

# NEW HAMPSHIRE EARLY CARE & EDUCATION MARKET RATE SURVEY

## 2018 EXECUTIVE SUMMARY

### Overview

Federal Regulations require that at least every three years as part of the Child Care Development Fund state plan, lead agencies develop and conduct a statistically valid and reliable survey of the market rates for child care services. New Hampshire conducts its surveys every two years.

### Completion Rate

The final response rate achieved for the 2018 survey was 62.5%, exceeding the 60% target response rate.

### Key Findings & Trends

1. There continues to be a gradual but consistent decline in the number of licensed programs, from a high of 1207 in 2001 to the current 834 programs in 2018. The mean licensed capacity has increased to 55 children, up from 39 children in 2001.
  
2. The percentage of center-based programs continues to grow, from 32% in 2001 to 52% in 2018. Family and Family Group home-based-programs fell to just 9% each. Proprietary programs decreased from 61% in 2016 to 52%, with the remainder (48%) not-for-profit.
  
3. Nearly two-thirds of programs (64%) accept scholarship children. Three out of every five of those programs (59%) charge parents the DHHS assigned cost share and the difference between the WSR and their actual charge, most at all step levels.
  
4. Only a handful of programs offer care after 7:00 pm, just two offer overnight care and a single program offers care primarily to sick children.
  
5. Among responding programs 149 (32%) indicated they were Licensed Plus, and 59 (13%) were NAEYC accredited.

### Schedules

More than half of licensed programs (55%) offered parents options of full-time and part-time care, down slightly from 2016 (56%). One in four (24%) offered only a part-day option, while one in five (21%) provided full-day only programs.

Over three of every four programs (79%) operated throughout the year, with one-fifth (20%) closed in July, 15% in August, and 5% in June, essentially unchanged from 2016. Programs operated within a broad range, from 7.5 to 120 hours per week. Programs open for full-days (or full and partial-days) were open an average of 52 hours per week.

### Rates

Weekly rates were the most common way (77%) of charging for full-time programs and daily rates (43%) and weekly rates (31%) most common for part-time programs. For school-age programs, a weekly rate was most common. A Sliding Fee Scale was utilized by 9% of programs, a slight increase from 2016.

#### 2016 - 2018 MEAN RATE INCREASES

AGE	% Increase
00-12 mos.	5.0% per week
13-24 mos.	3.6% per week
25-35 mos.	6.5% per week
36-59 mos.	4.7% per week

#### 2018 FULL-TIME WEEKLY RATES

AGE	50 <sup>th</sup> Percentile	75 <sup>th</sup> Percentile
00-12 mos.	\$232.50 wk.	\$265.00 wk.
13-24 mos.	\$220.00 wk.	\$240.00 wk.
25-35 mos.	\$210.00 wk.	\$234.00 wk.
36-59 mos.	\$191.00 wk.	\$212.00 wk.

## Full-Time Weekly Rate Regional Variations

Full-Time Weekly Average	6wks-12 months	13-24 months	25-35 months	36-59 months	60-71 months
Central	\$209.14	\$199.51	\$196.90	\$187.13	\$167.21
Eastern	\$248.47	\$240.83	\$226.26	\$207.00	\$187.58
Northern	\$199.00	\$193.56	\$186.63	\$165.00	\$161.00
Southern	\$251.35	\$232.51	\$226.47	\$205.15	\$188.08
Southwestern	\$215.40	\$198.45	\$202.46	\$178.26	\$169.03

### Before & After School Weekly Rates

	50 <sup>th</sup> Percentile	75 <sup>th</sup> Percentile
All	\$85.00 wk.	\$105.00 wk.
School Age Only Programs	\$105.00 wk.	\$120.00 wk.

### Before Only and After School Only Weekly Rates

	50 <sup>th</sup> Percentile	75 <sup>th</sup> Percentile
Before Only	\$50.00 wk.	\$65.00 wk.
After Only	\$75.00 wk.	\$85.00 wk.

### Cost Share & CoPay

If programs that charged cost share and/or copay stopped charging cost share and/or copay, providers reported that the greatest impacts would be on staffing, children, and revenues.

### Full Enrollment

Two of every five programs were able to be fully enrolled in 2017, and most of those (79%) had a Wait List. Of those unable to be fully enrolled during 2017, the greatest reasons were lack of families/not enough children (50%), followed by inability to find enough staff (17%), and area competition (11%).

### Staff Turnover

Nationally, the annual rate of staff turnover has been estimated at 30%. In New Hampshire, staff turnover during 2017 was greatest for support staff, then teachers, and last Directors.

### Methodology

A Master List was created from the listing of 834 licensed programs provided by DHHS in February 2018. A survey was then prepared, mailed to all licensed providers on March 5. The packet contained brief instructions, the four-page survey, a prize drawing ticket, and stamped return envelope. The UNH Survey Center began follow up calling at the end of March and continued until the 60% response rate target was achieved. Providers were randomly selected for gift cards and these were mailed in June. Child Care Aware of New Hampshire verified the accuracy of a subset of provider rates charged parents. Data was then entered, and a draft report generated for DHHS review. A final version was submitted in July, and a public presentation was held in Concord to share project findings.

### Online Report

<https://www.dhhs.nh.gov/dcyf/cdb/documents/mrs-report-2018.pdf>