

**Alaska Department of Health & Social Services**  
**Division of Public Assistance**  
**2007 Child Care Market Rate Survey**

## **INTRODUCTION**

The Child Care and Development Fund (CCDF) is the federal block grant that provides funding to states for child care assistance to help low income working families pay for the cost of child care. The Family Support Act of 1988 stipulated that state child care assistance rates be driven by market rates (i.e., by the price of child care services in the market). Moreover, the passage of the Personal Responsibility and Work Opportunity Act (PRWORA) in 1996 required states to survey their child care markets at least every two years. In accordance with these federal regulations, the Alaska Department of Health and Social Services, Division of Public Assistance, conducted its most recent market rate survey during the months of August and September 2007.

The 2007 survey included licensed providers only and was designed to gather the following information:

- Monthly rates charged for providing care to children by age group, provider type (center, group home, or family home), and by region; and
- Child care market rates at various percentiles by age group, provider type, and by region.

## **SURVEY INFORMATION**

The survey included licensed child care providers only, and collected information on the rates child care providers charge for children in four age groups: infant, toddler, preschool, and school-age children. It collected information about the amount providers charge for all kids in care, not just kids regardless of whether the provider or a child receives a child care subsidy. The survey was conducted telephonically, on-line, and available in Spanish, to reach a larger number of providers.

In July 2007, there were 633 providers licensed to provide child care. Four-hundred-thirty-two (432) providers participated in the survey, representing 68% of licensed providers caring for children in licensed centers, homes and group homes.

The response rate, as noted in the following tables, was comprehensive and statistically equivalent throughout the geographic regions and by type of care, with the exception of the Northern Region, ensuring statewide representation.

### Response by Geographic Area of Provider

	Response Frequency	Possible Providers	Percentage of Response
<b>Anchorage/Mat-Su</b>	214	330	64%
<b>Gulf Coast</b>	63	94	67%
<b>Interior</b>	78	107	72%
<b>Northern</b>	1	4	25%
<b>Southeast</b>	71	90	78%
<b>Southwest</b>	5	8	62%
<b>Total</b>	<b>432</b>	<b>633</b>	<b>68%</b>

### Response by Type of Care Provider

	Response Frequency	Provided to Surveyor	Percentage of Response
<b>Centers</b>	130	174	74%
<b>Group Homes</b>	67	82	81%
<b>Homes</b>	235	381	61%
<b>Total</b>	<b>432</b>	<b>637</b>	<b>67%</b>

Of the 432 providers who participated, 418 provided complete answers to all survey questions. The other 14 participants provided either partial data or were unresponsive to certain questions and were therefore excluded from the table below. This table is reflective of the 418 respondent providers and the children in their care.

### Respondents and Children Served by Region and Facility Type – July 2007

Region	Centers	Children Served	Group Homes	Children Served	Homes	Children Served	Total Facilities	Total Children Served
<b>Anchorage</b> (Anchorage, Chugiak, Eagle River, Girdwood)	45	3060	0	0	108	640	153	3700
<b>Mat-Su</b> (Big Lake, Palmer, Talkeetna, Wasilla)	18	873	15	138	26	122	59	1133
<b>Gulf Coast</b> (Anchor Point, Cordova, Glenallen, Homer, Kasilof, Kenai, Kodiak, Nikiski, Seward, Soldotna, Valdez)	18	591	10	103	35	242	63	936
<b>Interior</b> (Delta Junction, North Pole, Salcha, Tok)	5	195	7	59	7	26	19	280
<b>Fairbanks</b>	16	898	10	69	26	128	52	1095
<b>North</b> (Kotzebue, Nome)	1	26	0	0	0	0	1	26
<b>Southeast</b> (Craig, Haines, Ketchikan, Klawock, Metlakatla, Petersburg, Sitka, Skagway, Wrangell)	9	312	11	103	9	47	29	457
<b>Juneau</b> (Juneau, Douglas)	9	404	5	38	23	142	37	584
<b>Southwest</b> (Aniak, Bethel, Nanek, New Stuyahok, Unalaska)	3	23	1	0	1	6	5	29
<b>Total</b>	124	6382	59	510	235	1348	418	8240

## SUMMARY OF FINDINGS

The information below summarizes the key findings from the 2007 child care market rate survey. More detailed information is included in the rate tables that follow.

- Eight-thousand-two-hundred-forty (8,240) children are served by the respondents. Of the 8,240 children, 999(12%) were infants, 1,682(20%) were toddlers, 3,723(45%) were pre-school age and 1,836(22%) were school age.
- Three-thousand-two-hundred-fifty-one (3,251 or 45%) children in care received some type of assistance paying for child care. Of these children:
  - 2,628 or 82% received child care assistance from the State of Alaska
  - 214 or 7% received assistance from the Office of Children's Services
  - 182 or 6% received assistance from a Tribal or Native Organization
  - 227 or 7% received assistance from another source
- Of the total children in care (8,240):
  - 2,628 or 32% received child care assistance from the State of Alaska
  - 214 or 3% received assistance from the Office of Children's Services
  - 182 or 2% received assistance from a Tribal Organization
  - 227 or 3% received assistance from another source
- Fifty-four (54%) of children in care were paid for entirely by their parents (without assistance).
- Approximately 50% of children on child care assistance are cared for in centers. The following reflects the percentiles that state child care assistance rates are in relation to current market rates for **center** care:
  - 16<sup>th</sup> Percentile for Infants
  - 22<sup>nd</sup> Percentile for Toddlers
  - 22<sup>nd</sup> Percentile for Preschoolers
  - 16<sup>th</sup> Percentile for School Age Children
- On average, based upon a median state rate across regions, in **CENTERS**:
  - 84% of infants were charged over the state rate
  - 78% of toddlers were charged over the state rate
  - 78% of preschoolers were charged over the state rate
  - 84% of school age children were charged over the state rate
- On average, based upon a median state rate across regions, in **GROUP HOMES**:
  - 22% of infants were charged over the state rate
  - 31% of toddlers were charged over the state rate
  - 37% of preschoolers were charged over the state rate
  - 27% of school age children were charged over the state rate
- On average, based upon a median state rate across regions, in **HOMES**:
  - 70% of infants were charged over the state rate
  - 67% of toddlers were charged over the state rate
  - 67% of preschoolers were charged over the state rate
  - 60% of school age children were charged over the state rate

# Rate Tables

The tables on the following pages contain rate data by region in comparison to current state rates. There is a table for each age group (infant, toddler, preschool, and school-age) and for each provider type (center, group home, licensed home).

The tables reflect current state rates from the Child Care Assistance Program Rate Schedule (revised 04/01/2006) and provider rates from rate information reported during the 2007 Market Rate Survey. Only full-time monthly rates were used.

If the rate field is blank, it means no providers responded with rate information or the number of children served.

## **Rate Table Column Heading Definitions**

Region - The State of Alaska currently has six rate regions; the following charts represent those six regions, as well as the three major cities of Anchorage, Fairbanks, and Juneau.

Respondents Serving the Age Group - indicates the number of providers in the region who reported that they served children in that age group (and therefore reported a rate for the age group) in July 2007. This number is often lower than the number of providers who responded because many providers do not provide care for all age groups and therefore did not report a rate for the age groups they do not serve.

State Rate – the rate the state will pay for that provider type and age group of child in the region.

Pct Children Charged Above the State Rate – the percentage of children in the responding providers' care in July who were charged over the state rates. The percentages, subtracted from 100, equal the percentile where the state rate falls for that region.

Min – the lowest rate reported by any provider, by type of provider and age group of child in the region, weighted by number of children.

Percentiles - A percentile is a statistical measure; it is a value on a scale of one to one-hundred that indicates whether a distribution is above or below it. The following tables indicate the percent of children who are charged above a value on a scale, i.e. charged above the state rate on the scale with all rates. If the table indicates that 86% of the children are charged above the state rate, the state rate would be at the 14<sup>th</sup> percentile. The next three columns represent the 25<sup>th</sup>, 50<sup>th</sup>, and 75<sup>th</sup> percentiles of the market rates, weighted by number of children in each facility. The rate at the 25<sup>th</sup> percentile indicates that 25% of children are charged less than that rate and 75% of children are charged more than that rate. There is no value on how much more, just that they are charged more than that rate.

Max – the highest rate reported by any provider, by type of provider and age group of child in the region, weighted by number of children.

## Infants

### Centers

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	38	647	86%	647	738	750	803	985
ANCHORAGE	24	647	95%	647	750	790	803	985
MATSU	14	647	43%	647	647	647	712	962
<b>Gulf Coast</b>	14	606	46%	592	592	606	675	688
<b>Interior/FBKS</b>	8	647	100%	720	825	825	859	859
FAIRBANKS	6	647	100%	720	825	825	859	859
INTERIOR	2	647	100%	730	730	730	730	730
<b>North</b>	0	730	N/A					
<b>Southeast/ JNU</b>	14	647	92%	630	697	732	841	967
JUNEAU	7	647	100%	697	704	735	841	967
SOUTHEAST	7	647	77%	630	668	694	877	916
<b>Southwest</b>	1	715	0%	660	660	660	660	660
<b>Statewide</b>	75	N/A	N/A	592	660	730	825	985

### Group Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	14	647	19%	647	647	647	647	770
ANCHORAGE	0	647	N/A					
MATSU	14	647	19%	647	647	647	647	770
<b>Gulf Coast</b>	9	606	16%	510	606	606	650	660
<b>Interior/FBKS</b>	14	647	26%	600	647	647	649	770
FAIRBANKS	9	647	29%	600	647		650	770
INTERIOR	5	647	40%	630	647	647	649	650
<b>North</b>	0	730	N/A					
<b>Southeast/ JNU</b>	14	647	33%	575	591	647	698	770
JUNEAU	3	647	100%	695	698	700	713	770
SOUTHEAST	11	647	29%	575	582	647	647	770
<b>Southwest</b>	1	715	0%	600	600	600	600	600
<b>Statewide</b>	52	N/A	N/A	510	606	647	660	770

### Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	115	582	62%	518	582	600	666	1188
ANCHORAGE	92	582	60%	553	582	600	650	770
MATSU	23	583	74%	518	582	650	776	1188
<b>Gulf Coast</b>	32	545	81%	500	600	616	726	924
<b>Interior/FBKS</b>	24	582	57%	550	582	600	726	770
FAIRBANKS	20	582	58%	550	582	600	770	770
INTERIOR	4	582	50%	582	582	586	635	650
<b>North</b>	0	657	N/A					
<b>Southeast/ JNU</b>	25	582	95%	575	600	625	678	941
JUNEAU	15	582	95%	575	600	625	650	725
SOUTHEAST	10	582	95%	660	792	814	814	941
<b>Southwest</b>	1	669	0%	660	660	660	660	660
<b>Statewide</b>	197	N/A	N/A	500	582	650	726	1188

## Toddlers

### Centers

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	49	615	69%	500	655	700	745	930
ANCHORAGE	34	615	73%	500	658	700	760	875
MATSU	15	615	47%	615	615	615	689	930
<b>Gulf Coast</b>	14	576	60%	572	576	595	625	645
<b>Interior/FBKS</b>	12	615	94%	572	691	749	792	792
FAIRBANKS	8	615	89%	572	708	749	792	792
INTERIOR	4	615	100%	625	625	680	680	680
<b>North</b>	0	694	N/A					
<b>Southeast/ JNU</b>	15	615	84%	415	640	682	806	967
JUNEAU	7	615	100%	640	665	682	806	967
SOUTHEAST	8	615	72%	415	615	675	745	846
<b>Southwest</b>	1	679	0%	572	572	572	572	572
<b>Statewide</b>	91	N/A	N/A	415	605	675	749	967

### Group Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	14	615	37%	615	615	615	650	770
ANCHORAGE	0	615	N/A					
MATSU	14	615	37%	615	615	615	650	770
<b>Gulf Coast</b>	10	576	20%	505	575	576	576	770
<b>Interior/FBKS</b>	14	615	38%	525	615	615	625	630
FAIRBANKS	8	615	25%	525	546	615	623	630
INTERIOR	6	615	29%	553	615	620	626	630
<b>North</b>	0	694	N/A					
<b>Southeast/ JNU</b>	15	615	48%	550	553	615	650	735
JUNEAU	4	615	100%	650	650	650	714	735
SOUTHEAST	11	615	11%	550	553	600	615	675
<b>Southwest</b>	1	679	0%	600	600	600	600	600
<b>Statewide</b>	54	N/A	N/A	505	600	615	645	770

### Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	124	553	63%	495	553	600	650	770
ANCHORAGE	99	553	64%	495	553	600	650	750
MATSU	25	553	71%	540	553	580	656	770
<b>Gulf Coast</b>	33	518	78%	511	550	682	726	875
<b>Interior/FBKS</b>	26	553	65%	524	553	605	682	770
FAIRBANKS	23	553	58%	524	551	575	660	770
INTERIOR	3	553	100%	600	635	693	693	770
<b>North</b>	0	650	N/A					
<b>Southeast/ JNU</b>	26	553	78%	525	600	625	1000	1000
JUNEAU	16	553	75%	525	553	613	625	675
SOUTHEAST	10	553	86%	616	814	1000	1000	1000
<b>Southwest</b>	1	611	100%	660	660	660	660	660
<b>Statewide</b>	210	N/A	N/A	495	553	650	710	1000

## Preschoolers

### Centers

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	61	550	81%	425	570	630	685	1100
ANCHORAGE	45	550	87%	425	575	645	699	1100
MATSU	16	550	57%	550	550	605	638	865
<b>Gulf Coast</b>	18	515	71%	503	515	545	550	575
<b>Interior/FBKS</b>	20	550	85%	230	585	675	684	684
FAIRBANKS	15	550	91%	230	649	675	684	684
INTERIOR	5	550	56%	525	525	570	585	585
<b>North</b>	1	621	100%	792	792	792	792	792
<b>Southeast/ JNU</b>	15	550	79%	525	550	607	702	908
JUNEAU	8	550	85%	525	585	616	702	908
SOUTHEAST	7	550	58%	535	550	607	675	701
<b>Southwest</b>	2	608	0%	528	546	564	582	600
<b>Statewide</b>	117	N/A	N/A	230	550	603	684	1100

### Group Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	15	550	23%	500	550	550	553	770
ANCHORAGE	0	550	N/A					
MATSU	15	550	23%	500	550	550	553	770
<b>Gulf Coast</b>	10	515	42%	500	515	515	660	682
<b>Interior/FBKS</b>	15	550	43%	495	550	550	600	600
FAIRBANKS	8	550	42%	550	550	550	551	600
INTERIOR	7	550	44%	495	550	550	600	600
<b>North</b>	0	621	N/A					
<b>Southeast/ JNU</b>	16	550	40%	495	525	550	606	735
JUNEAU	4	550	84%	500	600	625	735	735
SOUTHEAST	12	550	10%	495	525	550	550	650
<b>Southwest</b>	1	608	0%	500	500	500	500	500
<b>Statewide</b>	57	N/A	N/A	495	504	550	600	770

### Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	125	495	60%	385	495	533	600	770
ANCHORAGE	99	495	57%	385	495	530	600	750
MATSU	26	495	72%	495	495	600	600	770
<b>Gulf Coast</b>	33	500	62%	308	500	538	616	864
<b>Interior/FBKS</b>	25	495	61%	430	495	550	616	770
FAIRBANKS	21	495	60%	430	495	539	616	770
INTERIOR	14	495	88%	495	513	550	657	693
<b>North</b>	0	558	N/A					
<b>Southeast/ JNU</b>	28	495	70%	400	495	510	600	842
JUNEAU	19	495	70%	400	495	500	600	700
SOUTHEAST	9	495	68%	515	515	550	704	842
<b>Southwest</b>	1	575	100%	660	660	660	660	660
<b>Statewide</b>	212	N/A	N/A	308	495	550	660	864

## School-age

### Centers

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	39	537	83%	375	570	625	660	1100
ANCHORAGE	27	537	85%	375	600	625	700	1100
Matsu	12	537	79%	500	550	638	638	640
<b>Gulf Coast</b>	17	503	82%	503	506	526	550	575
<b>Interior/FBKS</b>	16	537	92%	475	565	626	639	675
FAIRBANKS	11	537	100%	600	626	639	660	675
INTERIOR	5	537	100%	475	475	565	565	570
<b>North</b>	1	606	100%	792	792	792	792	792
<b>Southeast/ JNU</b>	11	537	61%	360	537	546	550	675
JUNEAU	5	537	63%	360	360	546	546	616
SOUTHEAST	6	537	62%	537	537	548	605	675
<b>Southwest</b>	3	593	88%	462	594	594	594	600
<b>Statewide</b>	87	N/A	N/A	360	537	594	639	1100

### Group Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	13	537	0%	500	537	537	537	537
ANCHORAGE	0	537	N/A					
Matsu	13	537	0%	500	537	537	537	537
<b>Gulf Coast</b>	7	503	25%	500	500	503	620	660
<b>Interior/FBKS</b>	14	537	53%	483	500	550	600	770
FAIRBANKS	8	537	55%	500	537	600	770	770
INTERIOR	6	537	50%	483	483	544	550	550
<b>North</b>	0	606	N/A					
<b>Southeast/ JNU</b>	14	537	54%	465	537	550	550	575
JUNEAU	2	537	N/A					
SOUTHEAST	12	537	54%	465	537	550	550	575
<b>Southwest</b>	0	593	N/A					
<b>Statewide</b>	48	N/A	N/A	465	500	537	550	770

### Homes

Region	Respondents Serving the Age Group	State Rate	Pct Children Charged Above State Rate	Survey Rates				
				Min	25th Percentile	50th Percentile	75th Percentile	Max
<b>Anchorage/Matsu</b>	103	483	51%	385	483	490	550	700
ANCHORAGE	81	483	54%	385	483	495	550	700
Matsu	22	483	41%	430	483	483	505	682
<b>Gulf Coast</b>	32	500	82%	350	538	594	616	789
<b>Interior/FBKS</b>	25	483	58%	430	483	525	643	770
FAIRBANKS	21	483	61%	430	473	525	660	770
INTERIOR	4	483	50%	483	483	504	567	693
<b>North</b>	0	545	N/A					
<b>Southeast/ JNU</b>	20	483	29%	450	450	450	550	600
JUNEAU	12	483	27%	450	450	450	580	600
SOUTHEAST	8	483	33%	450	450	450	550	550
<b>Southwest</b>	1	575	100%	660	660	660	660	660
<b>Statewide</b>	181	N/A	N/A	350	450	525	630	789