

# Child Care & Development Division

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

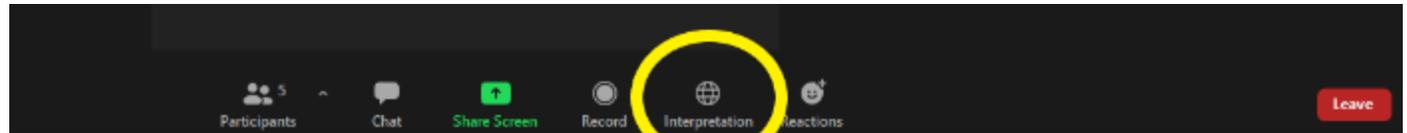
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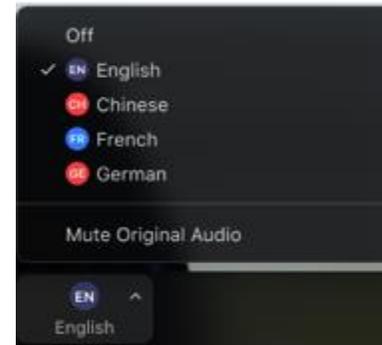
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# English–Spanish interpretation

1. Click the interpretation symbol in the meeting controls.



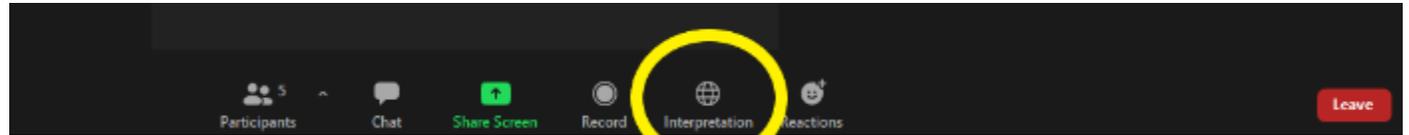
2. Click the language you would like to hear (we have Spanish and Chinese interpretation services available for this meeting).



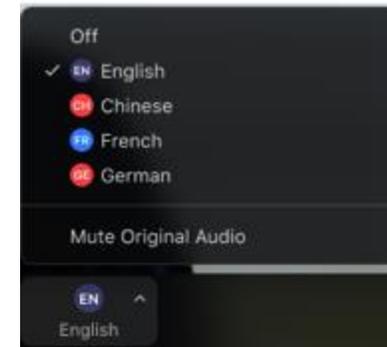
3. Optional: To hear the interpreted language only, click **Mute Original Audio**.

# 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).



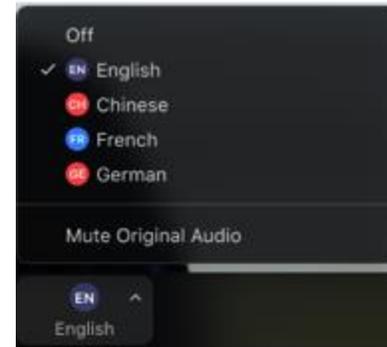
3. Opcional: si solamente quiere escuchar el idioma interpretado, seleccione **“Mute Original Audio”**.

# 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**



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

**Table 2. Staffing Pattern**

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
<p><b>Element Definition (Cost Model Functioning):</b></p>	<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><b>Teaching staff:</b> Each classroom has lead teacher, with additional staff counted as assistant teachers to meet ratio requirements.</p> <p><b>Additional 40%</b> 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><b>Non-teaching staff:</b> 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 &lt;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><b>Teaching staff:</b> Each classroom has lead teacher, with additional staff counted as assistant teachers to meet ratio requirements.</p> <p><b>Additional 40%</b> 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><b>Non-teaching staff:</b> 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 &lt;60 children and 1 FTE per 60 children) Enrollment/Eligibility Specialist (1 FTE per 100 children)</p>	<p>Clarified "additional 40%" coverage</p>
<p><b>Selection Points:</b></p>	<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
<b>Element Definition (Cost Model Functioning):</b>	<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>
<b>Selection Points:</b>	<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 <b>teaching</b> staff	Paid time off for each <b>teaching</b> staff	Clarified "teaching" staff
<b>Selection Points:</b>	<b>20 days for each staff</b>	<b>20 days for each staff</b> <b>CSPP Part-Day gets 10 days PTO</b>	<b>Added selection points</b>

**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
<b>Selection Points:</b>	<b>\$6,099</b>	<b>\$6,099</b>	<b>Added selection points</b>

**Table 7. Training**

BASE Rate Elements	Title 22 Center	Title 5 Center	Summary of Changes Made Since Last RQAP Meeting
<b>Element Definition (Cost Model Functioning):</b>	At least 21 hours annually per staff, based on requirements	<del>TBD, Title 22+ additional</del> 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"
<b>Selection Points:</b>	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
<b>Element Definition (Cost Model Functioning):</b>	Hours per week	Hours per week	No change
<b>Selection Points:</b>	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
<b>Element Definition (Cost Model Functioning):</b>	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
<b>Selection Points:</b>	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
<b>Element Definition (Cost Model Functioning):</b>	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
<b>Selection Points:</b>	\$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
<b>Element Definition (Cost Model Functioning):</b>	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
<b>Selection Points:</b>	\$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
<b>Element Definition (Cost Model Functioning):</b>	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
<b>Selection Points:</b>	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
<b>Element Definition (Cost Model Functioning):</b>	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"
<b>Selection Points:</b>	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
<b>Selection Points:</b>	<b>5% of total expense</b>	<b>5% of total expense</b>	<b>Added selection points</b>

**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
<b>Selection Points:</b>	<b>Wage differential is 10%</b>	<b>Wage differential is 10%</b>	<b>Added selection points</b>

**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"> <li>Equipment and Special Materials: fixed amount per child/year</li> <li>Hours: fixed number of hours per week/child</li> <li>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)</li> </ul>	<ul style="list-style-type: none"> <li>Equipment and Special Materials: fixed amount per child/year</li> <li>Hours: fixed number of hours per week/child</li> <li>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)</li> </ul>	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

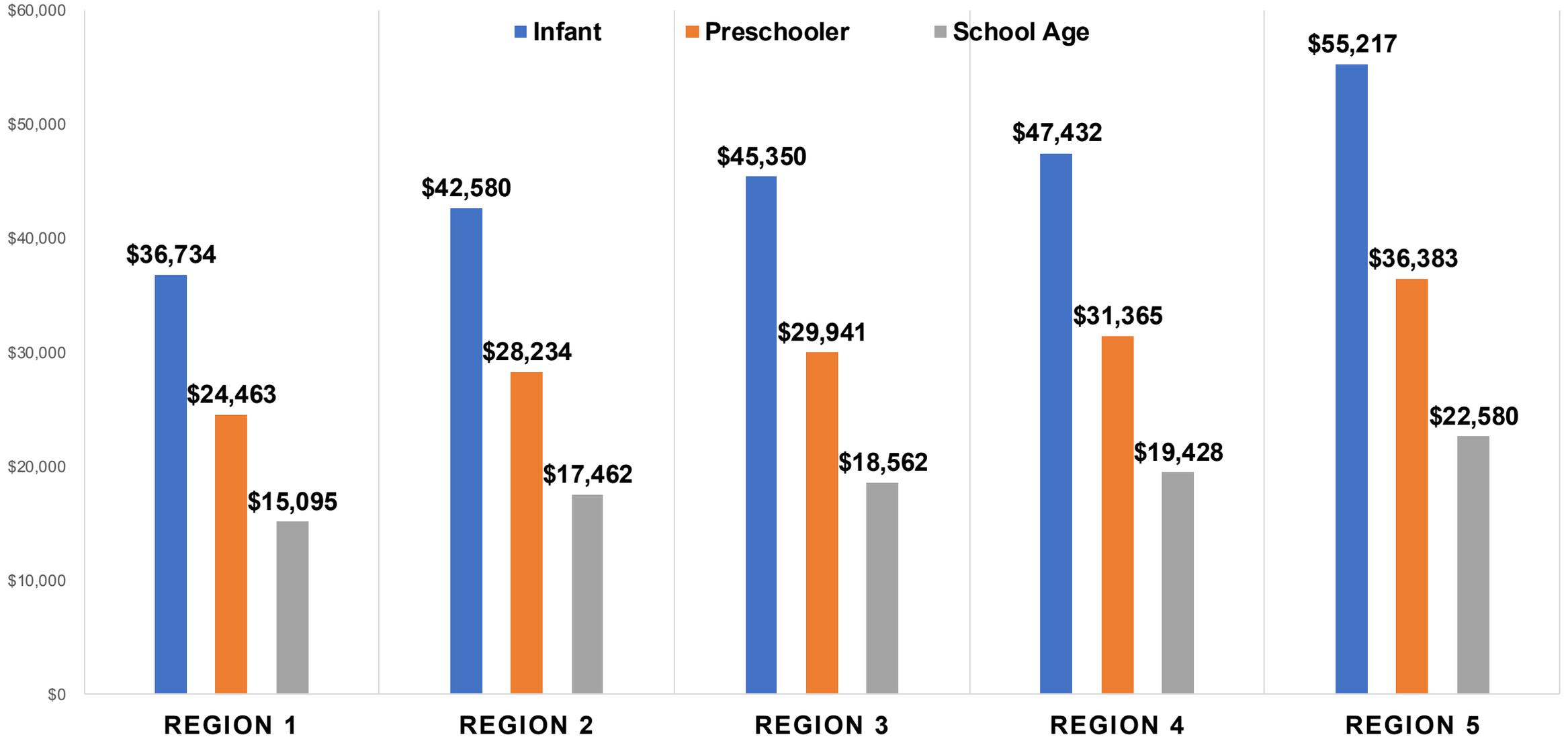
**Table 20: Child Transportation**

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"> <li>Staff time for substitute coverage of classroom calculated at regionalized wage levels</li> <li>Assumption of 5 mile trip length, 2 trips/day, 4 children/trip</li> </ul>	<p>Monthly per child cost of transportation based on:</p> <ul style="list-style-type: none"> <li>Staff time for substitute coverage of classroom calculated at regionalized wage levels</li> <li>Assumption of 5 mile trip length, 2 trips/day, 4 children/trip</li> </ul>	Added selection points

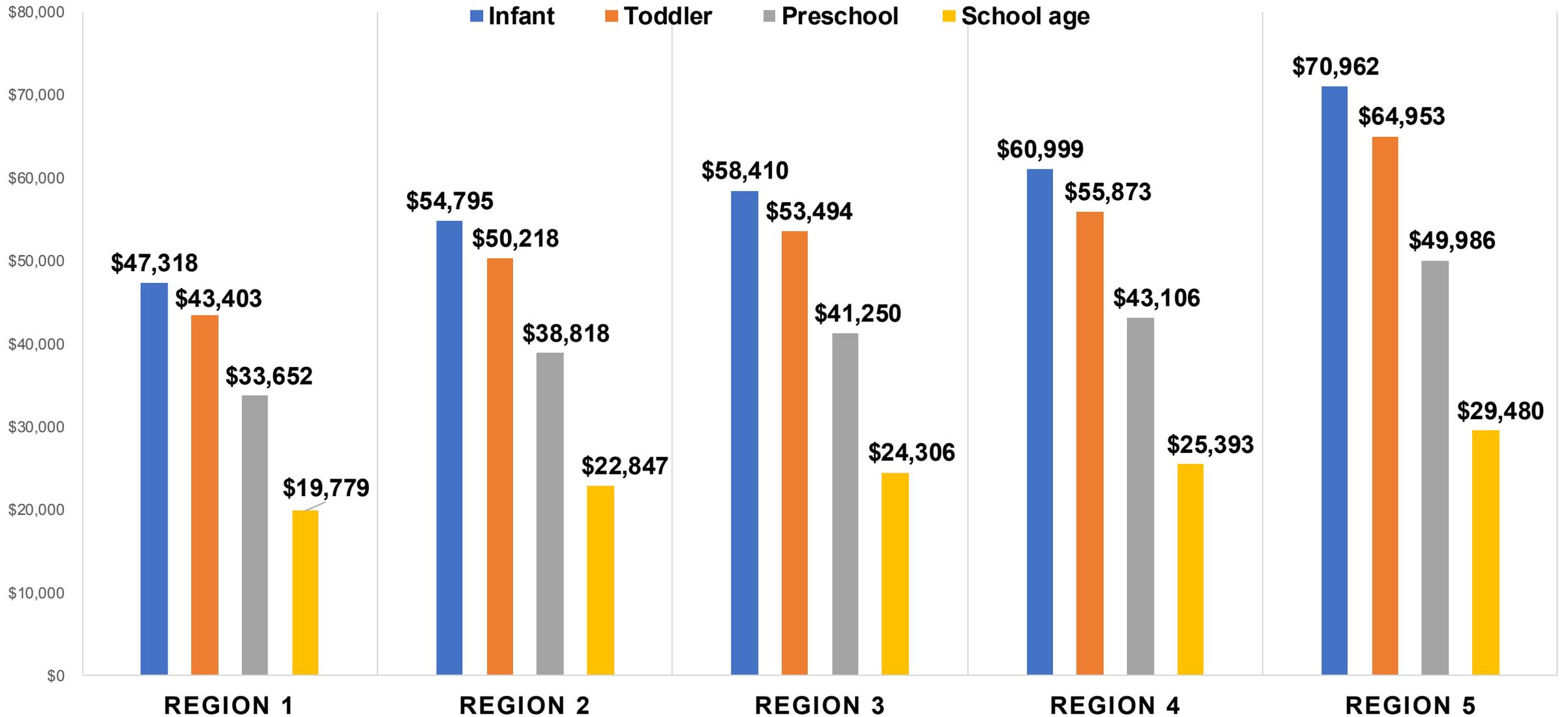
# Cost Model Outputs

- 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)

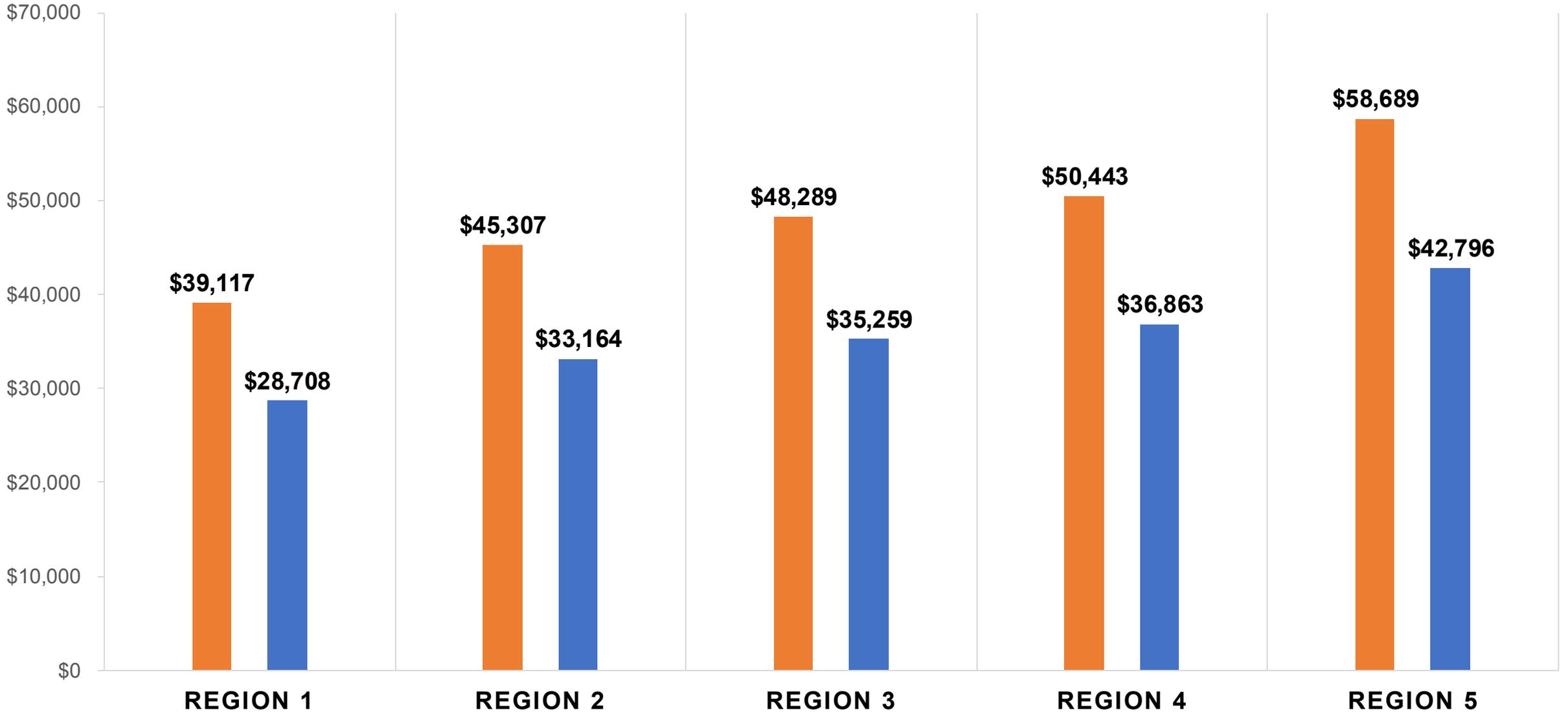


# INITIAL TITLE 5 ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)

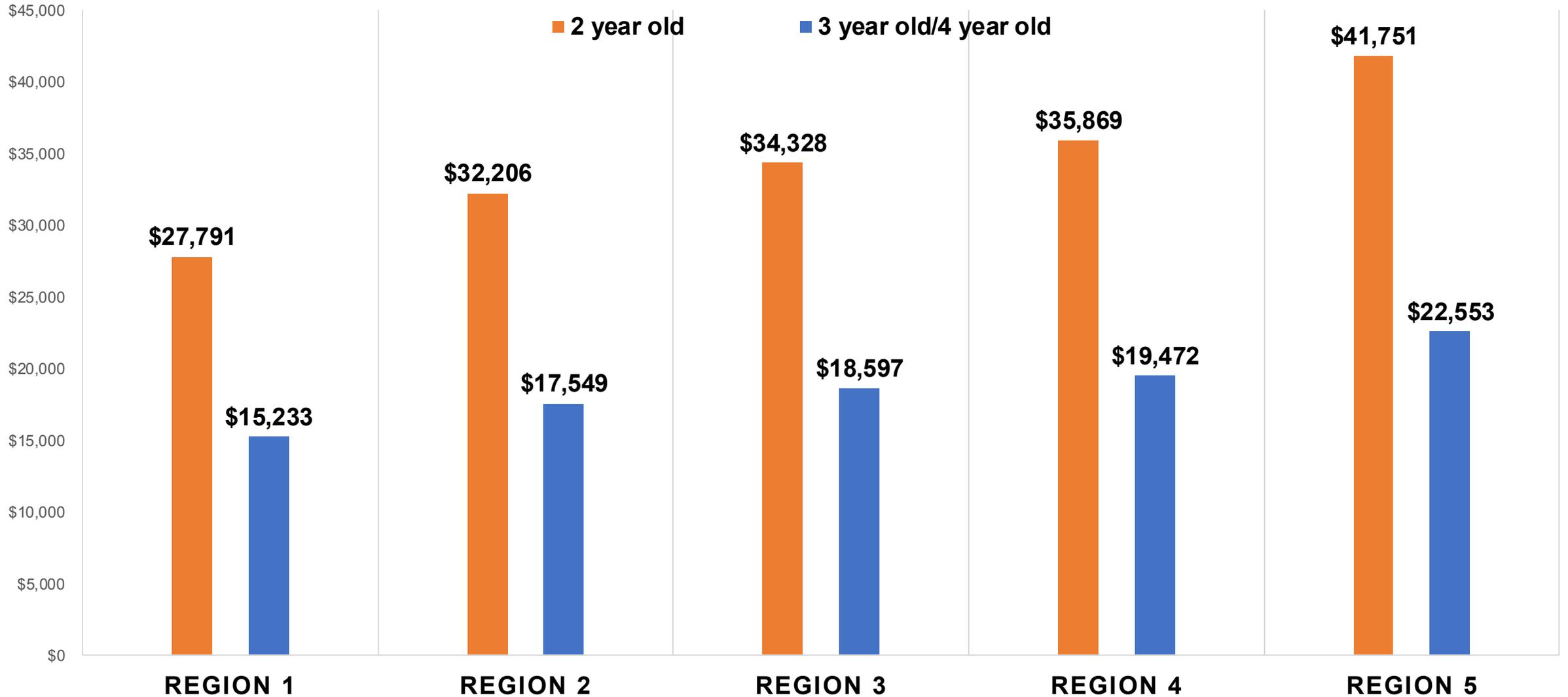


# INITIAL FULL-DAY CSPP ANNUAL COST MODEL OUTPUTS (100% BASE COST PER CHILD)

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](mailto: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>

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