

State of New Hampshire Child Care Market Rate Study and Narrow Cost Analysis

Final Report



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Health and Human Services

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Executive Summary

The State of New Hampshire Department of Health and Human Services (DHHS) initiated the Child Care Market Rate Survey (MRS) and Narrow Cost Analysis (NCA) in compliance with federal regulations to ensure equal access to child care for Child Care Assistance Program (CCAP) eligible families. This report provides insights into child care market rates and the actual costs of delivering high-quality care in New Hampshire, supporting informed decisions on subsidy rates.

Policy and Programmatic Context

Child care costs in New Hampshire remain high, creating financial burdens for many families. In 2022, the annual cost for infant care ranged from \$10,140 in family-based settings to \$15,340 in group-based care. Families often spend a higher percentage of their income on child care than the recommended seven percent, with single-parent families spending up to 38%. To alleviate this burden, the State's 2024-2025 biennium budget expanded eligibility for the New Hampshire Child Care Scholarship (NHCCS), reduced family contributions to child care costs, and increased provider reimbursement rates. These measures aim to improve child care affordability and access, particularly for lower-income families.

Child Care Provider Characteristics

New Hampshire's early childhood sector includes licensed group (center-based), licensed family, license-exempt family, and license-exempt facility programs. Group providers constitute 80% of the market, while licensed family programs represent 15%. The sector has seen a decline in providers and slots over recent years, with group-based care providers decreasing by 9% and family-based care providers by 12% from 2019 to 2023. Geographic distribution analysis reveals varied impacts across counties, with some experiencing significant losses in child care slots.

Data and Methods

Data was collected from the New Hampshire Connections Information System and other resources, encompassing provider rates, capacity, and quality indicators. The market rate survey achieved a 53.2% response rate from 393 providers. The data was standardized to weekly rates for analysis. Limitations include small sample sizes for certain provider categories and incomplete data for part-time rates.

Market Rates and Narrow Cost Analysis

The analysis of market rates provides insights into the affordability and adequacy of current child care subsidies. For example, the recommended full-time weekly rates for licensed group child care programs are \$295.00 for infants, \$273.75 for toddlers, \$240.83 for preschoolers, and \$228.75 for school-age children. The Narrow Cost Analysis highlights the discrepancies between the true costs of providing quality care and the subsidy rates, particularly for higher-quality care. These gaps are most pronounced for infant and toddler care due to higher costs associated with maintaining appropriate child-to-staff ratios.

Geographic Considerations and Barriers

Cost variations across regions suggest the need for geographically adjusted rates to reflect local economic conditions. For instance, child care costs account for 16% of median family income in Rockingham County compared to 34% in Coos County. Addressing these variations can help ensure equitable access to care across the state. Workforce investment is crucial to stabilizing the child care sector, improving wages, reducing turnover, and enhancing the quality of care.

Conclusion

The findings underscore the necessity for targeted public investment to narrow the gap between the costs of quality care and the reimbursement rates. By addressing financial barriers and supporting the child care workforce, New Hampshire can enhance access to affordable, high-quality child care, benefiting families and the state's economic future. This report serves as a comprehensive resource for policymakers to implement evidence-based strategies to support the child care system in New Hampshire.

Introduction

Purpose of the analyses

This report contains a Child Care Market Rate Survey (MRS) and Narrow Cost Analysis (NCA), in response to the Request for Applications (RFA-2024-DES-04-CCMRN) issued by the State of New Hampshire Department of Health and Human Services (DHHS). The analyses satisfy the [federal regulations](#) which require states to determine reimbursement rates that ensure that CCAP-eligible families have equal access to child care. States must consider a number of factors in determining rates, including the extent to which child care providers participate in the CCDF subsidy system and the cost of higher-quality care. Market rate surveys help states establish child care subsidy rates that are high enough to allow low-income working families to enter the child care market and afford equal access to a range of care options.

Policy and programmatic context

Similar to other states' experiences across the country, the price of child care in New Hampshire remains too high for many families. The [2022 annual average](#) price of child care for an infant ranged from \$10,140 in a family-based setting to \$15,340 per year in group-based child care. While the Department of Health and Human Services recommends families pay less than [seven percent](#) of their household income on child care, families in New Hampshire must invest a [higher percentage of the median income](#), ranging from 12% for a married couple family to 38% for a single parent family.

In response to this challenge and in an effort to help make child care more affordable, the State Fiscal Years (SFYs) 2024-2025 biennium budget, enacted July 1, 2023 and implemented in 2024, expanded family income eligibility for [New Hampshire Child Care Scholarship](#) (NHCCS) recipients, reduced family cost share contributions toward child care tuition to no more than seven percent of household income for eligible families, and increased reimbursement rates for providers accepting scholarships. Additionally, the [SFYs 2024-2025 State Budget](#) raised the family income eligibility cap to [85 percent](#) of the State Median Income. These efforts address the [recent trends](#) in New Hampshire's three- and four-year-old children, for whom school participation rates have increased overall but decreased among lower-income young children, as defined by income below 200% of the federal poverty level.

These important changes to increase access to child care require adequate capacity to meet demand. As underscored by the stakeholder consortium that produced the [2023 Strategic Plan](#) for Early Childhood, a key opportunity to enhance supply and reduce barriers to child care is through workforce investment. More specifically, to better serve New Hampshire’s children and families, the [plan](#) calls for efforts “to address low wages, difficulty recruiting workers, the lack of a pipeline for future labor, and insufficient funding to support quality education for workers.” A key finding of the [Council for Thriving Children’s report](#) was that “increasing wages for those working with young children would lead to higher regard for the workforce as well as improved retention of those in the field.”

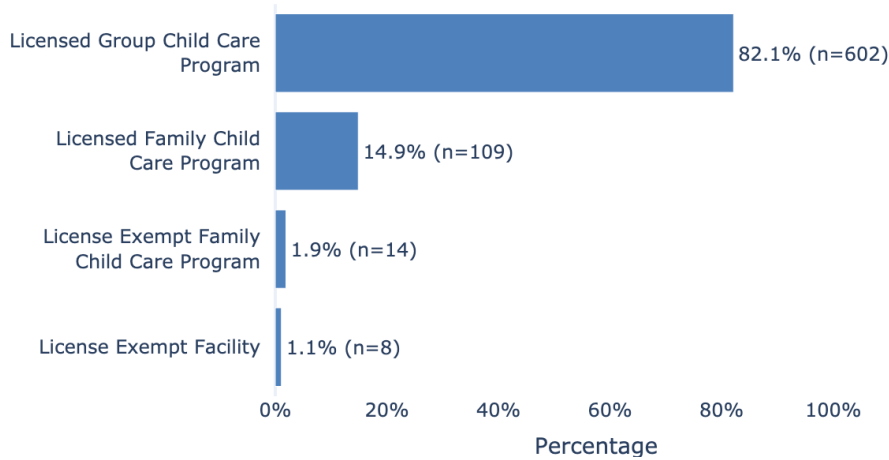
Report in brief

This report provides analysis of the current tuition reported by child care providers and compares the rates determined by what families in local areas can afford to the true costs of delivering quality care across New Hampshire. The recommended rates emerge from the market rate survey analysis. A deeper examination of the gap in rates and costs provided in this report can help inform decisionmakers about evidence-based areas in which public investment can yield positive results for New Hampshire’s families and the economic future of the Granite State.

Characteristics of Child Care Providers in New Hampshire

New Hampshire’s early childhood sector offers a mixed delivery system of care with four main types of providers: licensed group (or center-based), licensed family, license-exempt family, and license-exempt facility programs. Currently, four in five providers in New Hampshire are licensed group providers, followed by licensed family programs representing 15 percent of providers in the state (see Figure 1).

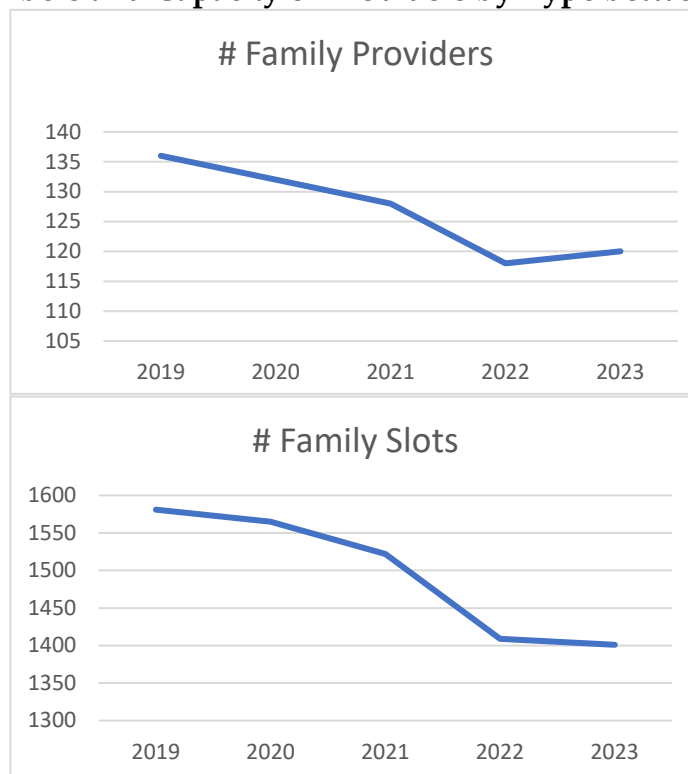
Figure 1. Percentage of Providers by Program Type

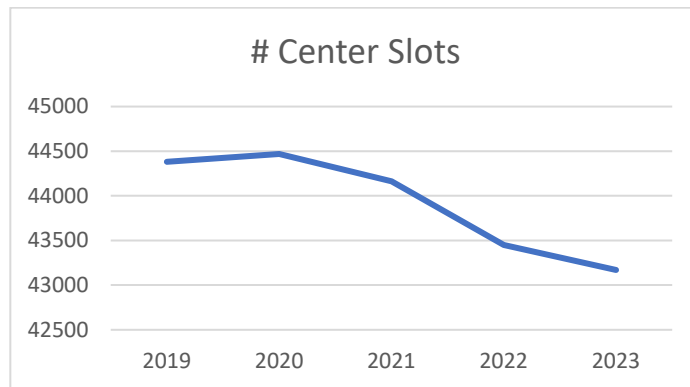
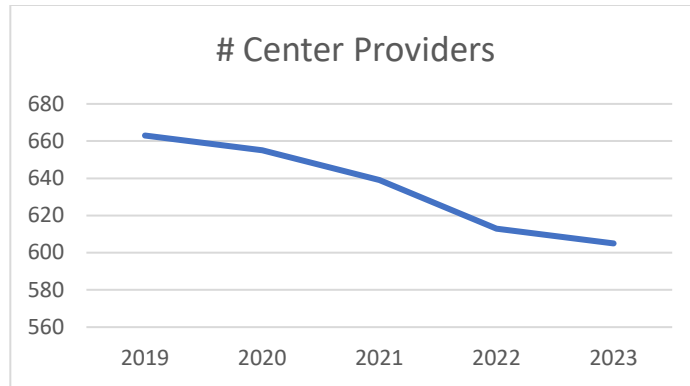


Licensed capacity

Based on New Hampshire provider data from 2019 to 2023, group-based care has experienced a 9% decline in providers and the number of family-based care providers has decreased by 12% over the same period (see Figures 2-5). Slots for children in both settings have also declined over the last five years, reduced by 3% for groups and 11% for family-based providers.

Figures 2-5 Numbers and Capacity of Providers by Type between 2019 and 2023

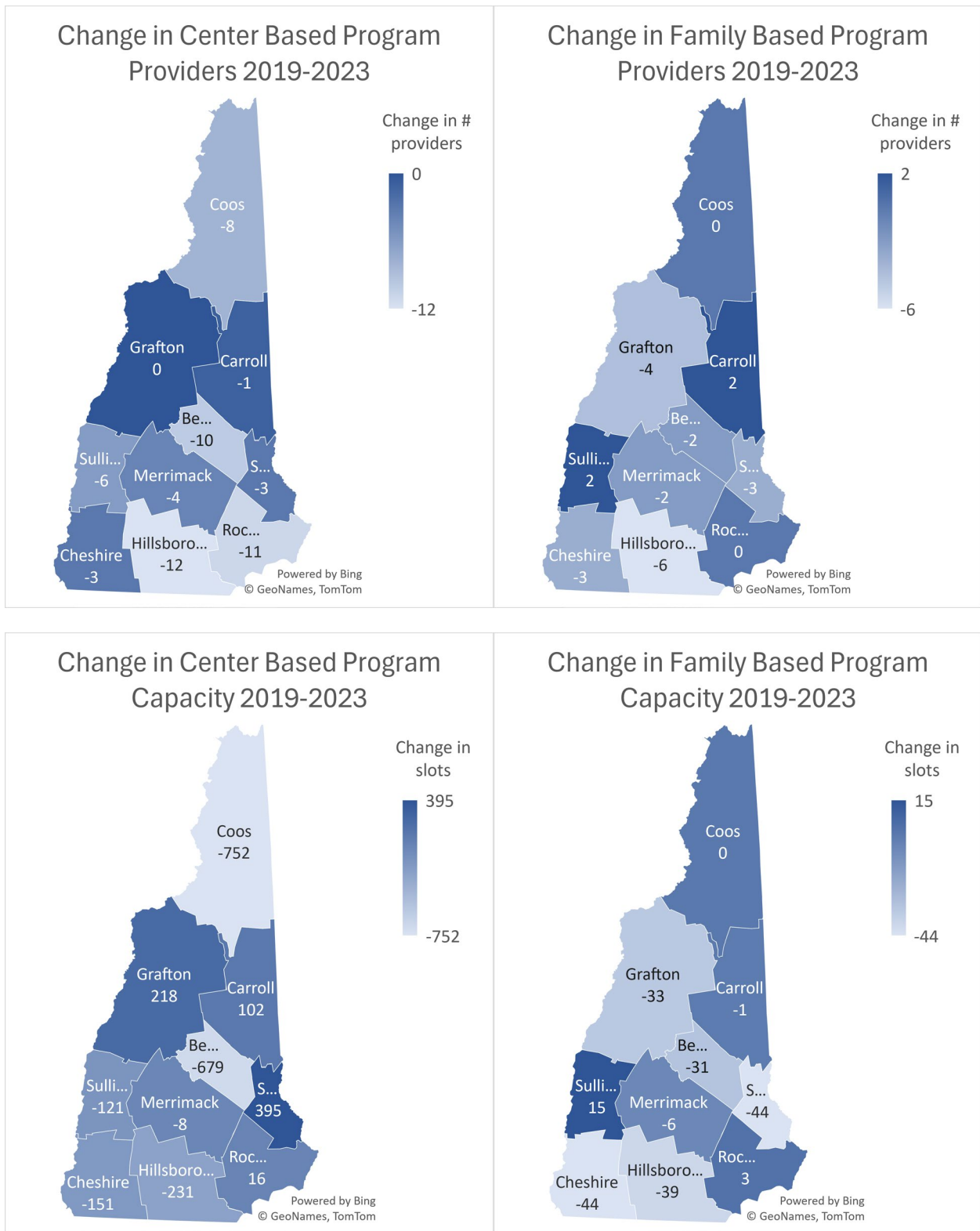




Geographic distribution

The following maps show changes in numbers and capacities of providers for group and family-based care between 2019 and 2023 (see Figures 6-9). Darker blue colors represent counties with the least amount of child care provider loss over the five-year period. Overall, there were decreases in providers across most counties for group and family-based care. Carroll and Sullivan counties fared best with an increase of two family-based providers each. While counties including Stafford and Grafton gained sizable group slots, they lost several family-based care slots. Group slot losses were most considerable for Coos and Belknap counties, which lost 752 and 679 slots, respectively.

Figures 6-9: Changes in provider numbers and capacity by county from 2019 to 2023



Data and Methods

Data Collection

This report utilizes Department provided market rate and cost of care data (herein after referred to as (“Department data”). The Department data has been compiled and collected in the [New Hampshire Connections Information System](#), New HEIGHTS, New Hampshire Bridges and other resources. The data points are contained in [Appendix A](#), detailing the Child Care Scholarship Enrollment categories (full-time, part-time, half time, and on demand), geographic parameters, weekly rates, registration fees, cost-share and copayments, and child care licensing regulations.

Survey Population and Response Rates

The Department conducted the provider survey of New Hampshire early childhood and school age programs. A total of 393 child care providers, reflecting a 53.2% response rate, reported their child care rates.

Geographic Representation

As shown in Table 1, the highest response rates to the market rate survey (73%) were submitted by providers in the Capitol Area (Region 2), followed by Strafford County and Seacoast Region (Region 6) with 60%, and the Central NH/Lakes Region (Region 5) with 56%. Regions 1, 3, and 4 indicated about half of the providers in each region responded.

Table 1. Response Rates by Region

Region	# of Providers	# of Market Rate Survey Respondents	Response Rate
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	105	55	52%
Region 2: Capitol Area	73	53	73%
Region 3: Greater Nashua	111	52	47%
Region 4: Greater Derry and Manchester	182	87	48%
Region 5: Central NH/Lakes Region	72	40	56%

Region 6: Strafford County and Seacoast Region	141	85	60%
Region 7: North County and Carroll County	38	14	37%

Note: See Appendix C for additional detail on program type within each region.

As shown in Table 2, response rates among program types were highest for licensed family child care programs (69%), followed by licensed group child care programs (52%).

Table 2. Response Rates by Program Type

Program Type	# of Providers	# of Market Rate Survey Respondents	Response Rate
Licensed Group Child Care Program	602	312	51.8%
Licensed Family Child Care Program	109	75	68.8%
License Exempt Family Child Care Program	14	2	14.3%
License Exempt Facility	8	2	25.0%

As of June 2024, there were 542 programs participating in the NHCCS subsidy program. Response rates among NHCCS providers were encouragingly high, with 77% of Step 3 providers, 68% of Step 1 providers, and half of Step 2 providers sharing information for the market rate survey (see Table 3). Additionally, 58% of the NHCCS providers without a specified Granite Steps Quality (GSQ) Step submitted responses.

Table 3. Response Rates by GSQ Step for NHCCS providers

GSQ Step	# of Providers	# of Market Rate Survey Respondents	Response Rate
Unspecified	440	255	58.0%

Step 1	31	21	67.7%
Step 2	36	18	50.0%
Step 3	35	27	77.1%

Data preparation

Data was provided in the form of multiple Microsoft Excel reports pulled from the NHCIS system, including reports containing data related to the following:

1. Provider costs and whether providers owned or rented their location; hereafter referred to as the “costs report.”
2. The start and end time of operations for each day of the week; hereafter referred to as the “hours of operation report.”
3. Data points such as provider type, licensed capacity, enrollment capacity, available slots by age group, provider city and county, and types of financial assistance accepted; hereafter referred to as the “capacity report.”
4. Providers’ [Granite Steps for Quality](#) (GSQ) Approved Step; hereafter referred to as the “quality report.” GSQ is a voluntary quality recognition system (QRIS) for licensed child care providers in New Hampshire. The program aims to improve the quality of early care and education, as well as out-of-school time programs, to help children and families succeed. GSQ focuses on two quality standards to promote a culture of continuous improvement.
5. Whether providers charge a registration fee, the frequency at which they charge a fee, the amount of the registration fee, the number of children per age group, the number of classrooms per age group, the profit/non-profit status of the provider, and the provider’s current enrollment status; hereafter referred to as the “registration fee report.”
6. Whether or not a provider has a resource identification number; hereafter referred to as the “resource ID report.”
7. The schedule type, cost, and type of cost; hereafter referred to as the “schedule report.”
8. NH childcare regions and associated cities, hereafter referred to as the “regions file.”

Each individual report contained a unique identifier. In the capacity and registration fee reports, we found that there were multiple entries for each unique identifier that were not identical and contained different information. In most of these instances, the different information was unique across columns such that there was not conflicting information, however in some columns, information was conflicting. Both of these reports were collapsed by unique identifier.

For the capacity report there were 10 unique identifiers with multiple entries containing different information. For this report each unique identifier was collapsed so that the first non-blank entry in each column was kept.

For the registration fee report there was just one unique identifier with multiple entries containing different information. For this report this unique identifier was collapsed so that the first non-blank entry in each column was kept.

The schedule report contained multiple entries for each unique identifier as each provider was asked to submit rates by age group and schedule type. For this report, rates were transformed into a standardized weekly rate for comparative purposes. Once the rates were converted to a weekly rate the report was transformed so that each unique identifier had a row containing the provider's mean weekly rate by age group and by full/part-time rate.

The regions file was used to map a region onto the capacity report by provider city. However, not all cities were included in the regions file. For the cities not included in the file but contained within the capacity report, these were manually examined to determine which region each city was located in. A total of 11 providers were located in cities that could not be determined by manual examination as they appeared to be close to the boundaries between regions.

Once duplicate entries were dropped and duplicate unique identifiers with multiple occurrences and differing information were collapsed reports were merged on the unique identifier.

Rate development

To develop the rate recommendations, we conducted a multi-phased process. As is the case with most financially-related surveys, respondents reported their child care tuition rates in varying formats. In order to standardize rates for the purposes of this analysis,

we converted the various rate formats reported through the survey into a weekly rate. The calculations to convert to a weekly rate are shown in Table 4.

Table 4. Rate Conversion Methods

Full-Time Hourly Rates	$(\text{Hourly rate}) \times (8 \text{ hours a day}) * (5 \text{ days a week})$
Full-Time Daily Rates	$(\text{Daily rate}) \times (5 \text{ days a week})$
Part-Time Hourly and Daily Rates	Excluded from analysis due to insufficient data
Full-Time and Part-Time Weekly Rates	No changes made
Monthly Full-Time and Part-Time Rates for a Full Year Schedule	$[(\text{Monthly rate} \times 12 \text{ months})] \div (52 \text{ weeks})$
Monthly Full-Time and Part-Time Rates for a School Year Schedule	$[\text{Monthly rate} \times 9 \text{ months}] \div (39 \text{ weeks})$
Monthly Full-Time and Part-Time Rates for Summer Schedule	$[(\text{Monthly rate}) \times (3 \text{ months})] \div (13 \text{ weeks})$
Yearly Full-Time and Part-Time Rates for School Year Schedule	$(\text{Yearly rate}) \div (39 \text{ weeks})$

After we matched rate responses to an existing childcare provider license and converted to a standardized weekly rate, we identified and examined outliers. Weekly rates outside the interquartile range (IQR) within each age category were evaluated for miscoding or a mistake on behalf of the person entering the data into the New Hampshire Connection Market Rate Survey portal. Where clear mistakes were made, (i.e. all but one entry is a 'Monthly' rate despite the rate amount being the same or similar or entering a rate with an incorrect decimal placement) results were modified. Where reasonable inferences could not be made for outliers and the rates were out of line with the rest of the entries for a specific provider, we removed these entries from the dataset.

Limitations

There are some limitations in interpreting data due to small sample sizes. There are 14 providers that are license exempt family child care programs and eight providers that are license exempt facilities. For both of these categories, just two providers submitted market rate survey information. Thus, conclusions related to market rates for these categories cannot be drawn from limited data.

Additionally, caution needs to be taken when interpreting part-time market rate information. Part-time rates provided in both hourly and daily formats could not be converted to weekly rates because of incomplete information on the number of hours and days that comprised part-time care. Given this incomplete data and the lower number of part-time rates submitted, results should be interpreted with caution, particularly when they are disaggregated by variables such as quality level, provider type, and region.

Finally, 66 providers with a GSQ Provider Approved Step submitted market rate survey information. Thus, caution needs to be taken when examining these results due to small sample sizes.

Market Rates

We analyzed the market rate survey data to inform the recommended rates. Standard rate tables that include the mean, median, standard deviation and percentages follow. These tables have been prepared to show results at the 25th, 50th, and 75th percentile as well.

Rate tables

Table 5. Weekly Full-Time Rates for Licensed Group Child Care Program

Statistic	Full-Time Weekly Rate Infant	Full-Time Weekly Rate Toddler	Full-Time Weekly Rate Preschool	Full-Time Weekly Rate School Age
Count	175	184	227	104
Mean	\$308.47	\$285.98	\$250.81	\$194.00
Standard Deviation	\$64.66	\$58.73	\$53.87	\$67.75
Minimum	\$125.00	\$125.00	\$92.56	\$62.31
25th Percentile	\$267.08	\$246.88	\$215.04	\$153.75
50th Percentile	\$300.00	\$280.50	\$250.00	\$190.00
75th Percentile	\$344.42	\$317.36	\$280.00	\$236.25
Maximum	\$520.00	\$490.00	\$445.00	\$400.00
Recommended Rates	\$295.00	\$273.75	\$240.83	228.75

Table 6. Weekly Part-Time Rates for Licensed Group Child Care Program

Statistic	Part-Time Weekly Rate Infant	Part-Time Weekly Rate Toddler	Part-Time Weekly Rate Preschool	Part-Time Weekly Rate School Age
Count	18	25	64	64
Mean	\$222.05	\$185.44	\$147.91	\$92.82
Standard Deviation	\$56.40	\$68.76	\$61.39	\$48.99
Minimum	\$157.50	\$50.77	\$24.23	\$25.00
25th Percentile	\$177.00	\$170.00	\$111.25	\$58.85
50th Percentile	\$207.00	\$195.00	\$153.79	\$80.00
75th Percentile	\$263.75	\$228.00	\$185.00	\$106.25
Maximum	\$350.00	\$278.00	\$265.00	\$250.00
Recommended Rates	\$114.19	\$105.97	\$93.23	\$85.55

Table 7. Weekly Full-Time Rates for Licensed Family Child Care Program

Statistic	Full-Time Weekly Rate Infant	Full-Time Weekly Rate Toddler	Full-Time Weekly Rate Preschool	Full-Time Weekly Rate School Age
Count	59	62	69	34
Mean	\$225.17	\$219.85	\$219.58	\$199.49
Standard Deviation	\$48.28	\$50.42	\$50.27	\$70.47
Minimum	\$140.00	\$140.00	\$140.00	\$75.00
25th Percentile	\$197.50	\$190.62	\$189.00	\$171.25
50th Percentile	\$220.00	\$202.50	\$200.00	\$185.00
75th Percentile	\$250.00	\$250.00	\$250.00	\$200.00
Maximum	\$375.00	\$375.00	\$380.00	\$400.00
Recommended Rates	\$203.75	\$205.00	\$190.00	\$187.50

Table 8. Weekly Part-Time Rates for Licensed Family Child Care Program

Statistic	Part-Time Weekly Rate Infant	Part-Time Weekly Rate Toddler	Part-Time Weekly Rate Preschool	Part-Time Weekly Rate School Age
Count	1	2	3	9
Mean	\$125.00	\$142.50	\$130.00	\$73.61
Standard Deviation	\$nan	\$24.75	\$27.84	\$36.08
Minimum	\$125.00	\$125.00	\$105.00	\$37.50
25th Percentile	\$125.00	\$133.75	\$115.00	\$40.00
50th Percentile	\$125.00	\$142.50	\$125.00	\$75.00
75th Percentile	\$125.00	\$151.25	\$142.50	\$85.00
Maximum	\$125.00	\$160.00	\$160.00	\$150.00
Recommended Rates	\$78.87	\$79.35	\$73.55	\$72.58

Table 9. Weekly Full-Time Rates by Region

Region	Full-Time Weekly Rate Infant	Full-Time Weekly Rate Toddler	Full-Time Weekly Rate Preschool	Full-Time Weekly Rate School Age
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	\$258.36 (n=38)	\$245.49 (n=41)	\$221.78 (n=48)	\$188.39 (n=18)
Region 2: Capitol Area	\$274.74 (n=27)	\$261.07 (n=35)	\$241.10 (n=40)	\$197.80 (n=25)
Region 3: Greater Nashua	\$284.27 (n=36)	\$266.23 (n=34)	\$243.51 (n=41)	\$205.73 (n=22)
Region 4: Greater Derry and Manchester	\$323.03 (n=52)	\$300.43 (n=53)	\$259.78 (n=65)	\$192.38 (n=24)
Region 5: Central NH/Lakes Region	\$242.49 (n=22)	\$229.17 (n=22)	\$222.89 (n=28)	\$164.98 (n=17)
Region 6: Strafford County and Seacoast Region	\$313.49 (n=50)	\$295.12 (n=50)	\$265.18 (n=61)	\$210.94 (n=27)
Region 7: North County and Carroll County	\$216.67 (n=9)	\$212.34 (n=11)	\$192.40 (n=14)	\$193.60 (n=5)

Table 10. Weekly Part-Time Rates by Region

Region	Part-Time Weekly Rate Infant	Part-Time Weekly Rate Toddler	Part-Time Weekly Rate Preschool	Part-Time Weekly Rate School Age
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	\$208.00 (n=2)	\$155.45 (n=5)	\$129.55 (n=10)	\$58.93 (n=9)
Region 2: Capitol Area	\$197.50 (n=2)	\$208.75 (n=4)	\$174.09 (n=7)	\$102.09 (n=11)
Region 3: Greater Nashua	\$186.50 (n=2)	\$117.94 (n=4)	\$118.68 (n=9)	\$125.92 (n=13)
Region 4: Greater Derry and Manchester	\$277.93 (n=7)	\$224.76 (n=8)	\$152.14 (n=19)	\$85.49 (n=21)
Region 5: Central NH/Lakes Region	\$161.90 (n=5)	\$160.00 (n=4)	\$130.22 (n=8)	\$49.17 (n=3)
Region 6: Strafford County and Seacoast Region	\$183.00 (n=1)	\$199.50 (n=2)	\$168.28 (n=11)	\$89.26 (n=14)
Region 7: North County and Carroll County	n/a (n=0)	n/a (n=0)	\$120.28 (n=1)	\$80.00 (n=1)

Table 11. Reported weekly full-time tuition rates for providers participating in the NHCCS program by quality level

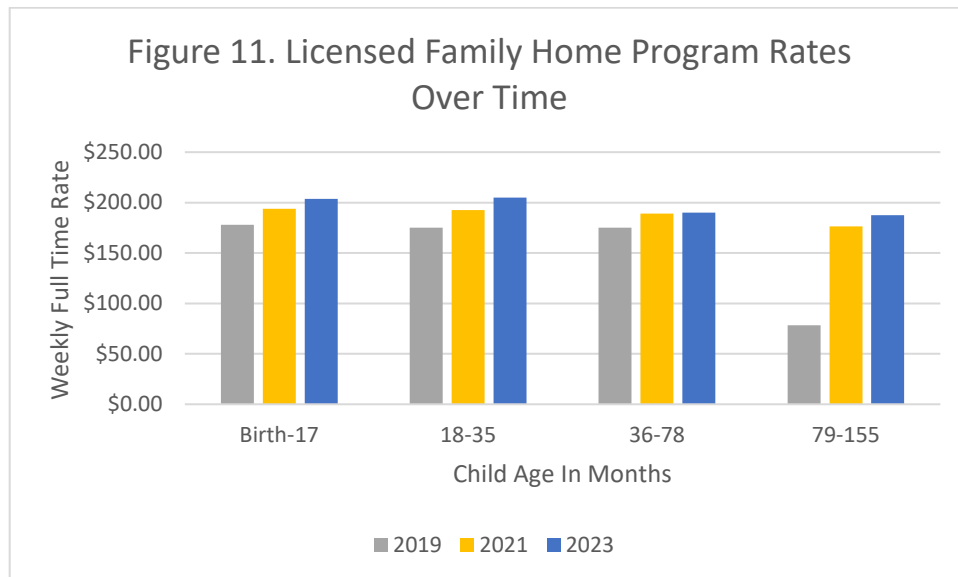
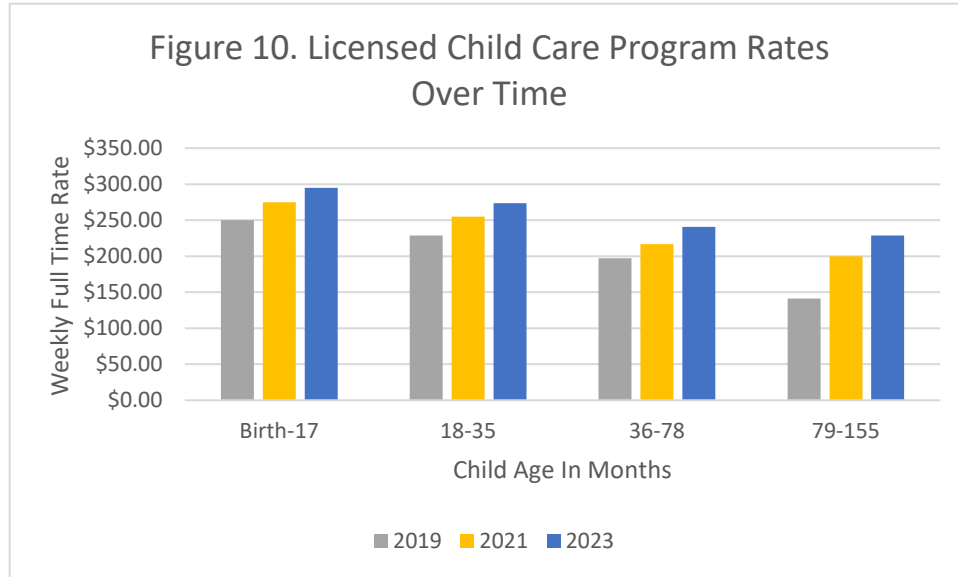
GSQ Step	Full-Time Weekly Rate Infant	Full-Time Weekly Rate Toddler	Full-Time Weekly Rate Preschool	Full-Time Weekly Rate School Age
Unspecified	\$280.12 (n=149)	\$261.66 (n=158)	\$237.04 (n=190)	\$182.11 (n=101)
Step 1	\$312.47 (n=18)	\$291.19 (n=17)	\$263.84 (n=21)	\$272.50 (n=4)
Step 2	\$282.29 (n=12)	\$261.97 (n=11)	\$246.03 (n=15)	\$257.64 (n=8)
Step 3	\$332.41 (n=25)	\$309.73 (n=26)	\$276.09 (n=26)	\$239.62 (n=8)

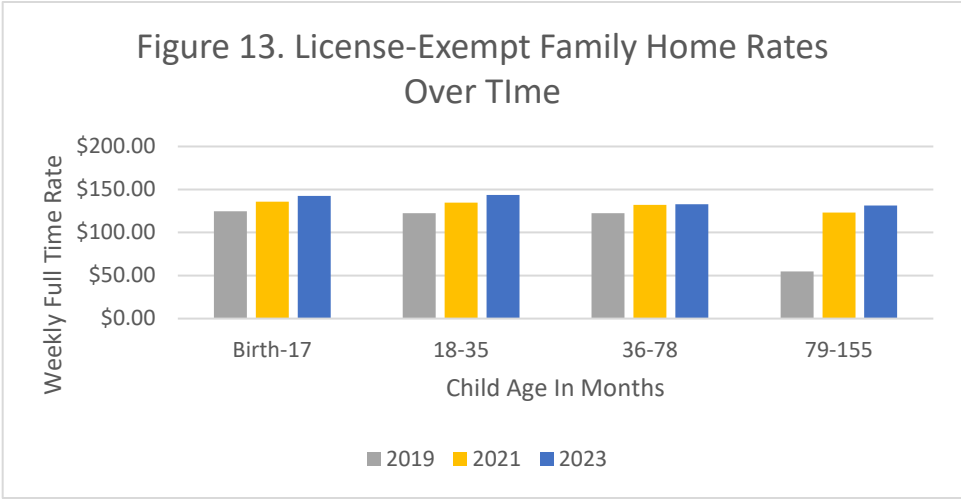
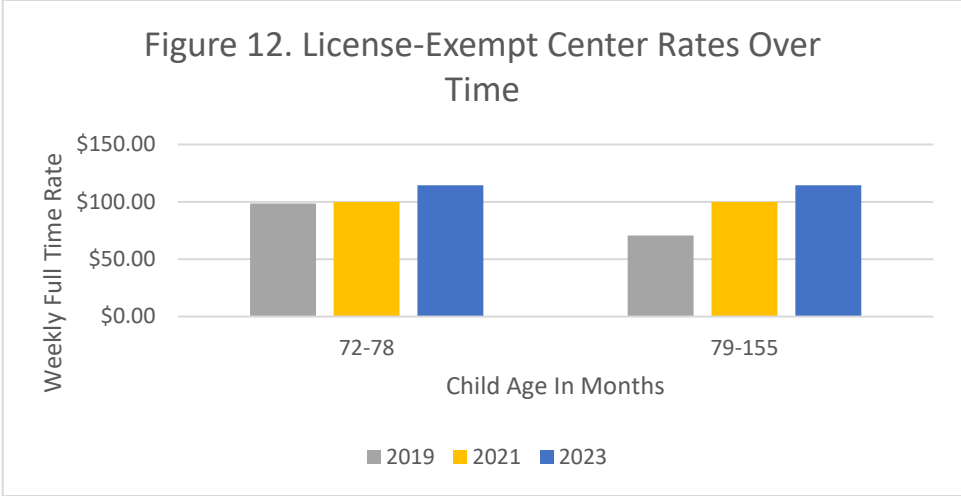
Table 12. Reported weekly part-time tuition rates for providers participating in the NHCCS program by quality level

GSQ Step	Part-Time Weekly Rate Infant	Part-Time Weekly Rate Toddler	Part-Time Weekly Rate Preschool	Part-Time Weekly Rate School Age
Unspecified	\$223.00 (n=12)	\$187.04 (n=17)	\$160.46 (n=38)	\$88.72 (n=56)
Step 1	\$198.17 (n=2)	\$208.33 (n=2)	\$180.56 (n=3)	n/a (n=0)
Step 2	n/a (n=0)	n/a (n=0)	\$125.91 (n=2)	\$120.00 (n=2)
Step 3	\$231.75 (n=2)	\$218.67 (n=3)	\$179.93 (n=5)	\$102.98 (n=1)

Rate changes over time

Rates for NHCCS child care providers across all settings and child ages have increased between 2019 and 2023, as shown in Figures 10-13.





Regional comparison

We examined market rate data and trends in Connecticut, Maine, Massachusetts, Rhode Island and Vermont to compare with New Hampshire’s experience. While state sizes vary, their regional proximity is meaningful. New Hampshire’s median income of \$90,000 is second highest in the region, surpassed only by Massachusetts. Aside from Vermont, New Hampshire has the fewest households below the federal poverty level and regionally the lowest percentage overall (see Table 13).

Table 13. Multi-state economic comparison

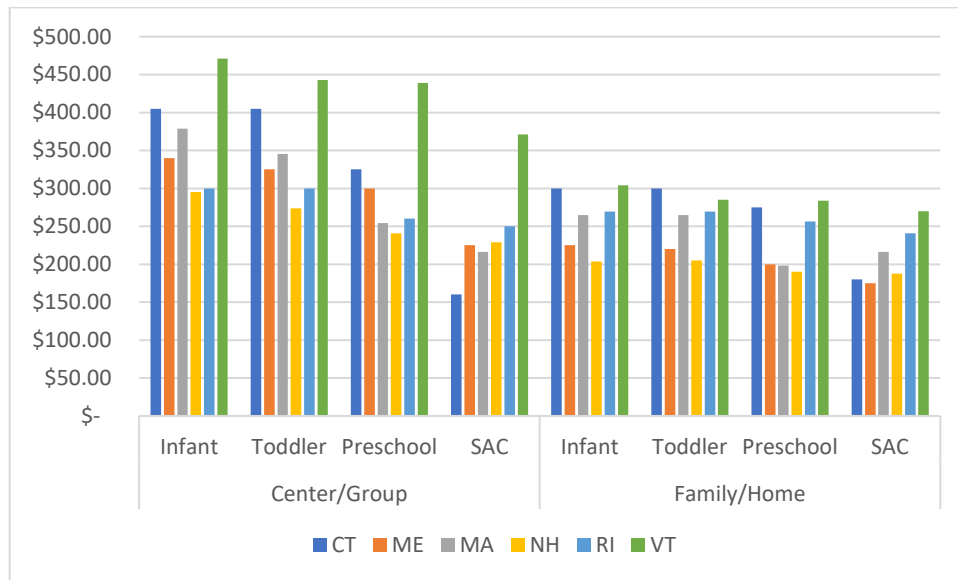
State	Median Income in Dollars	Households Below Poverty Level	% of all households
Connecticut	\$88,429.00	151,007	11%
Maine	\$69,543.00	71,530	12%
Massachusetts	\$94,488.00	326,630	12%
New Hampshire	\$89,992.00	44,856	8%
Rhode Island	\$81,854.00	53,965	12%
Vermont	\$73,991.00	31,144	11%

Sources: ACS S1903 2022 1y for median income and ACS S2201 2022 1y for poverty household data

Connecticut, Maine, Rhode Island and Vermont offer weekly rates by setting and child age, akin to New Hampshire’s rate structure. Maine has three geographical distinctions for rates, and Massachusetts has six regions with daily rates. Rate tables for these states are included in Appendix D for reference.

As shown in Figure 14, Vermont has the highest weekly full-time rates across settings and ages, with the exception of Connecticut’s weekly full-time rate for family-based providers caring for toddlers. New Hampshire’s rates are most similar to Maine’s family-based care rate and Rhode Island’s center rates.

Figure 14. Regional state comparison of current weekly full-time rates by provider setting and child age

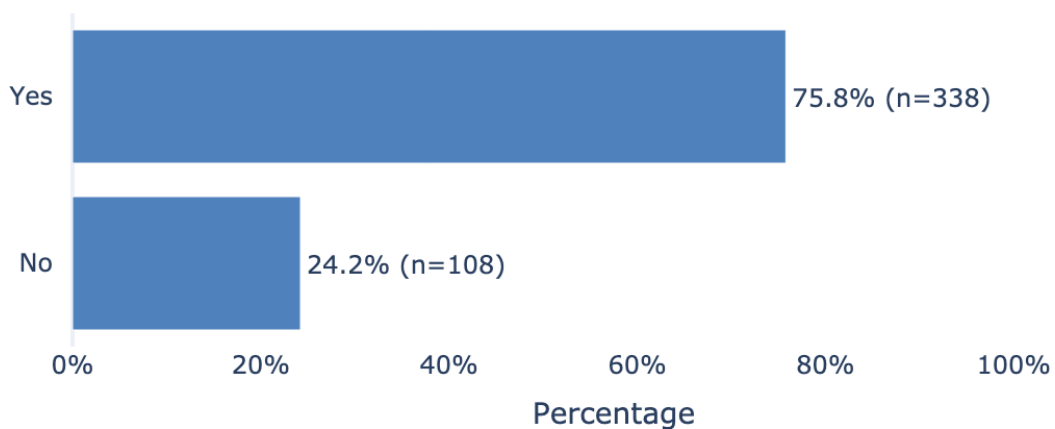


Source: Rate tables published online by each state. See [Appendix D](#) for full list.

Registration Fees and Schedules

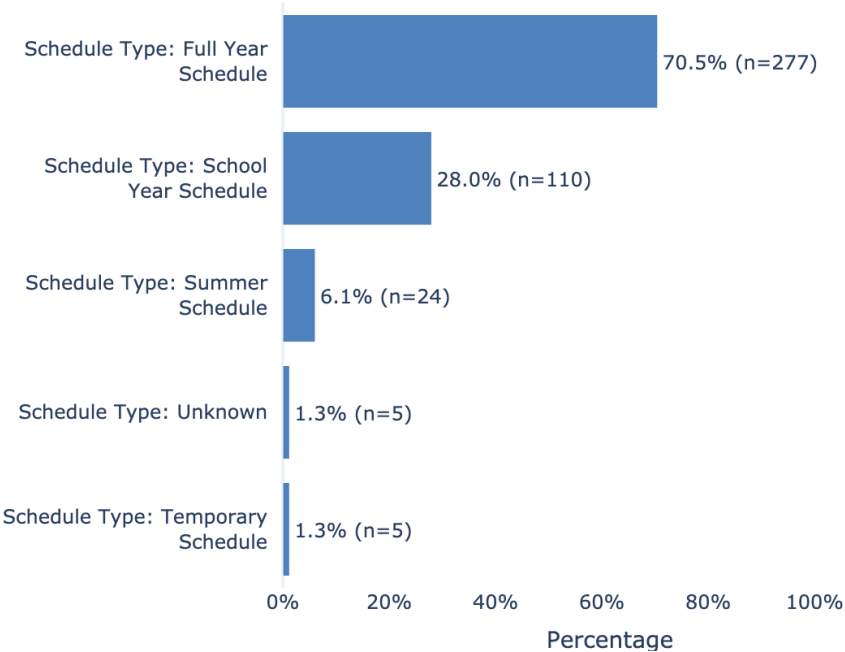
As shown in Figure 15, two-thirds of providers reported charging an annual fee (n=221), with a \$75 median price reported (n=268).

Figure 15. Percentage of Providers Who Charge a Registration Fee



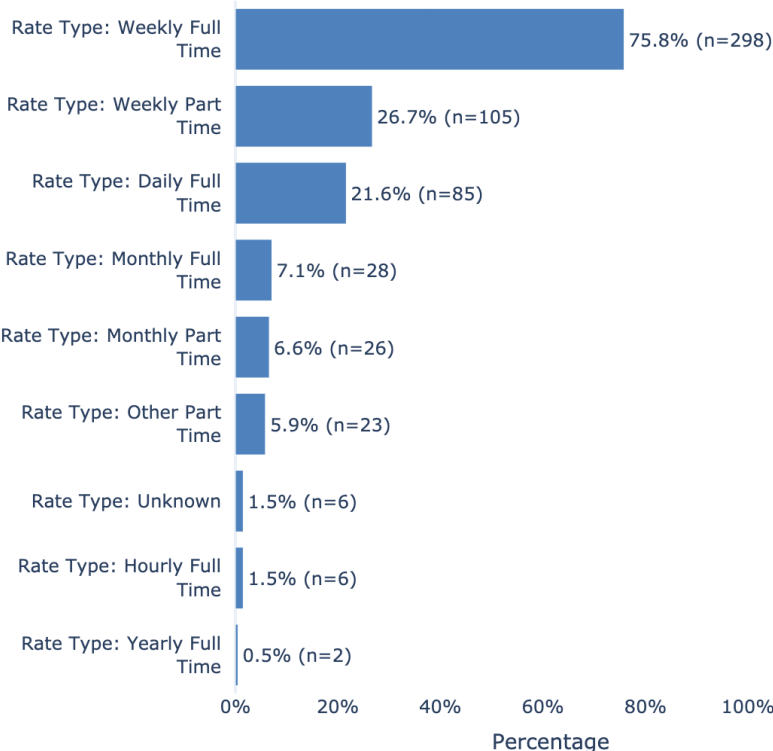
Payment schedules varied across providers, although most (71%) offered a full year schedule, followed by 28% that reported aligning with the academic school year (see Figure 16).

Figure 16. Percentage of Providers by Reported Rate Schedule Types



Providers varied in term of the hours of care offered, with over one quarter (27%) reporting part-time rates and presumably offering part-time care (see Figure 17).

Figure 17. Percentage of Providers by Reported Rate Types



Narrow Cost Analysis

The federal Office of Child Care requires a narrow cost analysis (NCA) as a component of determining rates. [Options for completing this cost analysis](#) include developing a cost model using the Provider Cost of Quality Calculator (PCQC); conducting a limited cost survey of study; examining cost differentials for higher-quality care; or using other existing information as a source of information about costs.

For the NCA, we identified and analyzed gaps between the cost of care and subsidy rates at various quality levels for each age group. This analysis relied on the cost model developed for New Hampshire's child care sector and the market rate survey data. The NCA provides information about the costs of care and provider rate gaps using a [two-pronged approach](#), defined as a cost model informed by limited cost surveys. This approach validated key factors that impact the cost of providing quality care, including staff salaries and benefits, training and professional development, curricula and supplies, group size and ratios, enrollment levels, facility size and costs, and other expenses.

This information was used to validate the estimated cost of child care providers' implementation of health, safety, quality, and staffing requirements and the comparative costs of higher-quality care at multiple levels.¹ Additionally, the information corroborated the estimated costs by level of quality, including relevant variation by provider type, child care setting, child age, and location. To inform the provider reimbursement rate setting recommendations, in alignment with [federal guidance](#), we [assessed the gaps](#) between estimated costs and payment rates.

Cost model

The foundation of the alternative methodology is a child care cost model. This tool estimates the true costs to provide child care services based on providers' geographic location, quality level, service delivery type, ages served, and enrollment. The model draws from the Provider Cost of Quality Calculator (PCQC) but has since been updated and expanded through application and stakeholder feedback. The model is a series of

¹ *I.e.*, applicable licensing and regulatory requirements, health and safety standards, training and professional development standards, and appropriate child to staff ratio, group size limits, and caregiver qualification requirements as required in 45 CFR 98.45(b)(3), (f)(1)(ii)(A), and (f)(2)(ii).

linked spreadsheets based in Excel. The model estimates the cost of quality for each setting and age of child, incorporating costs associated with the GSQ standards. The model includes scaled competitive compensation aligned with credentialing, pursuant to the [2023 Early Childhood Strategic Plan](#) findings and recommendations.

The model uses statistically valid and reliable research methods throughout, including collecting data from multiple sources; using appropriate techniques to impute and cluster data; and aligning with the existing research base on early childhood finance policy.

Revenue drivers incorporated in the cost model include:

- Parent (private) tuition and fees
- Public subsidy programs
- Participation in the Child and Adult Care Food Program based on FPL
- Efficiency of enrollment
- Revenue collection such as bad debt

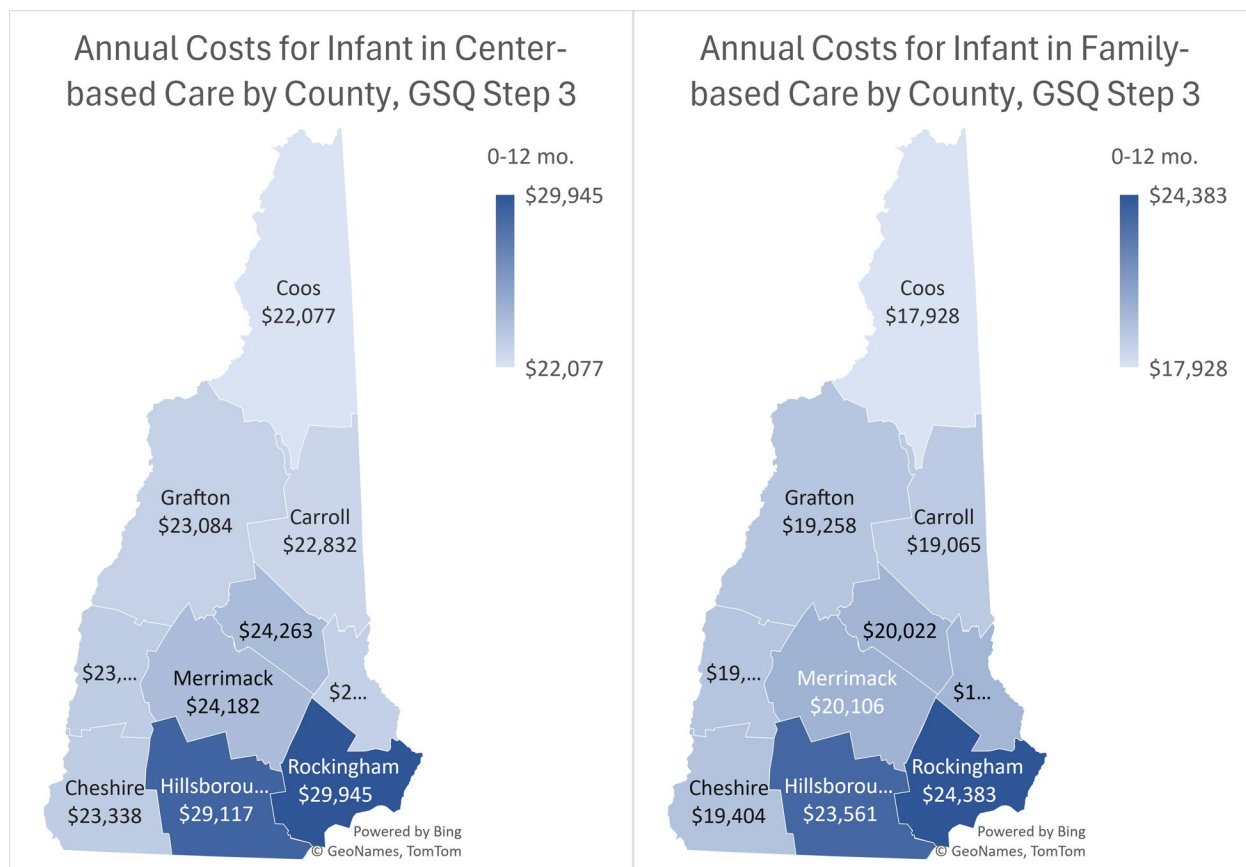
Expenses associated with business operation are also captured in the model, including:

- Salary (with competitive compensation scaling) and benefits
- Registration/licensing/professional fees
- Accounting costs
- Building maintenance and security
- Consultants and training
- Staff turnover
- Education equipment and supplies
- Food and preparation
- Office equipment and supplies
- Insurance

Cost of care

To illustrate the differences in costs across the state, the following maps show annual costs of infant care in GSQ Step 3 center- and family-based settings, respectively. Darker shaded counties, including Rockingham and Hillsborough Counties, had the highest and second highest annual costs for this category of care, while Coos County maintained the lowest annual costs across settings (see Figures 18 and 19).

Figures 18 and 19. Maps of annual costs of infant care



A full table of the costs by setting, age, quality and county is included in Appendix E.

Rate Gap Analysis

A gap analysis incorporated results from the cost model and the market rate survey data. The analysis included examination of the cost differentials associated with delivering higher quality care to help narrow the difference between the cost of delivering services and the payment rates. Minimizing this gap can help reduce the barrier to families seeking care by maintaining an adequate supply of providers who can afford to participate in the subsidy program. We examined the differences in payments between the current and new rates across geographies, settings, quality levels, and child ages.

The following table provides a visual depiction of the differences between the costs of care and the recommended rates for center-based GSQ Step 3 care across the state (see Table 14). Red shaded cells indicate the largest gap between costs and rates, while the green shaded cells show categories for which rates exceed estimate costs. The trend

observed is the cost of care is highest for the youngest children and lowest for the older groups of children. High costs for infants and toddlers are largely driven by costs of quality associated with ratio requirements that support interaction and adequate adult supervision. The evidence of gaps aligns with the fact that providers must set tuition based on what families can afford to pay, rather than charge parents for the true costs incurred to deliver quality care for the age of the child.

Table 14. Difference (Cost of Quality - Rates), Center-based care, GSQ Step 3

Child Age	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NEW HAMPSHIRE
0-12 mo.	\$6,353	\$4,923	\$5,428	\$4,167	\$5,175	\$11,207	\$6,272	\$12,036	\$5,233	\$5,427	\$8,924
12-24 mo.	\$2,717	\$1,581	\$1,982	\$953	\$1,782	\$6,659	\$2,660	\$7,341	\$1,854	\$1,976	\$4,816
24-36 mo.	\$528	-\$412	-\$80	-\$955	-\$245	\$3,861	\$486	\$4,446	-\$165	-\$90	\$2,311
3 year olds	-\$1,145	-\$1,840	-\$1,595	-\$2,277	-\$1,715	\$1,428	-\$1,168	\$1,891	-\$1,625	-\$1,610	\$244
4 year olds	-\$4,762	-\$5,211	-\$5,052	-\$5,541	-\$5,128	-\$2,948	-\$4,765	-\$2,608	-\$5,027	-\$5,072	-\$3,765
School Age	-\$3,933	-\$4,284	-\$4,160	-\$4,572	-\$4,219	-\$2,424	-\$3,929	-\$2,132	-\$4,113	-\$4,182	-\$3,094

A full table of the gap analysis by setting, age, quality and county is included in Appendix F.

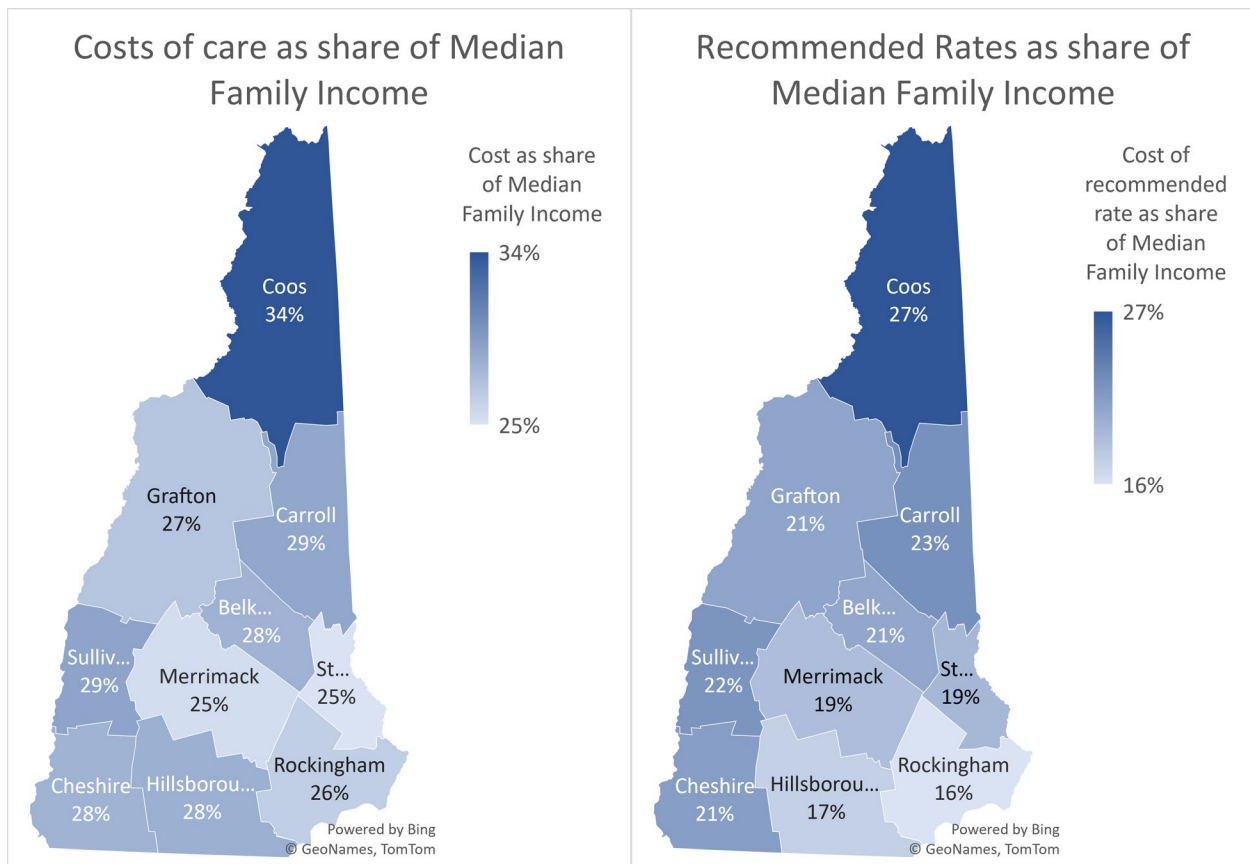
Geographic Considerations

As New Hampshire examines policies and rates for child care into the future, it may be worthwhile to consider rates that address the geographic variations in costs. While current recommended rates do not vary by region, family income varies greatly. However, the true costs of care range from 16% of median family income in Rockingham County to 34% in Coos County (see Figures 20 and 21). Implementing such a change can be challenging, so the costs of shifting to a more detailed rate structure should be balanced against the benefits of doing so.

Evidence of Barriers

As previously discussed, recent efforts to expand eligibility and improve access to care will greatly benefit the state’s child care system. These changes, combined with the [May 2024 Final Federal Rule requirements](#), will take time to show evidence of impact. The challenge of meeting the demand for care with adequate, reliable supply is [urgent](#) in New Hampshire, as it is nationwide. Efforts are needed to stabilize the system through workforce investment to reduce turnover and increase continuity of care. Improving the financial health of providers can be achieved by factoring in the high costs they must absorb. Addressing these areas of need will help to incentivize provider subsidy participation and quality investment, allowing the state to mitigate the barriers to child care and caring for children receiving child care assistance in New Hampshire.

Figures 20 and 21. Annual Costs for Infant in Center-based Care, GSQ Step 3 as a share of Median Family Income, by county



Source: Median income data from "[Selected Economic Characteristics: 2020 ACS 5-Year Estimates Data Profiles: All Counties within New Hampshire](#)". data.census.gov. U.S. Census Bureau.

Appendix A. Child Care Market Rate Report and Narrow Cost Analysis Study Data Points

The following list provides the market (tuition) and cost-related data points collected through the provider survey, including:

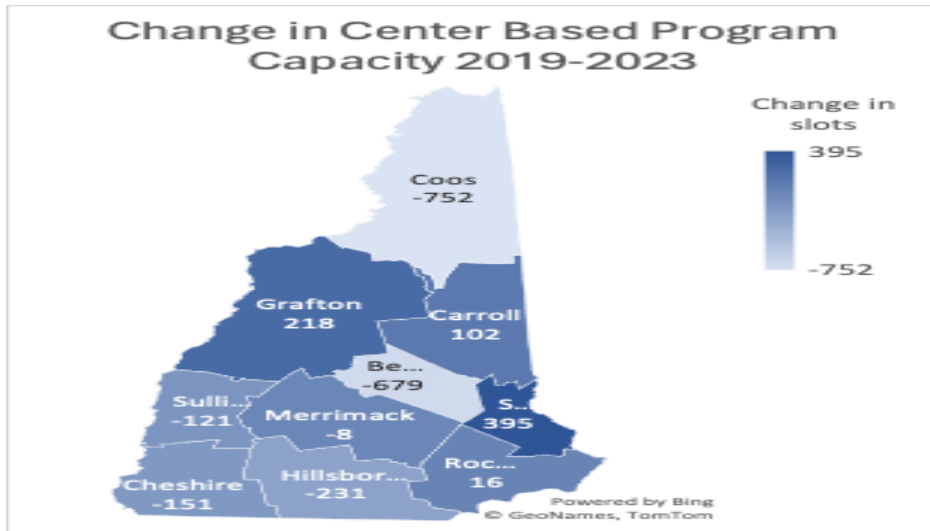
1. Number of Licensed Programs
2. Region, County, Town
3. Licensed Type – Licensed, Licensed-exempt
4. Licensed Capacity and Enrollment
5. Program Types – group-based, family child care, etc.
6. Licensed Number of Children to Serve
7. Types of Programs – profit, non-profit, etc.
8. Types of Services Provided
9. Quality Indicators – GSQ, Licensed-plus
10. Annual Schedule
11. Months of Operation
12. Days and Hours of Operation
13. Rate Types – monthly, weekly, daily, part-time, full-time
14. Registration Fee
15. Sliding Fee Scale
16. Special Care Offerings
17. Charges to Scholarship Families
18. DHHS Scholarship Provider status
19. Number of children on scholarship program
20. Waitlist and parameters
21. Specific Rate and Enrollment Data for the following age groups:
 - a. NH Infant (6 weeks to 12 months)
 - b. NH Toddler (13-24 months)
 - c. Preschool I (3-4 years)
 - d. Preschool II (4-5 years)
 - e. School Age I (5-6 years)
 - f. Full-Time
 - g. Before and After School
 - h. Before Only
 - i. After School Only
 - j. School Age II (6-15 years)

- k. Full-Time
 - l. Before and After School
 - m. Before School Only
 - n. After School Only
 - o. School Age II (6-15 years) Summer
 - p. Full-Time
 - q. Part-Time
22. Number of Staff by Type
 23. Number of Staff by Room Type
 24. Staff Schedule (Part-time, Full-time, etc.)
 25. Annual Director Salary
 26. Annual Staff Salaries (all staff)
 27. Annual Staff and Director Benefits Cost
 28. Monthly Rent/Mortgage
 29. Type of Lease
 30. Annual Property Taxes
 31. Insurance (homeowner's or liability)
 32. Utilities: Heating Costs
 33. Utilities: Electric Costs
 34. Utilities: Internet Costs
 35. Utilities: Water
 36. Utilities: Sewer
 37. Utilities: Phone
 38. Food
 39. Supplies
 40. Equipment
 41. Professional Fees
 42. Services
 43. Transportation
 44. Repairs/Maintenance
 45. Legal/Accounting
 46. Office Supplies
 47. Payroll taxes
 48. Professional Development
 49. Advertising/Marketing
 50. Furniture, Fixtures and Improvements
 51. Installment Loans/Debt Service

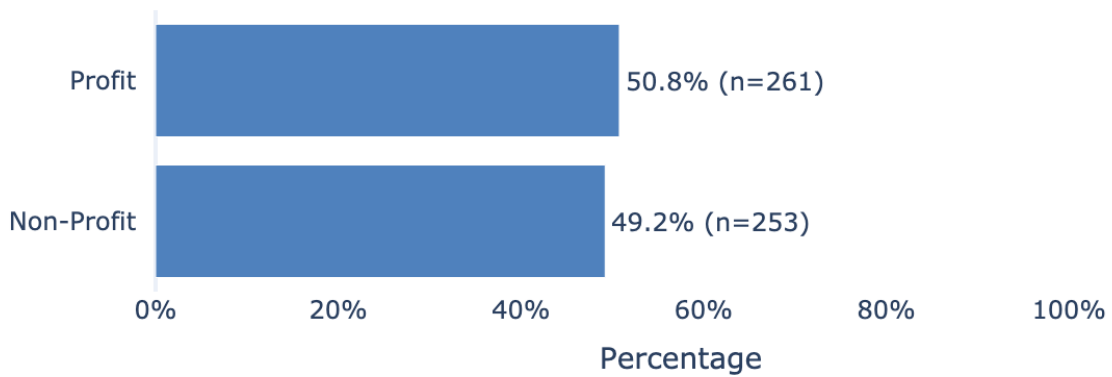
- 52. Payroll Services
- 53. CPR/First Aid
- 54. Background Checks

Note: Data list is representative of many of the data points, but may not be all-inclusive.

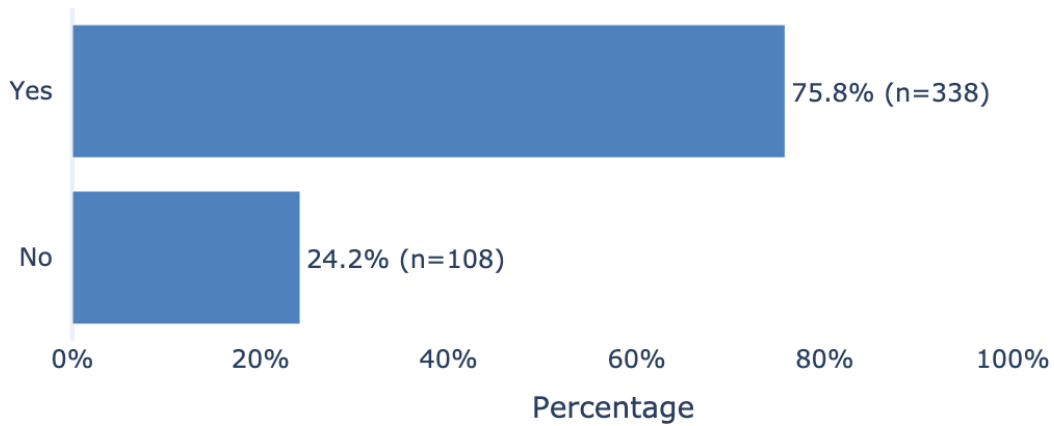
Appendix B. Descriptive Statistics of the Survey Results



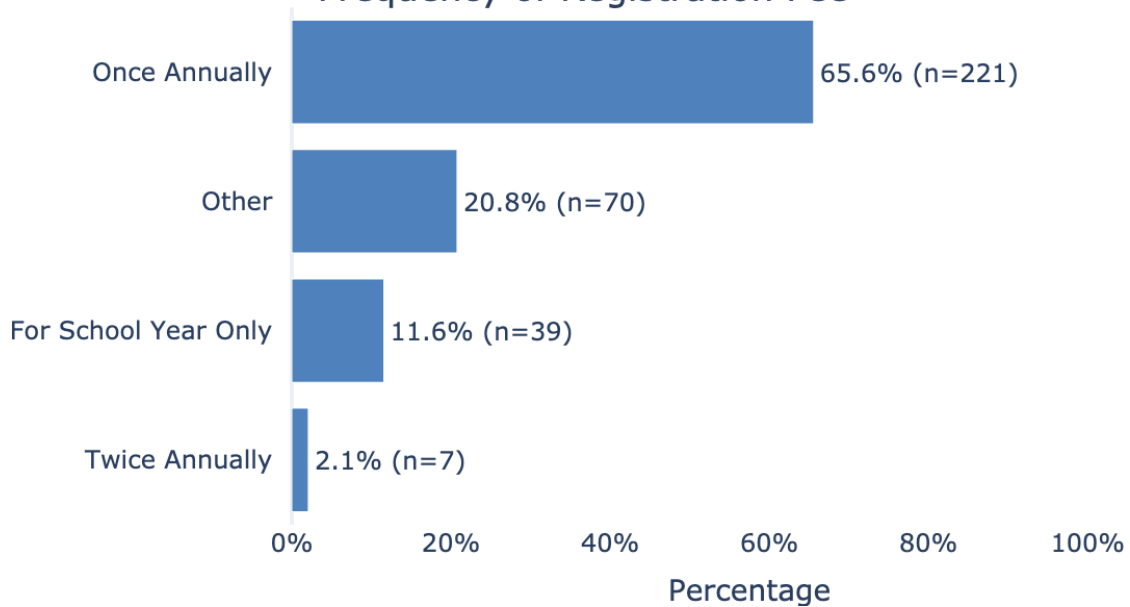
Percentage of Providers by for Profit or Non-Profit Status



Percentage of Providers Who Charge a Registration Fee



Percentage of Providers Who Charge a Registration Fee by Frequency of Registration Fee



Registration Fee Summary

Providers were asked to submit the amount of registration fees they charged per year. Instructions indicated that those who selected 'Other' were to do so if they do not charge a registration fee. Providers who selected this option were excluded from the below summary table of registration fees charged by providers in New Hampshire.

Statistic	Amount
-----------	--------

Count	268
Mean	\$287.23
Standard Deviation	\$778.15
Minimum	\$0.00
25th Percentile	\$40.00
50th Percentile	\$75.00
75th Percentile	\$100.00
Maximum	\$5,500.00

Appendix C. Response Rates by Region and Program Type

Region	Account Record Type	# of Providers	# of Market Rate Survey Respondents	Response Rate
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	License Exempt Facility	2	0	0.0%
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	Licensed Family Child Care Program	27	16	59.3%
Region 1: Greater Monadnock, Greater Sullivan, and Upper County	Licensed Group Child Care Program	76	39	51.3%
Region 2: Capitol Area	License Exempt Family Child Care Program	2	0	0.0%
Region 2: Capitol Area	Licensed Family Child Care Program	7	7	100.0%
Region 2: Capitol Area	Licensed Group Child Care Program	64	46	71.9%
Region 3: Greater Nashua	License Exempt Family Child Care Program	2	1	50.0%

Region 3: Greater Nashua	Licensed Family Child Care Program	17	11	64.7%
Region 3: Greater Nashua	Licensed Group Child Care Program	92	40	43.5%
Region 4: Greater Derry and Manchester	License Exempt Facility	1	1	100.0%
Region 4: Greater Derry and Manchester	License Exempt Family Child Care Program	2	1	50.0%
Region 4: Greater Derry and Manchester	Licensed Family Child Care Program	15	11	73.3%
Region 4: Greater Derry and Manchester	Licensed Group Child Care Program	164	74	45.1%
Region 5: Central NH/Lakes Region	License Exempt Facility	1	1	100.0%
Region 5: Central NH/Lakes Region	License Exempt Family Child Care Program	4	0	0.0%
Region 5: Central NH/Lakes Region	Licensed Family Child Care Program	16	12	75.0%
Region 5: Central NH/Lakes Region	Licensed Group Child Care Program	51	27	52.9%
Region 6: Strafford County and Seacoast Region	License Exempt Facility	3	0	0.0%

Region 6: Strafford County and Seacoast Region	License Exempt Family Child Care Program	4	0	0.0%
Region 6: Strafford County and Seacoast Region	Licensed Family Child Care Program	17	13	76.5%
Region 6: Strafford County and Seacoast Region	Licensed Group Child Care Program	117	72	61.5%
Region 7: North County and Carroll County	License Exempt Facility	1	0	0.0%
Region 7: North County and Carroll County	Licensed Family Child Care Program	6	3	50.0%
Region 7: North County and Carroll County	Licensed Group Child Care Program	31	11	35.5%

Note: In addition, two Licensed Family and three Licensed Group Child Care Program providers responded to the survey, although their region was not specified.

Appendix D. Rates for Neighboring States

Connecticut

2022 Statewide Weekly Market Rates at the 75th Percentile		
	Licensed Center/Group Home	Family Homes
Infant/Toddler (Full-Time)	405	300
Preschool (Full-Time)	325	275
School Age (Full-Time)	160	180
School Age (Half-Time)	150	200

Maine

75th Percentile Weekly Rates by State and County Groupings (2024 MRS)				
	Center		Home	
	Full-Time	Part-Time	Full-Time	Part-Time
Statewide				
Infant	340	289	225	180
Toddler	325	263	220	165
Preschool	300	235.38	200	155
School-Aged	225	175	175	130
Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Somerset, and Waldo, and Washington				
Infant	285	231	210	160
Toddler	260	226	200	155

Preschool	255	195	190	150
School-Aged	191	165	170	125
Cumberland, Sagadahoc, and York				
Infant	384	303	250	190
Toddler	350	277	250	182
Preschool	321.92	254	230.77	180
School-Aged	301	200	195	130

Massachusetts

MA Daily Subsidy Reimbursement Rates- Fiscal Year 2023 (As of 7/1/2022)											
Standard Daily Rates											
	GSA			FCC Providers				School-Age			
	Infant	Toddler	Preschool	Providers: Under 2 Years of Age	Providers: 2 Years of Age and Older	Systems: Under 2 Years of Age	Systems: 2 Years of Age and Older	Before School-Age Only	After School-Age Only	Before and After School-Age	Full Day School-Age
Region 1- Western	65.71	60.26	45.82	42.79	36.89	57.19	51.28	9.96	20.93	30.89	42.13
Region 2- Central	67.51	61.65	48.81	48.90	38.83	63.35	53.22	9.96	20.93	30.89	42.14
Region 3- Northeast	79.40	69.05	49.91	48.90	38.90	63.24	53.24	10.58	23.39	33.97	43.57
Region 4- Metro	90.41	82.08	63.22	73.34	44.38	88.28	59.21	10.86	24.01	34.87	44.79

Region 5- Southeast	65.71	61.65	47.03	48.90	38.83	63.35	53.22	9.96	20.93	30.89	42.14
Region 6- Metro Boston	85.68	79.86	50.37	55.00	39.94	69.94	54.77	10.86	24.01	34.87	44.79

Rhode Island

Weekly Rates (Effective July 1, 2022) by Star Rating and Age Group											
	Licensed Child Care Center					Licensed Family Child Care					
	Full-Time					Full-Time					
	1	2	3	4	5	1	2	3	4	5	
Infant/ Toddler	265	270	282	289	300	256.25	260.35	263.43	266.5	269.57	
Preschool	225	235	243	250	260	215.25	225.5	233.7	244.98	256.25	
School Age	200	205	220	238	250	189.63	194.75	210.13	230.63	240.88	
	Three Quarter Time					Three Quarter Time					
	1	2	3	4	5	1	2	3	4	5	
Infant/ Toddler	198.75	202.5	211.5	216.75	225	192.19	195.26	197.57	199.88	202.18	
Preschool	168.75	176.25	182.25	187.5	195	161.44	169.13	175.28	183.74	192.19	
School Age	150	153.75	165	178.5	187.5	142.22	146.06	157.6	172.97	180.66	
	Half Time					Half Time					
	1	2	3	4	5	1	2	3	4	5	
Infant/ Toddler	132.5	135	141	144.5	150	128.13	130.18	131.72	133.25	134.79	
Preschool	112.5	117.5	121.5	125	130	107.63	112.75	116.85	122.49	128.13	
School Age	100	102.5	110	119	125	94.82	97.38	105.07	115.32	120.44	

	Quarter Time					Quarter Time				
	1	2	3	4	5	1	2	3	4	5
Infant/ Toddler	66.25	67.5	70.5	72.25	75	64.06	65.09	65.86	66.63	67.39
Preschool	56.25	58.75	60.75	62.5	65	53.81	56.38	58.43	61.25	64.06
School Age	50	51.25	55	59.5	62.5	47.41	48.69	52.53	57.66	60.22

Vermont

Statewide Weekly Rates (Effective December 17, 2023)			
		Licensed Center	Registered Home
Infant	Full-Time	471	304
	Part-Time	258	166
	Extended Care	640	413
Toddler	Full-Time	443	285
	Part-Time	243	157
	Extended Care	602	386
Preschool	Full-Time	439	284
	Part-Time	240	155
	Extended Care	597	385
School Age	Full-Time	371	270
	Part-Time	204	149
	Extended Care	505	367

Appendix E. Costs of Care in New Hampshire

Annual Cost of Child Care in Center-based Settings											
	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NEW HAMPSHIRE
GSQ Step 1											
0-12 mo.	\$18,699	\$17,612	\$18,001	\$17,006	\$17,809	\$22,412	\$18,645	\$23,056	\$17,885	\$17,994	\$20,674
12-24 mo.	\$15,412	\$14,548	\$14,859	\$14,039	\$14,707	\$18,435	\$15,376	\$18,969	\$14,793	\$14,847	\$17,030
24-36 mo.	\$13,221	\$12,506	\$12,764	\$12,061	\$12,639	\$15,784	\$13,197	\$16,244	\$12,731	\$12,749	\$14,601
3 year olds	\$10,483	\$9,953	\$10,145	\$9,588	\$10,053	\$12,470	\$10,473	\$12,838	\$10,154	\$10,127	\$11,564
4 year olds	\$10,483	\$9,953	\$10,145	\$9,588	\$10,053	\$12,470	\$10,473	\$12,838	\$10,154	\$10,127	\$11,564
School Age	\$8,839	\$8,421	\$8,574	\$8,105	\$8,502	\$10,481	\$8,838	\$10,794	\$8,608	\$8,554	\$9,742
GSQ Step 2											
0-12 mo.	\$19,825	\$18,665	\$19,080	\$18,027	\$18,875	\$23,772	\$19,766	\$24,455	\$18,949	\$19,075	\$21,922
12-24 mo.	\$16,321	\$15,399	\$15,731	\$14,864	\$15,568	\$19,532	\$16,281	\$20,096	\$15,652	\$15,720	\$18,037
24-36 mo.	\$13,986	\$13,222	\$13,497	\$12,755	\$13,363	\$16,705	\$13,957	\$17,191	\$13,454	\$13,484	\$15,447
3 year olds	\$11,066	\$10,500	\$10,706	\$10,120	\$10,607	\$13,172	\$11,053	\$13,559	\$10,707	\$10,688	\$12,210
4 year olds	\$11,066	\$10,500	\$10,706	\$10,120	\$10,607	\$13,172	\$11,053	\$13,559	\$10,707	\$10,688	\$12,210
School Age	\$9,314	\$8,867	\$9,031	\$8,538	\$8,954	\$11,052	\$9,311	\$11,380	\$9,059	\$9,011	\$10,267
GSQ Step 3											
0-12 mo.	\$24,263	\$22,832	\$23,338	\$22,077	\$23,084	\$29,117	\$24,182	\$29,945	\$23,143	\$23,337	\$26,834
12-24 mo.	\$19,924	\$18,787	\$19,189	\$18,159	\$18,989	\$23,865	\$19,866	\$24,547	\$19,060	\$19,182	\$22,022
24-36 mo.	\$17,031	\$16,091	\$16,423	\$15,548	\$16,258	\$20,364	\$16,989	\$20,949	\$16,338	\$16,413	\$18,814
3 year olds	\$13,415	\$12,720	\$12,965	\$12,283	\$12,845	\$15,988	\$13,392	\$16,451	\$12,935	\$12,950	\$14,804
4 year olds	\$9,798	\$9,349	\$9,508	\$9,019	\$9,432	\$11,612	\$9,795	\$11,952	\$9,533	\$9,488	\$10,795
School Age	\$8,352	\$8,001	\$8,125	\$7,713	\$8,066	\$9,861	\$8,356	\$10,153	\$8,172	\$8,103	\$9,191

Annual Cost of Child Care in Family-based Settings											
	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NEW HAMPSHIRE
GSQ Step 1											
0-12 mo.	\$18,633	\$17,771	\$18,076	\$16,674	\$17,947	\$21,880	\$18,724	\$22,656	\$18,679	\$17,940	\$20,494
12-24 mo.	\$16,304	\$15,549	\$15,817	\$14,590	\$15,703	\$19,145	\$16,384	\$19,824	\$16,344	\$15,698	\$17,932
24-36 mo.	\$13,975	\$13,328	\$13,557	\$12,506	\$13,460	\$16,410	\$14,043	\$16,992	\$14,009	\$13,455	\$15,370
3 year olds	\$11,646	\$11,107	\$11,298	\$10,422	\$11,217	\$13,675	\$11,703	\$14,160	\$11,674	\$11,213	\$12,809
4 year olds	\$11,646	\$11,107	\$11,298	\$10,422	\$11,217	\$13,675	\$11,703	\$14,160	\$11,674	\$11,213	\$12,809
School Age	\$9,317	\$8,885	\$9,038	\$8,337	\$8,973	\$10,940	\$9,362	\$11,328	\$9,339	\$8,970	\$10,247
GSQ Step 2											
0-12 mo.	\$19,327	\$18,418	\$18,740	\$17,301	\$18,602	\$22,721	\$19,415	\$23,519	\$19,332	\$18,605	\$21,264
12-24 mo.	\$16,911	\$16,116	\$16,397	\$15,139	\$16,277	\$19,881	\$16,988	\$20,579	\$16,916	\$16,279	\$18,606
24-36 mo.	\$14,496	\$13,814	\$14,055	\$12,976	\$13,952	\$17,040	\$14,561	\$17,639	\$14,499	\$13,954	\$15,948
3 year olds	\$12,080	\$11,511	\$11,712	\$10,813	\$11,626	\$14,200	\$12,134	\$14,700	\$12,083	\$11,628	\$13,290
4 year olds	\$12,080	\$11,511	\$11,712	\$10,813	\$11,626	\$14,200	\$12,134	\$14,700	\$12,083	\$11,628	\$13,290
School Age	\$9,664	\$9,209	\$9,370	\$8,651	\$9,301	\$11,360	\$9,707	\$11,760	\$9,666	\$9,303	\$10,632
GSQ Step 3											
0-12 mo.	\$20,022	\$19,065	\$19,404	\$17,928	\$19,258	\$23,561	\$20,106	\$24,383	\$19,985	\$19,270	\$22,033
12-24 mo.	\$17,519	\$16,682	\$16,978	\$15,687	\$16,850	\$20,616	\$17,592	\$21,335	\$17,487	\$16,861	\$19,279
24-36 mo.	\$15,016	\$14,299	\$14,553	\$13,446	\$14,443	\$17,671	\$15,079	\$18,287	\$14,989	\$14,452	\$16,525
3 year olds	\$12,514	\$11,916	\$12,127	\$11,205	\$12,036	\$14,726	\$12,566	\$15,239	\$12,491	\$12,044	\$13,771
4 year olds	\$12,514	\$11,916	\$12,127	\$11,205	\$12,036	\$14,726	\$12,566	\$15,239	\$12,491	\$12,044	\$13,771
School Age	\$10,011	\$9,533	\$9,702	\$8,964	\$9,629	\$11,780	\$10,053	\$12,192	\$9,993	\$9,635	\$11,017

Appendix F. Gap Analysis of the Difference between Costs and Rates

Difference (Cost of Quality - Rates) for Center-based Care

	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NEW HAMPSHIRE
GSQ Step 1											
0-12 mo.	\$789	-\$298	\$91	-\$904	-\$101	\$4,502	\$735	\$5,147	-\$24	\$84	\$2,764
12-24 mo.	-\$1,794	-\$2,658	-\$2,347	-\$3,168	-\$2,500	\$1,229	-\$1,830	\$1,763	-\$2,413	-\$2,359	-\$176
24-36 mo.	-\$3,281	-\$3,997	-\$3,739	-\$4,442	-\$3,864	-\$719	-\$3,306	-\$259	-\$3,771	-\$3,753	-\$1,902
3 year olds	-\$4,077	-\$4,607	-\$4,415	-\$4,972	-\$4,507	-\$2,090	-\$4,087	-\$1,722	-\$4,406	-\$4,433	-\$2,996
4 year olds	-\$4,077	-\$4,607	-\$4,415	-\$4,972	-\$4,507	-\$2,090	-\$4,087	-\$1,722	-\$4,406	-\$4,433	-\$2,996
School Age	-\$3,446	-\$3,864	-\$3,711	-\$4,180	-\$3,783	-\$1,804	-\$3,447	-\$1,491	-\$3,677	-\$3,731	-\$2,543
GSQ Step 2											
0-12 mo.	\$1,915	\$755	\$1,171	\$117	\$965	\$5,863	\$1,856	\$6,545	\$1,039	\$1,165	\$4,012
12-24 mo.	-\$885	-\$1,807	-\$1,476	-\$2,342	-\$1,639	\$2,326	-\$926	\$2,890	-\$1,554	-\$1,486	\$831
24-36 mo.	-\$2,517	-\$3,281	-\$3,005	-\$3,747	-\$3,140	\$203	-\$2,545	\$688	-\$3,049	-\$3,019	-\$1,056
3 year olds	-\$3,494	-\$4,060	-\$3,854	-\$4,440	-\$3,953	-\$1,388	-\$3,507	-\$1,001	-\$3,853	-\$3,872	-\$2,350
4 year olds	-\$3,494	-\$4,060	-\$3,854	-\$4,440	-\$3,953	-\$1,388	-\$3,507	-\$1,001	-\$3,853	-\$3,872	-\$2,350
School Age	-\$2,971	-\$3,418	-\$3,254	-\$3,747	-\$3,331	-\$1,233	-\$2,974	-\$905	-\$3,226	-\$3,274	-\$2,018

GSQ Step 3											
0-12 mo.	\$6,353	\$4,923	\$5,428	\$4,167	\$5,175	\$11,207	\$6,272	\$12,036	\$5,233	\$5,427	\$8,924
12-24 mo.	\$2,717	\$1,581	\$1,982	\$953	\$1,782	\$6,659	\$2,660	\$7,341	\$1,854	\$1,976	\$4,816
24-36 mo.	\$528	-\$412	-\$80	-\$955	-\$245	\$3,861	\$486	\$4,446	-\$165	-\$90	\$2,311
3 year olds	-\$1,145	-\$1,840	-\$1,595	-\$2,277	-\$1,715	\$1,428	-\$1,168	\$1,891	-\$1,625	-\$1,610	\$244
4 year olds	-\$4,762	-\$5,211	-\$5,052	-\$5,541	-\$5,128	-\$2,948	-\$4,765	-\$2,608	-\$5,027	-\$5,072	-\$3,765
School Age	-\$3,933	-\$4,284	-\$4,160	-\$4,572	-\$4,219	-\$2,424	-\$3,929	-\$2,132	-\$4,113	-\$4,182	-\$3,094

Difference (Cost of Quality - Rates) for Family-based Care

GSQ Step 1	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NEW HAMPSHIRE
0-12 mo.	\$5,633	\$4,771	\$5,076	\$3,674	\$4,947	\$8,880	\$5,724	\$9,656	\$5,679	\$4,940	\$7,494
12-24 mo.	\$3,304	\$2,549	\$2,817	\$1,590	\$2,703	\$6,145	\$3,384	\$6,824	\$3,344	\$2,698	\$4,932
24-36 mo.	\$975	\$328	\$557	-\$494	\$460	\$3,410	\$1,043	\$3,992	\$1,009	\$455	\$2,370
3 year olds	-\$1,354	-\$1,893	-\$1,702	-\$2,578	-\$1,783	\$675	-\$1,297	\$1,160	-\$1,326	-\$1,787	-\$191
4 year olds	-\$1,354	-\$1,893	-\$1,702	-\$2,578	-\$1,783	\$675	-\$1,297	\$1,160	-\$1,326	-\$1,787	-\$191
School Age	-\$1,083	-\$1,515	-\$1,362	-\$2,063	-\$1,427	\$540	-\$1,038	\$928	-\$1,061	-\$1,430	-\$153

GSQ Step 2												
0-12 mo.	\$6,327	\$5,418	\$5,740	\$4,301	\$5,602	\$9,721	\$6,415	\$10,519	\$6,332	\$5,605	\$8,264	
12-24 mo.	\$3,911	\$3,116	\$3,397	\$2,139	\$3,277	\$6,881	\$3,988	\$7,579	\$3,916	\$3,279	\$5,606	
24-36 mo.	\$1,496	\$814	\$1,055	-\$24	\$952	\$4,040	\$1,561	\$4,639	\$1,499	\$954	\$2,948	
3 year olds	-\$920	-\$1,489	-\$1,288	-\$2,187	-\$1,374	\$1,200	-\$866	\$1,700	-\$917	-\$1,372	\$290	
4 year olds	-\$920	-\$1,489	-\$1,288	-\$2,187	-\$1,374	\$1,200	-\$866	\$1,700	-\$917	-\$1,372	\$290	
School Age	-\$736	-\$1,191	-\$1,030	-\$1,749	-\$1,099	\$960	-\$693	\$1,360	-\$734	-\$1,097	\$232	
GSQ Step 3												
0-12 mo.	\$7,022	\$6,065	\$6,404	\$4,928	\$6,258	\$10,561	\$7,106	\$11,383	\$6,985	\$6,270	\$9,033	
12-24 mo.	\$4,519	\$3,682	\$3,978	\$2,687	\$3,850	\$7,616	\$4,592	\$8,335	\$4,487	\$3,861	\$6,279	
24-36 mo.	\$2,016	\$1,299	\$1,553	\$446	\$1,443	\$4,671	\$2,079	\$5,287	\$1,989	\$1,452	\$3,525	
3 year olds	-\$486	-\$1,084	-\$873	-\$1,795	-\$964	\$1,726	-\$434	\$2,239	-\$509	-\$956	\$771	
4 year olds	-\$486	-\$1,084	-\$873	-\$1,795	-\$964	\$1,726	-\$434	\$2,239	-\$509	-\$956	\$771	
School Age	-\$389	-\$867	-\$698	-\$1,436	-\$771	\$1,380	-\$347	\$1,792	-\$407	-\$765	\$617	