

Ohio Department of Job and Family Services Market Rate Study 2008/2009

The Ohio Department of Job and Family Services and The Ohio State University(OSU), Statistical Consulting Services, are asking all ODJFS Licensed Child Care Centers Licensed Type A Homes, Professional Certified Home child care providers and many private home child care providers registered with local child care resource and referral agencies to complete a questionnaire concerning current rates charged to privately paying customers. Information gathered from completed questionnaires will help define the current market for the subsidized child care program.

The Child Care and Development Fund (CCDF), 45 CFR Part 98.43, mandates that reimbursement rates for provisions of child care services are adequate based on a local market rate survey conducted no earlier than two years prior to the effective date of the currently approved biannual CCDF State Plan. Ohio Revised Code, 5104.04 (B) (3) states: The department shall, at least once during every twelve-month period of operation of a center or type A home, contract with a third party by the first day of October in each even-numbered year to collect information concerning the amounts charged by the center or home for providing child care services for use in establishing reimbursement ceilings and payment pursuant to section 5104.30 of the Revised Code. The third party shall compile the information and report the results of the survey to the department not later than the first day of December in each even-numbered year. And ORC 5104.30 (E)(1)(a) states the department shall establish rules that set (a) Reimbursement ceilings for providers of publicly funded child care not later than the first day of July in each odd-numbered year;

One way equal access has been assured in Ohio is by conducting a market rate survey every biennium and establishing rates for each provider type and child age group, by region. The primary goal of the most recent market rate survey, being conducted by the Ohio State University, is to develop reasonable estimates of the distribution of private rates charged within well-defined service categories. A secondary goal is to identify, if they exist, unique market sectors or regions within the state where the distribution of rates are both statistically and meaningfully different across regions.

History

Since the implementation of the Child Care and Development Block Grant, ODJFS has conducted a child care market rate survey no less than once every two years. Prior to the SFY 2004 market rate survey, all market rate surveys were developed and analyzed by departmental staff.

In SFY 2003, ODJFS initiated a contract with The Ohio State University to complete the entire market rate survey process. OSU, in collaboration with ODJFS, has completed the last two market rate surveys, SFY 2004 and SFY 2006. Child care providers and the Child Care Advisory Council were involved throughout the process of developing the survey tool. The per child cost increase that was experienced from SFY 2005 to SFY 2006 was 10.5%, however other policy changes were also implemented in SFY 2006. These other policy changes included a revision to reimbursement methodology and a decrease in copayments that families are required to pay towards cost of care.