

2022 Oregon Child Care Market Price Study

EXECUTIVE SUMMARY

Purpose and Rational

The purpose of the 2022 Oregon Market Price Study¹ is to examines statewide and geographic patterns in the prices charged by facilities by age of child served, type of care, and pricing modes (hourly, monthly, daily, weekly). The market price survey is a tool used by states to collect up-to-date information on what facilities, within given geographic areas, charge parents for various types of child care. This information is then considered during the state budget process when establishing state subsidy rate policies for providers who serve Child Care and Development Fund (CCDF) eligible families. The Market Price Study is not designed to speak to why child care facilities charge what they do, what it costs providers to run their programs, nor what parents are paying out of pocket for care.

The Market Price Study fulfills the Child Care and Development Fund (CCDF) federal funding requirement stipulating that child care subsidy rates be informed by market rates. The 2014 Reauthorization of the Child Care and Development Block Grant Act (CCDGB) Act broadened the purpose of the market rate studies to also address concerns around the costs to provide such care, which often exceeds the prices charged to parents. The State of Oregon is working toward addressing the cost of providing child care in the CCDF planning process in the future. Consistent with past Market Price Study Reports, this 2022 Report continues to be focused on how the market operates as indicated by the price of child care charged by facilities.

High-Level Findings

Below we summarize high-level findings from the Market Price Study Report, including (a) 2022 child care prices by type of care and ages served, (b) changes in statewide prices over time, and (c) geographic price clusters by type of care. References to where to find more information in the main report on each topic are provided throughout.

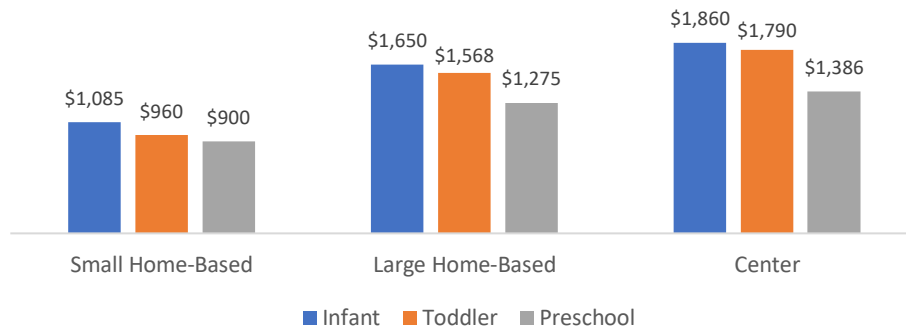
2022 Child Care Prices Vary by Type of Care and Ages Served

Overall, prices are lower for small home-based child care than for centers and large home-based care regardless of age of child served or pricing mode. Large home-based care prices are closer to center prices than small home-based prices. Additionally, within each type of care, toddler prices are lower than infant prices and higher than preschool prices (see figure below).

See 2022 Oregon Child Care Market Price Study Report pages 20-21 for full 2022 statewide child care prices results.

¹ Although these surveys are described as market rate surveys by the federal government, we use the term market price survey because the title clearly distinguishes the process of collecting price data from setting maximum payment rates, which is done by the state.

**2022 Statewide Full-Time, Monthly Prices at the 75th Percentile
for Child Care Slots by Type of Care**



Statewide Prices Continue to Increase Over Time

Between 2020 and 2022, monthly prices increased across all care types. Small home-based facilities saw largest prices increase (+36% for infants, +37% for toddlers, and +29% for preschoolers), followed by large home (+27% for infants, +31% for toddlers, and +22% for preschool age groups), and then centers (+18% for infants, +12% for toddlers, and +16% for preschool age groups). Infant and toddler prices increased the most in home-based care, centers prices increased similarly across age groups. The rate of inflation from 2020-2022 was 13%. After adjusting prices for inflation, the price of care in large and small home-based facilities outpaced inflation, while the price of center-based care generally kept up with inflation.

Statewide trends over the past 20 years have consistently increased across all care types. After adjusting for inflation, over the last 20 years, center prices have increased the most compared to home-based care types (+7% for infants and +65% for both toddlers and preschoolers). Small and large home-based care saw similar increases across age groups, with 43-49% increase in prices for large home-based and 32-57% increase in prices, depending on age group and pricing mode.

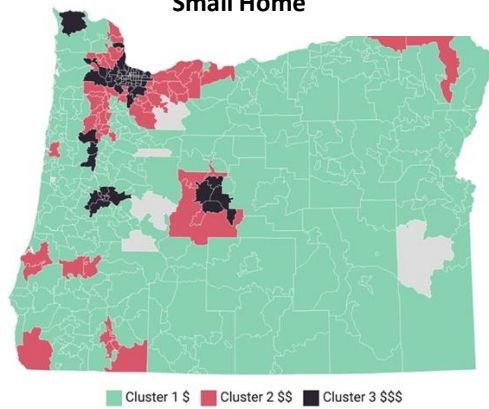
See 2022 Oregon Child Care Market Price Study Report pages 21-27 for full price changes over time results.

Geographic Price Cluster Analyses identified Distinct Child Care Markets across Oregon Zip Codes

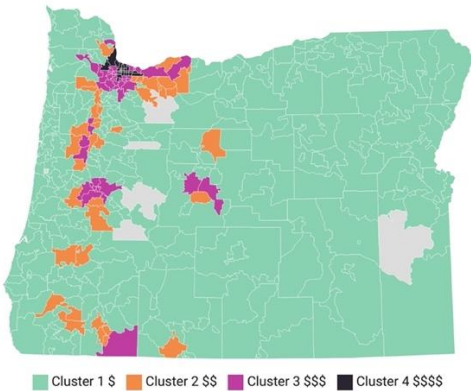
Four clusters were found for center care and large home-based care, and three clusters were identified for small home-based care. The greatest differences in prices by geographic clusters were found for center care and large home-based care, especially for infant and toddler prices (there was less variation in preschool prices). Although some variation exists, most of the zip codes in the higher priced clusters were in urban designated zip codes, while those in lowest priced clusters were in rural zip codes.

2022 Geographic Clusters of Monthly Child Care Prices by Type of Care

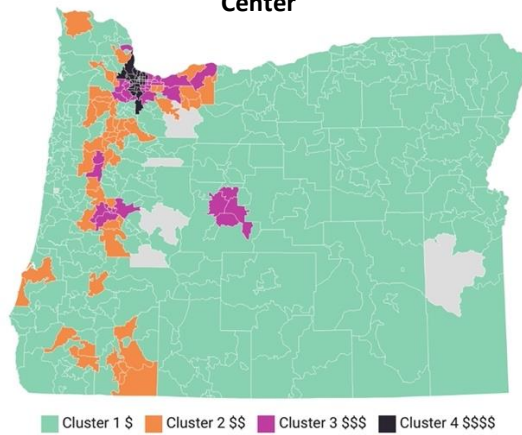
Small Home



Large Home



Center



See 2022 Oregon Child Care Market Price Study Report pages 28-36 for full geographic price clusters result findings.