

## OPPORTUNITY

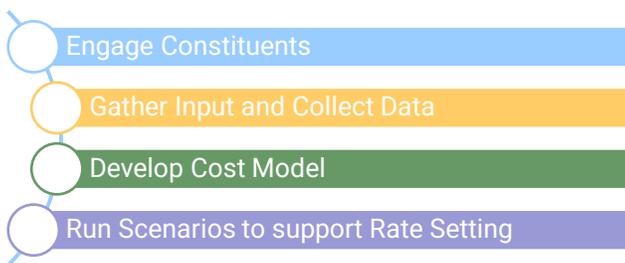
The purpose of the California Cost of Quality study is to help to inform how future reimbursement rates may be established in the state. Results from this study will be shared with the California [Rate Reform and Quality Workgroup](#) as well as the Child Care Providers United (CCPU)–California Joint Labor Management Committee. Historically, reimbursement rates have been set based on the market price of child care – what providers can charge, and families can afford to pay – but that approach embeds the failures and inequities of the child care market. Identifying the true cost of providing quality child care is critical to addressing the underfunding of the system and moving to reimbursement rates that are informed by the cost of care.

## APPROACH

Led by Jeanna Capito and Simon Workman of Prenatal to Five Fiscal Strategies (P5FS) and supported by private foundations, the California Cost of Quality study is being conducted by a team of system, program, and financing experts with experience working in multiple states and communities at the program and policy level. P5FS is also working in partnership with the Agile Visual Analytics Lab (AVAL) at the UCLA Luskin School of Public Affairs to provide data analysis support to the study.

This independent project will provide data-driven and unbiased information to support development of a cost estimation model that can be used by multiple constituents to inform reimbursement rates, policy, and advocacy.

The cost of quality study has four primary components:



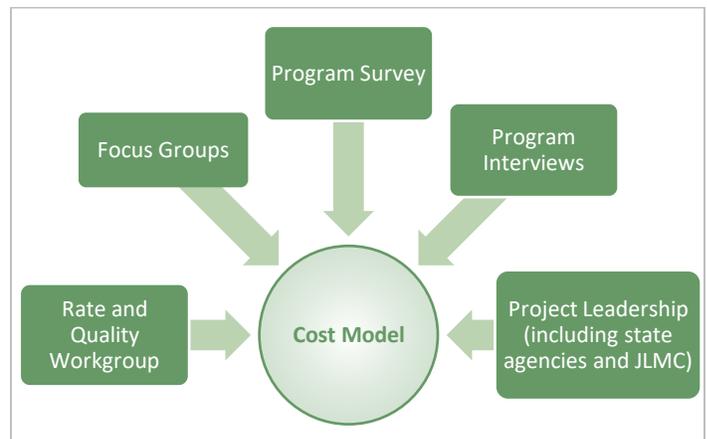
The P5FS approach is guided by several foundational principles, specifically that the early care and education system needs to:

- work for *all* children and families, particularly those who are furthest from opportunity.
- compensate the workforce at a level that allows for financial stability and acknowledges the critical role they play in the lives of our youngest children.

- be fair to providers and support their ability to cover the full costs of implementing and improving quality.
- use public resources wisely and efficiently.

## ENGAGEMENT

P5FS is working closely with the California Department of Social Services, Department of Education, Child Care Providers United, as well as other state and regional partners to ensure that the study is informed by the diverse perspectives of the child care community. To minimize the burden on providers and to maximize opportunities for engagement, the study includes multiple opportunities for provider input, as detailed below.



A key component of the project is the collection of financial and programmatic information from all types of child care providers across California (including child care centers, family child care homes, tribal programs, and license-exempt family, friend, and neighbor providers). P5FS will be distributing an online survey, leading provider focus groups, and engaging in one-on-one interviews.

Program input and data will inform the cost estimation models which can be used to understand the expenses and revenues for different program types, and to estimate the cost per child or per family with variations for program type, location, and age of child served. Individual program data will be kept confidential and not shared beyond the study team.

## MORE INFORMATION

To learn more about the study and ways you can get involved and share your input, please visit [www.prenatal5fiscal.org/california](http://www.prenatal5fiscal.org/california).

To contact the P5FS study team directly please email [california@prenatal5fiscal.org](mailto:california@prenatal5fiscal.org) or leave us a message at (818) 275-0048.