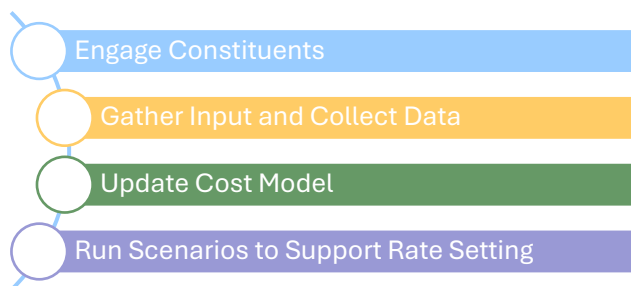


OPPORTUNITY

The Oregon Child Care Cost Model is designed to inform child care subsidy rate setting in the state. Historically, payment rates for the Employment Related Day Care program (ERDC) have been based on the market price of child care. This approach fails to account for the true cost of providing quality care, capturing only what providers *can* charge and what families *can afford* to pay. The Oregon Child Care Cost Model estimates the actual cost of quality care and provides the Department of Early Learning and Care (DELIC) and other key decision makers with an additional data point to consider when establishing ERDC payment rates that account for both the prices providers charge and the true cost of care.

APPROACH

Prenatal to Five Fiscal Strategies (P5FS) has been contracted by DELIC to update the cost model, which was originally developed by P5FS in 2019. The cost model update process is being conducted by a team of system, program, and financing experts with experience working in Oregon and in dozens of other states and communities at the program and policy level. This independent project will provide data-driven and unbiased information to support an updated cost model. The update process involves four primary components:

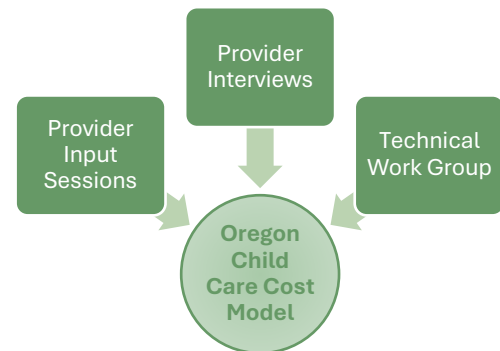


ENGAGEMENT

P5FS is working closely with researchers at Oregon State University (OSU) to ensure alignment with the market price study activities and has formed a leadership group that includes DELIC, OSU, and P5FS. A Technical Work Group has also been formed to support the project, comprised of child care providers, advocates, provider associations, and state agency

representatives. The Work Group will ensure the cost model reflects a diversity of perspectives across the early learning and care system in Oregon.

To minimize burden on providers and to maximize opportunities for engagement, the cost model update will rely on previously gathered provider data and external data sources, where available. However, provider voice is key, and P5FS has designed an engagement process that allows multiple opportunities for provider input, while minimizing burden. This process includes provider input sessions, one-on-one provider interviews, and provider representation through the Technical Work Group.



Input sessions and provider interviews are targeted to program directors, owners and financial managers, in Certified Child Care Centers, Certified School-Age Centers, Certified and Registered Family Child Care Homes and license-exempt providers. This engagement is intended to gather information on program operations and key cost drivers including barriers to providing high quality care. P5FS will be leading provider focus groups, and engaging in one-on-one interviews and all data will only be shared in the aggregate with no identifiable information.

Program input and data will inform the updated cost model which can then be used to understand the expenses for different program types, and to estimate the cost per child with variations for program type, location, and age of child served.

MORE INFORMATION

To learn more about the study and ways you can get involved and share your input, please visit www.prenatal5fiscal.org/Oregon or email the P5FS study team directly at info@prenatal5fiscal.org