percent above the accredited rate once they reach step four, and 5 percent above the accredited rate for step four once they reach step five.

New Hampshire: The state increased base payment rates from the 50th percentile of 2014 market rates to the 50th percentile of 2016 market rates as of July 2017.

New Jersey: The state increased base payment rates for centers by 1 percent to 4 percent, depending on the age of the child, and began paying an additional 4 percent to 24 percent above the base rate to centers that have a three-star rating or higher in the state's quality rating and improvement system (which has five star levels) as of January 2018. Prior to that, the state had paid higher rates for accredited providers, but did not have tiered rates for providers with star ratings.

New Mexico: In February 2017, the state had tiered payment rates for a newer quality rating and improvement system as well as an older quality rating and improvement system, which was expected to be phased out by the end of 2017. The older system had four rate tiers and the newer system had five rate tiers; the rates at each of the bottom two tiers were the same for both systems. The state's 2015 market rate survey differentiated between quality levels and the 75th percentile of market rates was obtained for providers at each quality level of the older quality rating and improvement system and one of the levels of the new system (the newer system was not yet fully implemented at the time of that survey). In Table 1, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level; in Table 2, the payment rate for centers at the highest quality level is compared to the 75th percentile for the highest quality level under the older system; in Table 4, the payment rate for family child care at the highest quality level is compared to the 75th percentile of market rates at the base level, because the market rate survey collected data from only a very limited number of family child care providers at higher quality levels.

New York: Local social services districts may set payment rates for accredited providers that are up to 15 percent higher than base rates; New York City has taken this option.

North Carolina: The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level. In Table 1, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level; in Tables 2 and 4, the payment rate at the highest quality level is compared to the 75th percentile for that quality level. There are five star levels in the state's quality rating and improvement system, which is mandatory for all licensed providers, except those that are religious sponsored. One- and two-star providers are no longer eligible to serve children receiving child care assistance. Religious-sponsored providers not participating in the quality rating and improvement system and new providers with a temporary license are paid at the rate previously used for one-star providers. Also note that the state increased rates for three-, four-, and five-star licensed providers serving school-age children in tier one and tier two counties, and rates for three-, four-, and five-star licensed providers serving children birth through age two in tier three counties, as of October 2017. (The state's 100 counties are ranked based on economic well-being and assigned a tier designation, with the 40 most distressed counties designated as tier one, the next 40 as tier two, and the 20 least distressed as tier three. Mecklenburg County is a tier three county.)

Oklahoma: Enhanced Area rates apply to 19 out of 77 counties in the state (Caddo, Canadian, Cherokee, Cleveland, Comanche, Creek, Garfield, Kay, Logan, McCurtain, Oklahoma, Ottawa, Payne, Pittsburg, Pottawatomie, Tulsa, Wagoner, Washington, and Woods); Standard Area rates apply to the remaining counties.

Oregon: Group Area A includes the Ashland, Bend, Corvallis, Eugene, Monmouth, and Portland areas.

Pennsylvania: The state has five payment rate tiers, including the base rate and a rate for each level of the state's quality rating and improvement system, which has four star levels. The state increased rates for three- and four-star providers, and stopped paying higher rates to one-star providers (who will now receive the base rate), as of August 2017.

Tennessee: Top Tier Counties are those with the 20 highest average populations in 2013 and/or 20 highest per capita incomes in 2011-2013; these counties include: Anderson, Blount, Bradley, Coffee, Davidson, Fayette, Greene, Hamilton, Knox, Loudon, Madison, Maury, Montgomery, Moore, Putnam, Roane, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Trousdale, Washington, Williamson, and Wilson.

Texas: Local workforce development boards set their payment rates and determine when to update them. As of September 2015, the state requires that boards set their rates at 5 percent above the base rate or higher for providers at the two-star level of the state's quality rating and improvement system and providers participating in the Texas School Ready project (a comprehensive preschool teacher training program); 7 percent above the base rate or higher for three-star providers; and 9 percent above the base rate or higher for four-star providers.

Washington: The state increased payment rates for licensed and license-exempt family child care providers as of July 2017, and increased payment rates for centers by 6 percent as of September 2017.



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