

Child Care & Development Division

**Rate and Quality Advisory
Panel (RQAP) Meeting
April 17, 2025**

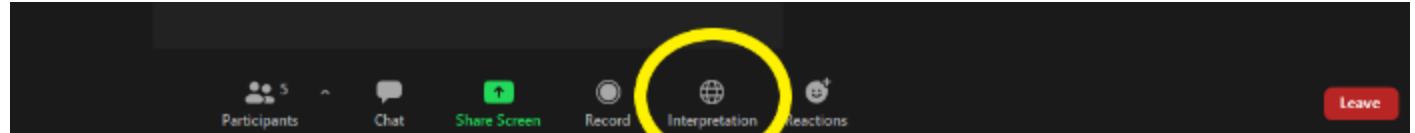
Preview Copy



Do Not Share

English–Spanish interpretation

1. Click the interpretation symbol in the meeting controls.



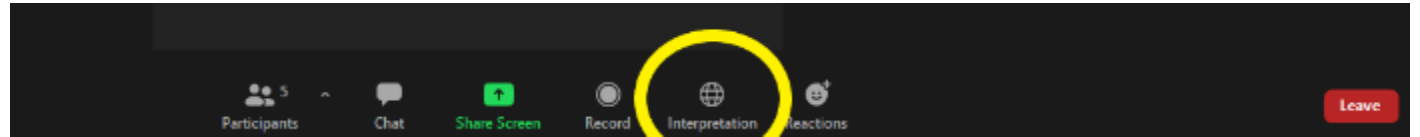
2. Click the language you would like to hear (we have Spanish and Chinese interpretation services available for this meeting).



3. Optional: To hear the interpreted language only, click **Mute Original Audio**.

Interpretación Inglés–Español

1. En las opciones, seleccione el símbolo de interpretación.



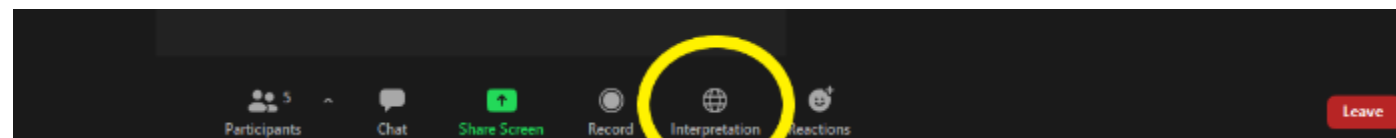
2. Elija el idioma que desee escuchar (para esta reunión, se ofrece interpretación al español y al chino).



3. Opcional: si solamente quiere escuchar el idioma interpretado, seleccione “**Mute Original Audio**”.

英文-中文 口译服务

1. 点击会议控件中的口译 (Interpretation) 符号。



2. 点击想听的语言（此次会议仅提供西班牙和中文口译服务）。



3. 可选：如想只听口译语言，点击“原文音频静音 (Mute Original Audio)”。

Welcome

**Jacqueline Barocio,
Branch Chief of Central
Operations,
Child Care and
Development Division**



CDSS Rate and Quality Advisory Panel, 2025



Agenda

1. Welcome
2. Rate Reform Update
3. Final Single Rate
Structure and Cost
Model for Center-Based
Programs

Rate Reform Update: April Implementation Report to Legislature

- A period of time will be required before the new single rate structure informed by the alternative methodology can be implemented.
- Limitations in the ability to modify current automation systems will impact the implementation approach and timeline
 - Permanent, ongoing automation changes may take more than one year to complete.
- The State can still set transition rates while awaiting automation.
 - Any transitional rates that require little to no automation changes may take effect as early as six months following final rate setting decision.
- Statute requires that reimbursement rates effective July 1, 2025 do not fall below the current reimbursement rates, inclusive of the Cost of Care Plus monthly payments.

Single Rate Structure

Single Rate Structure Design Features

1. Base rates will be administered as a **per-child amount**, and programs/providers will be able to **claim reimbursement for all of the enhanced services** they are delivering.
 - Enhanced Inclusion Supports and Child Transportation function as an add-on to the base rate.
 - Extended Hours of Care functions as an alternative base rate for care provided between 6pm and 7am.

Single Rate Structure Design Features

2. Rates will vary based on **5 regions** to capture the differences in cost of living.

Counties in Each Region					
Region 1		Region 2	Region 3	Region 4	Region 5
Alpine	Mariposa	Alameda	Los Angeles	Contra Costa	Marin
Amador	Mendocino	El Dorado		Monterey	San Francisco
Butte	Merced	Mono		Napa	San Mateo
Calaveras	Modoc	Nevada		Orange	Santa Clara
Colusa	Plumas	Riverside		Placer	Santa Cruz
Del Norte	San Bernardino	Sacramento		San Benito	
Fresno	San Joaquin	San Luis Obispo		San Diego	
Glenn	Shasta	Solano		Santa Barbara	
Humboldt	Sierra	Yolo		Sonoma	
Imperial	Siskiyou			Ventura	
Inyo	Stanislaus				
Kern	Sutter				
Kings	Tehama				
Lake	Trinity				
Lassen	Tulare				
Madera					

Single Rate Structure Design Features

3. Rates will vary by **type of care setting**.

- Family, Friend, and Neighbor (FFN) care
- Center-based programs
- Family Child Care homes

4. Rates will vary by the **regulatory requirements** applicable to each type of care setting.

- Licensed-exempt
- Title 22
- Title 5

5. Rates will vary based on **certified hours of care**.

- Part-time and Full-time care
- Weekly rates

Single Rate Structure Design Features

6. Rates will vary by **child age**.

- *License Exempt and Title 22:*
 - Infant
 - Preschool
 - School-Aged
- *Title 5:*
 - Infant
 - Toddler
 - Preschool
 - School-Aged
- *CSPP:*
 - 2-year olds
 - 3- and 4-year olds

Cost Model Assumptions and Outputs for Center-Based Programs

Cost Model Selection Point for Center- Based Programs

- The definitions for center-based programs were presented at the May 2024 and December 2024 RQAP meeting for feedback
- Today we are presenting the selection point values for centers along with technical definition updates.

Cost Model Selection Point for Center- Based Programs

- A selection point is the choice of a particular value that has to be made for each variable that is included as an element of the rate.
- Selection point values were determined based on cost surveys, state and national data, and series of input sessions.
- Selection points are based on necessary values to meet program requirements and standards within each element.

Table 1. Ratios and Group Size

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	<p>Meets Licensing Standards, Title 22</p> <p>Infants (0 up to 24 months) Ratio: 1:4 adult-child,</p> <p>Preschool (2 years up to TK/Kindergarten enrollment), Ratio: 1:12 adult-child, 1:15 teacher-child</p> <p>School Age (TK/Kindergarten and above), 1:14 adult-child</p>	<p>Meets Licensing Standards, Title 22 and Title 5</p> <p>Infants (0 - up to 18 months) 1:3 adult-child, 1:18 teacher-child</p> <p>Toddlers (18 months – up to 36 months) 1:4 adult-child, 1:16 teacher-child</p> <p>Preschool (36 months up to TK/Kindergarten) 1:8 adult-child, 1:24 teacher-child</p> <p>School Age (TK/Kindergarten up to 14 yr) 1:14 adult-child, 1:28 teacher-child</p>	No change
Selection Points:	<p>Infant: Max Group Size: 12</p> <p>Preschool: Max Group Size: 24</p> <p>School Age: Max Group Size: 28</p>	<p>Infant: Max Group Size: 9</p> <p>Toddlers: Max Group Size: 16</p> <p>Preschool: Max Group Size: 24</p> <p>School Age: Max Group Size: 28</p>	Added selection points

Table 2. Staffing Pattern

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	<p>Teaching and Non-Teaching staffing pattern is driven by Title 22 ratio and group size and number and age of children. The following are the model assumptions:</p> <p>Teaching staff: Each classroom has lead teacher, with additional staff counted as assistant teachers to meet ratio requirements.</p> <p>Additional 40% coverage included per classroom to allow for coverage throughout the day for breaks an opening/closing to always maintain ratios. Based on the assumption that program is open more than 40 hours per week.</p> <p>Non-teaching staff: ECE Program Director (0.5 FTE for up to 50 children, 1 FTE if 51-150 children, 1.5 FTE if 151-250 children, 2 FTE if over 250 children) ECE Supervisor/ Assistant Director (1 FTE per 94 children) Financial manager (0.25 FTE for 31-60 children, 1 FTE per 60 children) Admin Assistant (0.5 FTE if <60 children and 1 FTE per 60 children)</p>	<p>Teaching and Non-Teaching staffing pattern is driven by Title 5 ratio and group size and number and age of children. The following are the model assumptions:</p> <p>Teaching staff: Each classroom has lead teacher, with additional staff counted as assistant teachers to meet ratio requirements.</p> <p>Additional 40% coverage included per classroom to allow for coverage throughout the day for breaks an opening/closing to always maintain ratios.</p> <p>Based on the assumption that program is open more than 40 hours per week.</p> <p>Non-teaching staff: ECE Program Director (0.5 FTE for up to 50 children, 1 FTE if 51-150 children, 1.5 FTE if 151-250 children, 2 FTE if over 250 children) ECE Supervisor/ Assistant Director (1 FTE per 60 children) Financial manager (0.25 FTE for 31-60 children, 1 FTE per 60 children) Admin Assistant (0.5 FTE if <60 children and 1 FTE per 60 children) Enrollment/Eligibility Specialist (1 FTE per 100 children)</p>	<p>Clarified "additional 40%" coverage</p>
Selection Points:	<p>N/A</p>	<p>N/A</p>	<p>Added selection points</p>

Table 3. Salary/Wage/Income

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	<p>Depends on selection point.</p> <p>Model can be run using various combinations of the following sources:</p> <p>Bureau of Labor Statistics (BLS), 2023</p> <p>MIT Living Wage Calculator for CA, 2023, with family composition adjustment.</p> <p>* Hybrid "BLS-Plus" approach that adjusts BLS upward by a percentage that varies by geographic region, using the MIT Living Wage Calculator to inform the adjustments.</p> <p>A regional difference factor may be considered that varies by geographic region.</p>	<p>Depends on selection point.</p> <p>Salary scale adjusted some percentage higher than Title 22 salaries</p> <p>Model can be run using various combinations of the following sources:</p> <p>Bureau of Labor Statistics (BLS), 2023</p> <p>MIT Living Wage Calculator for CA, 2023, with family composition adjustment.</p> <p>* Hybrid "BLS-Plus" approach that adjusts BLS upward by a percentage that varies by geographic region, using the MIT Living Wage Calculator to inform the adjustments.</p> <p>A regional difference factor may be considered that varies by geographic region.</p> <p>Title 5 operational days are defined as 250 days per year.</p>	<p>No change</p>
Selection Points:	<p>Regionally-adjusted salary scales using the "Hybrid BLS-Plus" approach and 2024 salary data</p> <p>Counties are grouped into five regions by cost of living and BLS-Plus percentages are as follows:</p> <p>Region 1:146%</p> <p>Region 2:163%</p> <p>Region 3:174%</p> <p>Region 4:178%</p> <p>Region 5: 188%</p>	<p>Regionally-adjusted salary scales using the "Hybrid BLS-Plus" approach and 2024 salary data</p> <p>Counties are grouped into five regions by cost of living and BLS-Plus percentages are as follows:</p> <p>Region 1:146%</p> <p>Region 2:163%</p> <p>Region 3:174%</p> <p>Region 4:178%</p> <p>Region 5: 188%</p> <p>Hourly wage value for each position is 10% higher than Title 22 wage.</p>	<p>Added selection points</p>

Table 4. Mandatory Expenses Related to Staffing

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	FICA-Social Security at 6.2%, Medicare at 1.45%, unemployment insurance at 3% and workers' compensation at 6%.	FICA-Social Security at 6.2%, Medicare at 1.45%, unemployment insurance at 3% and workers' compensation at 6%.	No change

Table 5. Discretionary Benefits — PTO

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Paid time off for each teaching staff	Paid time off for each teaching staff	Clarified "teaching" staff
Selection Points:	20 days for each staff	20 days for each staff CSPP Part-Day gets 10 days PTO	Added selection points

Table 6. Discretionary Benefits — Health, Employer Share

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Dollar amount per staff position	Dollar amount per staff position	No change
Selection Points:	\$6,099	\$6,099	Added selection points

Table 7. Training

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	At least 21 hours annually per staff, based on requirements	TBD, Title 22+ additional At least 32 hours annually, per staff, based on requirements	For Title 22 Centers, clarified "at least 21 hours," "based on requirements" For Title 5 Centers, struck out "TBD, Title 22+ additional" and clarified "at least 32 hours"
Selection Points:	An additional 10 hours annually, per staff for suspension/expulsion training. (for a total of 31 hours)	An additional 10 hours annually, per staff for suspension/expulsion training. (for a total of 42 hours) For CLASS Observers in CSPP and position utilizing ERS in CCDF programs, an additional 42.5 hours/year for a total of 84.5 hours.	Added selection points

Table 8. Planning Time

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Hours per week	Hours per week	No change
Selection Points:	5 hours/week, per lead teacher	10 hours/week (1.5 hours/day per teacher and 0.5 hours/day per assistant)	Added selection points

Table 9. Family Engagement

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Number of hours per child per year to support required and expected family engagement activities, including but not limited to conferences/conference equivalents	Number of hours per child per year to support required and expected family engagement activities, including but not limited to conferences/ conference equivalents	No change
Selection Points:	2 conferences per child, per year, 2 hours per conference (4 hours total per child)	3 conferences per child, per year, 2 hours per conference (6 hours total per child)	Added selection points

Table 10. Child Education and Development

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child annually plus a flat amount per classroom, in addition to what is included in non-personnel	A flat amount per child annually plus a flat amount per classroom, in addition to what is included in non-personnel	No change
Selection Points:	\$100 per child annually plus \$1,500 per classroom	\$200 per child annually plus \$3,000 per classroom	Added selection points

Table 11. Child Health

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child annually in addition to what is included in non-personnel	A flat amount per child annually in addition to what is included in non-personnel	No change
Selection Points:	\$50 per child annually in addition to what is included in non-personnel	\$100 per child annually in addition to what is included in non-personnel	Added selection points

Table 12. Inclusion Supports for BASE Rate Elements

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Equipment and Special Materials: fixed amount per child/year Hours: fixed number of hours/week/child Number of children to whom this applies is a selection point	Equipment and Special Materials: fixed amount per child/year Hours: fixed number of hours/week/child Number of children to whom this applies is a selection point	No change
Selection Points:	Equipment and Special Materials: \$250 per child/year Inclusion Aides: 5 hours per week/child Apply to 1 child	Equipment and Special Materials: \$400 per child/year Inclusion Aides: 10 hours per week/child Apply to greater of 3 children or 5% group size	Added selection points

Table 13. Dual Language/Multilingual Learner Supports

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	Dollar amount per child per year. Apply per child/year materials cost to 60% of group size Dollar amount per teaching staff per year to support general MLL service capacity	Dollar amount per child per year. Apply per child/year materials cost to 60% of group size Dollar amount per teaching staff per year to support general MLL service capacity	Clarified "apply per child/year materials cost to 60% of group size"
Selection Points:	Per child amount: \$150/child/year. Dollar amount per teaching staff per year to build capacity (costed out as the equivalent of 200 hours of substitute coverage per teaching staff)	Per child amount: \$300/child/year. Dollar amount per teaching staff per year to build capacity (costed out as the equivalent of 218 hours of substitute coverage per teaching staff, of which 8 hours is to comply with AB 393)	Added selection points

Table 14. Non-Personnel: Administration/Office

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child \$369 annual per child	A flat amount per child \$369 annual per child	Clarified "\$369 annual per child"
Selection Points:	N/A	N/A	Added selection points

Table 15. Non-Personnel: Occupancy

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child \$3,104 annual per child	A flat amount per child \$3,104 annual per child	Clarified "\$3,104 annual per child"
Selection Points:	N/A	N/A	Added selection points

Table 16. Non-Personnel: Education Program

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child \$3,082 annual per child	A flat amount per child \$3,082 annual per child	Clarified "\$3,082 annual per child"
Selection Points:	N/A	N/A	Added selection points

Table 17. Operating Reserve

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A percent of total expense	A percent of total expense	No change
Selection Points:	5% of total expense	5% of total expense	Added selection points

Table 18. Extended Hours of Care

ENHANCED Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	<p>Alternative rate calculated as cost per child per hour of care during extended hours (6pm-7am), with a wage increase for staff working those hours.</p> <p>Cost per child per hour of care on weekend during standard daytime hours will be the same as for weekdays.</p> <p>Hourly per child cost of care will be regionally adjusted</p>	<p>Alternative rate calculated as cost per child per hour of care during extended hours (6pm-7am), with a wage increase for staff working those hours.</p> <p>Cost per child per hour of care on weekend during standard daytime hours will be the same as for weekdays.</p> <p>Hourly per child cost of care will be regionally adjusted</p>	No change
Selection Points:	Wage differential is 10%	Wage differential is 10%	Added selection points

Table 19. Inclusion Supports for Enhanced Rates Elements

ENHANCED Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	<ul style="list-style-type: none"> Equipment and Special Materials: fixed amount per child/year Hours: fixed number of hours per week/child Number of children to whom this applies is determined by the base inclusion selection point (apply to the count of children above those covered by the base) 	<ul style="list-style-type: none"> Equipment and Special Materials: fixed amount per child/year Hours: fixed number of hours per week/child Number of children to whom this applies is determined by the base inclusion selection point (apply to the count of children above those covered by the base) 	Clarified "determined by the base inclusion selection point (apply to the count of children above those covered by the base)"
Selection Points:	<p>Equipment and Special Materials: \$250 per child/year</p> <p>Inclusion Aides: 5 hours per week/child</p>	<p>Equipment and Special Materials: \$400 per child/year</p> <p>Inclusion Aides: 10 hours per week/child</p>	Added selection points

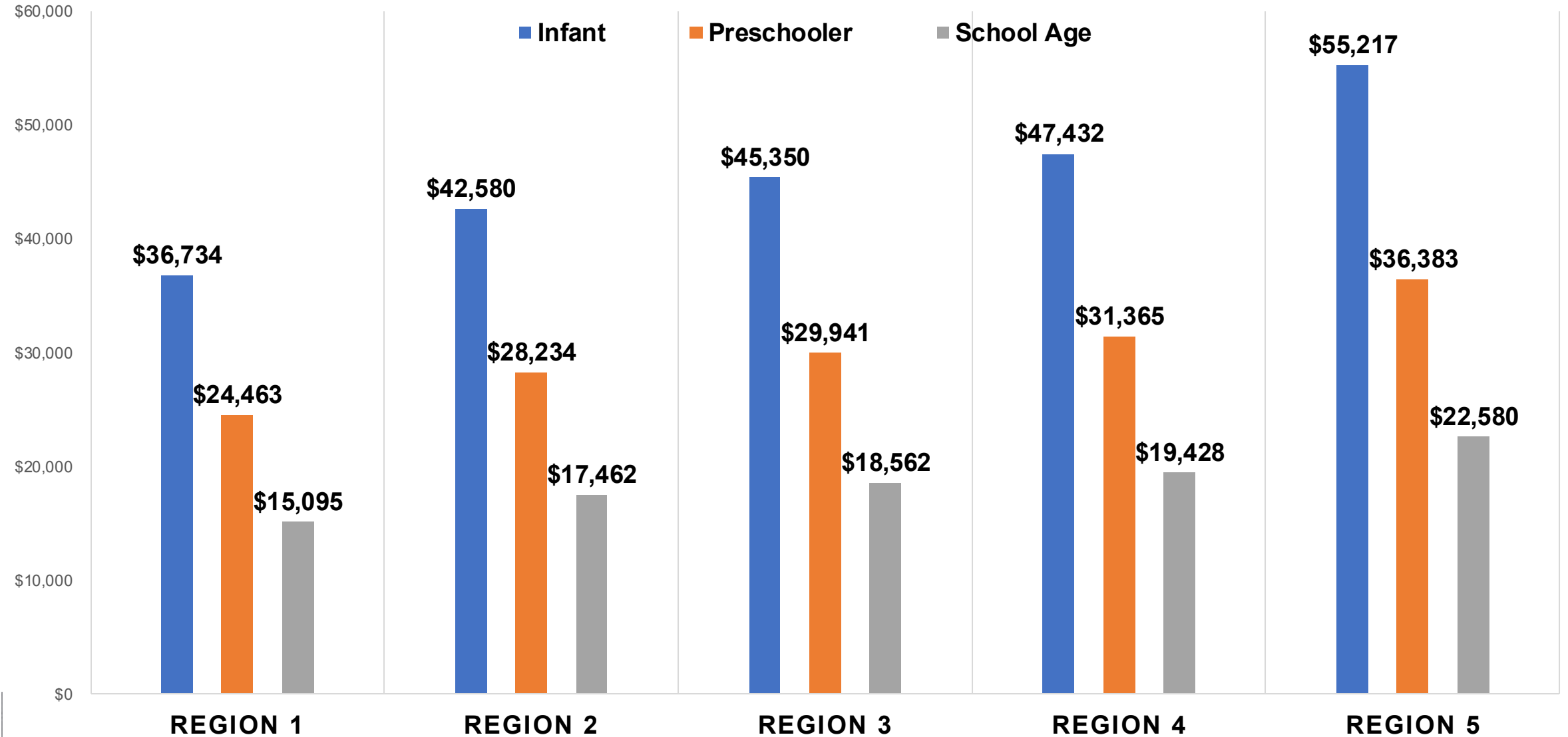
Table 20: Child Transportation

ENHANCED Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
Element Definition (Cost Model Functioning):	A flat amount per child annually separate from the vehicle expenses already included in non-personnel.	A flat amount per child annually separate from the vehicle expenses already included in non-personnel.	No change
Selection Points:	<p>Monthly per child cost of transportation based on:</p> <ul style="list-style-type: none"> Staff time for substitute coverage of classroom calculated at regionalized wage levels Assumption of 5 mile trip length, 2 trips/day, 4 children/trip 	<p>Monthly per child cost of transportation based on:</p> <ul style="list-style-type: none"> Staff time for substitute coverage of classroom calculated at regionalized wage levels Assumption of 5 mile trip length, 2 trips/day, 4 children/trip 	Added selection points

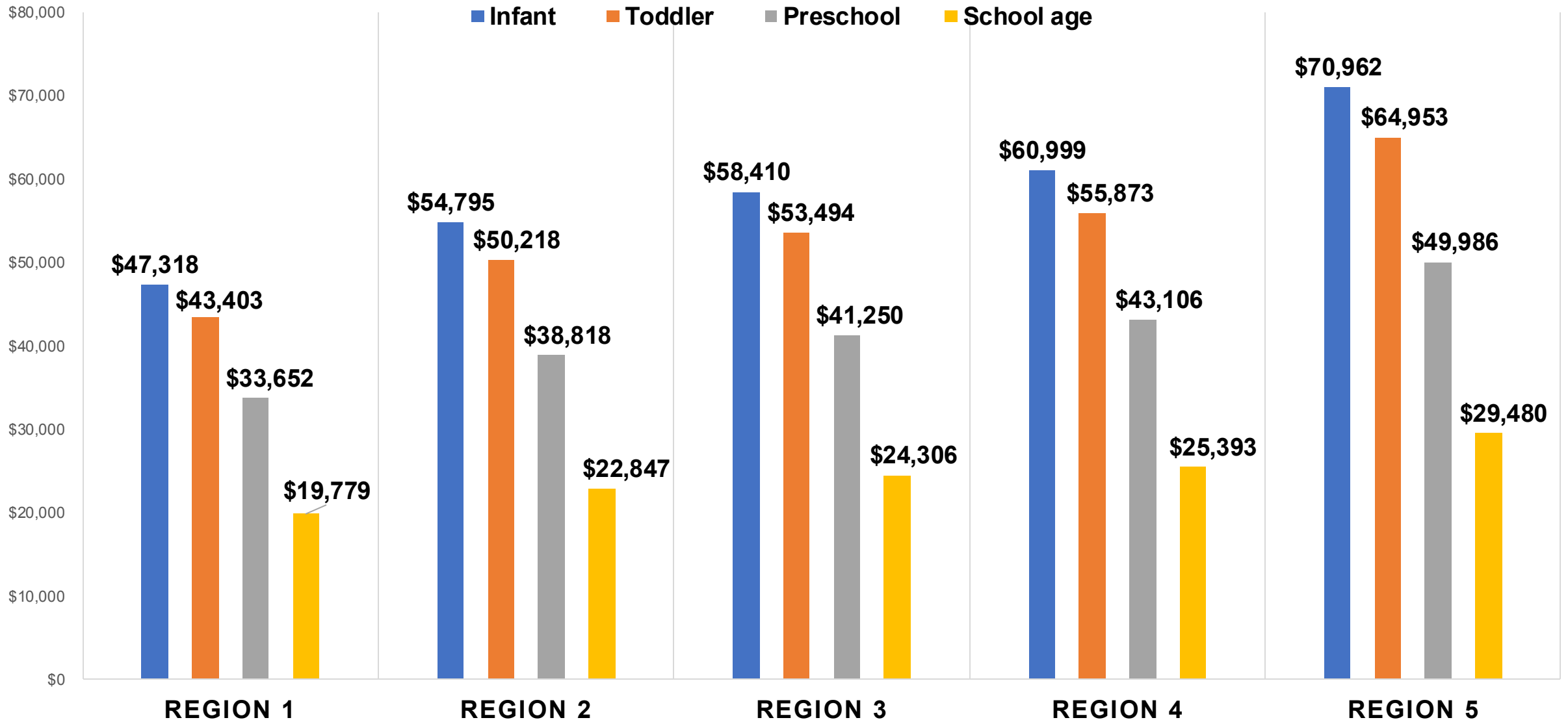
Cost Model Outputs

- Cost model produces an annual base cost per child generated by total costs associated with operations to meet the base rate elements
- Cost outputs are not new rates

INITIAL TITLE 22 ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)

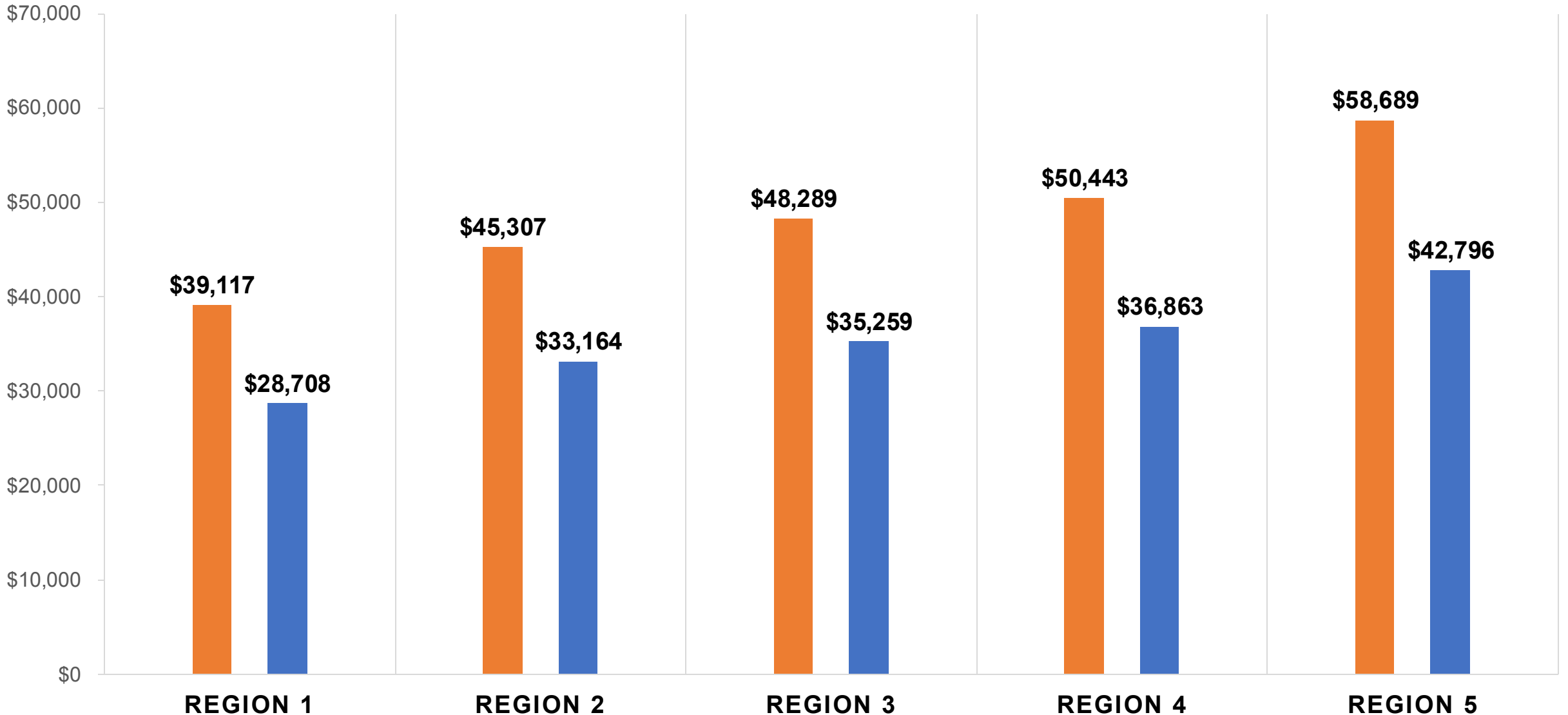


INITIAL TITLE 5 ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)

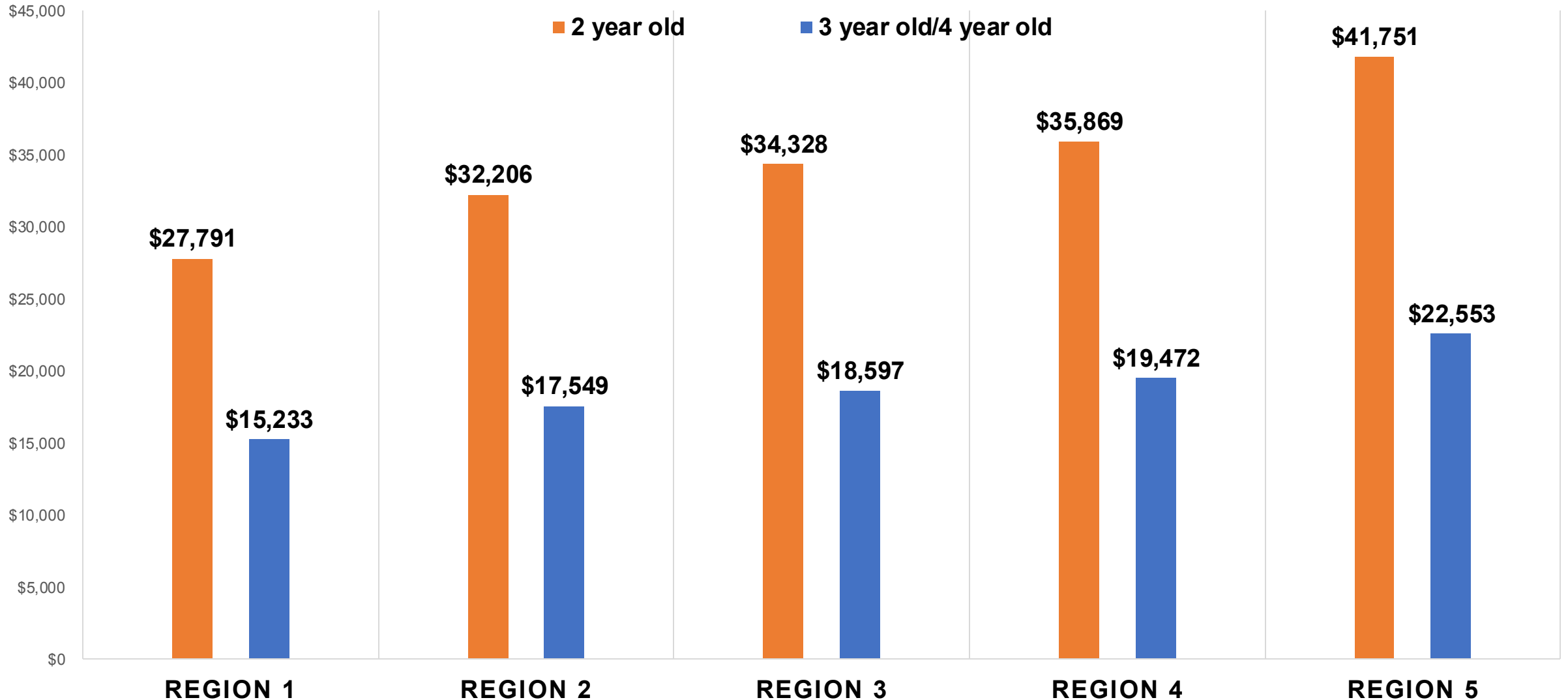


INITIAL FULL-DAY CSPP ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)

2 year old 3 year old/4 year old



INITIAL PART-DAY CSPP ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)



Cost Model Output: Non- Traditional Hours

- Cost model produces an alternative base cost output for care provided during non-traditional hours of care (i.e. care provided between 6pm – 7am)
- Cost model assumes:
 - Licensed employees providing care during non-traditional hours receive a higher wage
 - Certain program requirements, standards, and activities do not continue into non-traditional hours of care

Cost Model Output: Non- Traditional Hours

- On net, these assumptions result in the alternative non-traditional hours base output being lower than the cost output for standard daytime care
- Generally, the cost of care output for non-traditional hours is still higher than current base rates adjusted for evening, weekend, and full-time plus adjustment factors

Rate Setting

- **Setting Rates** = based on rate structure (RMR or single rate structure), what percent of market rates or cost of care outputs are paid
- Rate setting for centers is subject to the budget process

Panel Discussion

Public Comment

Opportunities for Public Input

- Quarterly RQAP meetings
 - Next scheduled date: Thursday, June 5, 2025
 - Special RQAP meetings may be scheduled prior to June 5, 2025
- Quarterly Early Childhood Policy Council
 - Next scheduled date: May 29, 2025
- Public comments may be submitted to singleratestructure@dss.ca.gov

Thank you!

Reminder that **meeting** videos, agendas and other materials will be posted on the CDSS Rate Reform and Quality website:

<https://bit.ly/41OSPRRe>

Join Listserv for CCDD Updates

