

Cost of Care in Kentucky: Part 1

2024 Kentucky Child Care Market Rate Survey



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ABOUT THE ORGANIZATION & PROGRAMS

Child Care Aware of Kentucky is the statewide regional network for Child Care Resource and Referral (CCR&R) services supporting access to safe, affordable, quality child care for families and professional development for child care providers and trainers.

Child Care Aware of Kentucky is housed at the Human Development Institute at the University of Kentucky. The Human Development Institute is Kentucky's University Center for Excellence in Developmental Disabilities Education, Research and Service. Projects focus on improving lifelong opportunities and services for individuals with disabilities, their families, and the community.

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The Cost of Care in Kentucky
Part 1: 2024 Child Care Market Rate Survey

This Market Rate Survey has been conducted in support of the Kentucky Cabinet for Health and Family Services, Division of Child Care (DCC), as required by the Child Care and Development Fund (CCDF) Final Rule. This study provides data to inform the provision of Child Care and Development Block Grant (CCDBG) subsidies that are sufficient to ensure that eligible children have the same access as non-eligible children to child care spots. The federal benchmark for equal access is the 75th percentile. However, as is the policy of DCC for calculating Child Care Assistance Program (CCAP) subsidies, market rates are calculated at the 80th percentile.

This report details the data collection process and participation rates among all providers. In addition, geographic variations are detailed in full so that comparison of full-time and part-time rates can be made by geographic variation including region of the state, Child Care Aware (CCA) region, and urban/rural differences. These county divisions are detailed in Tables A-C. We also examine differences between providers who accept CCAP child care subsidies, and those who rely solely on private pay. Finally, we look at differences between providers based on quality level measured by the Kentucky All STARS rating system: High Quality (Levels 3-5) v. Regulatory Compliance (Levels 1-2).

This report is the first phase of the larger Cost of Care in Kentucky research study. This report provides the requested 80th percentile baseline to inform DCC and early childhood stakeholders with accurate price data across the state. These percentiles are provided by the following age groups: infant, toddler, preschool, and school age.

Additional data collected at the same time included responses from some providers regarding their costs to provide care. These data will be used to model costs to providers in part two of this project.

Table A: Geographical Region County Designation

	Counties
East	Bath, Bell, Boyd, Bracken, Breathitt, Carter, Clay, Elliot, Fleming, Floyd, Greenup, Harlan, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis, Magoffin, Martin, Mason, Menifee, Montgomery, Morgan, Owsley, Perry, Pike, Robertson, Rockcastle, Rowan, Whitley, Wolfe
Central	Adair, Anderson, Boone, Bourbon, Boyle, Bullitt, Campbell, Carroll, Casey, Clark, Clinton, Cumberland, Estill, Fayette, Franklin, Gallatin, Garrard, Grant, Green, Harrison, Henry, Jefferson, Jessamine, Kenton, Lincoln, Madison, McCreary, Mercer, Nicholas, Oldham, Owen, Pendleton, Powell, Pulaski, Russell, Scott, Shelby, Spencer, Taylor, Trimble, Wayne, Woodford
West	Allen, Ballard, Barren, Breckinridge, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Daviess, Edmonson, Fulton, Graves, Grayson, Hancock, Hardin, Hart, Henderson, Hickman, Hopkins, LaRue, Livingston, Logan, Lyon, Marion, Marshall, McCracken, Mclean, Meade, Metcalfe, Monroe, Muhlenberg, Nelson, Ohio, Simpson, Todd, Trigg, Union, Warren, Washington, Webster

Table B: Urban/Rural County Designation

	Counties
Urban	Barren, Bell, Boone, Bourbon, Boyd, Boyle, Calloway, Campbell, Christian, Clark, Daviess, Fayette, Franklin, Graves, Greenup, Hardin, Henderson, Jefferson, Jessamine, Kenton, Madison, Mason, McCracken, Perry, Pike, Pulaski, Taylor, Warren
Rural	Adair, Allen, Anderson, Ballard, Bath, Bracken, Breathitt, Breckinridge, Bullitt, Butler, Caldwell, Carlisle, Carroll, Carter, Casey, Clay, Clinton, Crittenden, Cumberland, Edmonson, Elliott, Estill, Fleming, Floyd, Fulton, Gallatin, Garrard, Grant, Grayson, Green, Hancock, Harlan, Harrison, Hart, Henry, Hickman, Hopkins, Jackson, Johnson, Knott, Knox, LaRue, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis, Lincoln, Livingston, Logan, Lyon, Magoffin, Marion, Marshall, Martin, McCreary, Mclean, Meade, Menifee, Mercer, Metcalfe, Monroe, Montgomery, Morgan, Muhlenberg, Nelson, Nicholas, Ohio, Oldham, Owen, Owsley, Pendleton, Powell, Robertson, Rockcastle, Rowan, Russell, Scott, Shelby, Simpson, Spencer, Todd, Trigg, Trimble, Union, Washington, Wayne, Webster, Whitley, Wolfe, Woodford

Table C: Child Care Aware Regions

CCA Region	Counties
Cumberland	Adair, Bell, Casey, Clay, Clinton, Cumberland, Green, Harlan, Jackson, Knox, Laurel, McCreary, Pulaski, Rockcastle, Russell, Taylor, Wayne, Whitley
Eastern Mountain	Bath, Boyd, Bracken, Breathitt, Carter, Elliott, Fleming, Floyd, Greenup, Johnson, Knott, Lawrence, Lee, Leslie, Letcher, Lewis, Magoffin, Martin, Mason, Menifee, Montgomery, Morgan, Owsley, Perry, Pike, Robertson, Rowan, Wolfe
Jefferson	Jefferson
Northern Bluegrass	Boone, Bourbon, Campbell, Carroll, Gallatin, Grant, Harrison, Kenton, Nicholas, Owen, Pendleton, Scott
Salt River	Anderson, Breckinridge, Bullitt, Franklin, Grayson, Hardin, Henry, Larue, Marion, Meade, Nelson, Oldham, Shelby, Spencer, Trimble, Washington, Woodford
Southern Bluegrass	Boyle, Clark, Estill, Fayette, Garrard, Jessamine, Lincoln, Madison, Mercer, Powell
The Lakes	Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, Muhlenberg, Todd, Trigg
Two Rivers	Allen, Barren, Butler, Daviess, Edmonson, Hancock, Hart, Henderson, Logan, McLean, Metcalfe, Monroe, Ohio, Simpson, Union, Warren, Webster

Data Collection

All providers in the regulated, priced child care market were invited to participate. Data were collected from January 16 through February 14, 2024 in order to provide current and contemporaneous information on child care across the state. The three types of regulated providers in Kentucky, Licensed Type I and Type II Centers, and Certified Family Child Care Homes, were included.

Email addresses from the January 2024 active provider list were used to send personalized invitations and an automated scheduled reminder to complete the survey one week after launch. All participants were required to review a consent form before completing the online survey and submitting their rates.

Notices were placed on social media, messages were sent by the DCC ListServ, and technical assistance staff reminded providers that the survey was available. As an additional incentive, a random drawing for one of three \$100 training credits was included to any provider who completed the survey. Those providers who did not receive or could not find the invitation link because of spam filters or other technical issues, also had the opportunity to submit a survey with a generic link once the scheduled reminder period passed. During data cleaning, surveys were matched to the original list to ensure that there were no duplications.

The overall response rate to the survey was 57.16%. See Table 1 for survey response rate by provider type. See Table 2 for response rate by CCA region.

Table 1. Survey Response Rate by Provider Type

Provider Type	Responses	Population	Response Rate
Type I	998	1736	57.49%
Type II	34	39	87.18%
Certified	102	209	48.80%
Total	1134	1984	57.16%

Table 2. Survey Response Rate by Child Care Aware Region

Region	Type I	Type II	Certified	Total
Cumberland	89	5	16	110
Eastern Mountain	59	0	12	71
Jefferson	168	5	19	192
Northern Bluegrass	153	2	11	166
Salt River	194	6	10	210
Southern Bluegrass	85	0	19	104
The Lakes	134	2	8	144
Two Rivers	116	14	7	137
Total	998	34	102	1134

Geographic Differences

Market rates by child's age were first calculated statewide and then geographically. See full-time rates in Table 3 and part-time rates in Table 4 by geographic region. See full-time rates by CCA Region in Table 5 and part-time rates by CCA Region in Table 6.

Table 3. Full-Time Market Rates by Geographic Region

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Statewide												
80th Percentile	49.00	47.00	41.20	37.00	44.60	37.60	35.40	36.60	38.00	36.00	36.00	35.00
East												
80th Percentile	30.00	28.00	28.00	27.00	20.00	20.00	20.00	n/a	27.60	26.00	26.40	25.00
Central												
80th Percentile	54.00	51.80	46.00	39.24	50.20	48.20	44.25	39.40	40.00	40.00	38.00	36.40
West												
80th Percentile	36.00	35.00	34.00	31.00	30.40	30.00	30.00	28.00	35.00	30.00	30.00	30.00

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 4. Part-Time Market Rates by Geographic Region

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Statewide												
80th Percentile	43.00	42.80	34.00	32.00	39.20	42.00	38.00	30.00	35.00	35.00	35.00	31.00
East												
80th Percentile	28.12	28.12	28.00	27.00	n/a	n/a	n/a	n/a	29.60	26.80	24.40	25.00
Central												
80th Percentile	46.00	45.00	36.20	32.00	42.80	45.20	45.20	31.80	49.20	49.20	40.00	35.20
West												
80th Percentile	33.00	33.00	30.00	29.00	32.00	30.00	30.00	28.80	32.00	26.80	26.80	26.20

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 5. Full-Time Market Rates by CCA Region

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Cumberland												
80th Percentile	40.00	40.00	36.00	30.00	36.80	37.40	34.20	33.60	28.00	27.20	28.00	25.00
Eastern Mountain												
80th Percentile	30.00	30.00	28.00	28.00	n/a	n/a	n/a	n/a	26.00	25.80	26.00	26.00
Jefferson												
80th Percentile	55.00	53.28	50.00	41.00	52.05	50.58	45.80	47.45	44.40	44.80	39.60	39.20
Northern Bluegrass												
80th Percentile	58.00	55.00	50.80	44.50	39.00	36.40	34.80	16.00	50.00	50.00	50.00	45.00
Salt River												
80th Percentile	41.20	40.00	37.00	32.00	28.00	30.00	30.00	31.20	33.80	32.00	32.00	29.00
Southern Bluegrass												
80th Percentile	51.00	48.56	44.00	37.00	n/a	n/a	n/a	n/a	40.00	38.00	36.80	35.00
The Lakes												
80th Percentile	35.00	35.00	32.00	31.00	29.00	29.00	29.00	29.00	34.00	30.00	30.00	30.00
Two Rivers												
80th Percentile	36.20	36.00	34.40	32.00	31.20	30.80	30.40	26.40	30.00	29.80	29.00	26.20

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 6. Part-Time Market Rates by CCA Region

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Cumberland												
80th Percentile	33.00	33.00	30.60	30.00	21.00	21.00	21.00	21.00	28.00	27.00	27.00	25.00
Eastern Mountain												
80th Percentile	27.80	28.00	27.00	25.00	n/a	n/a	n/a	n/a	33.20	32.40	21.40	22.00
Jefferson												
80th Percentile	47.00	45.40	41.20	37.00	43.20	43.20	41.60	32.40	41.20	41.20	34.40	33.40
Northern Bluegrass												
80th Percentile	46.00	45.16	40.80	32.80	n/a	50.00	50.00	n/a	50.00	50.00	50.00	31.60
Salt River												
80th Percentile	35.00	33.40	29.00	26.80	16.00	16.80	16.00	25.80	29.00	29.00	29.00	20.00
Southern Bluegrass												
80th Percentile	42.92	42.96	34.00	32.00	n/a	n/a	n/a	n/a	50.00	50.00	47.20	38.80
The Lakes												
80th Percentile	33.00	33.00	29.00	29.00	26.40	26.40	26.40	26.40	33.20	28.60	28.60	22.80
Two Rivers												
80th Percentile	33.00	33.00	31.00	24.20	35.00	33.60	32.60	n/a	28.00	26.00	25.80	26.00

Note: I = infant; T = toddler; PS = preschool; SA = school age

Urban vs. Rural Status

Although most counties in Kentucky are designated as rural, the urban population is 58.7% according to the 2020 U.S. Census. Rates by urban/rural status are detailed in Table 7 for full-time and Table 8 for part-time.

Table 7. Full-Time Rates by Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
80th Percentile	51.85	50.00	44.96	38.17	49.40	47.00	44.00	41.40	40.00	40.00	38.00	36.40
Rural												
80th Percentile	40.00	40.00	36.00	30.00	29.60	30.00	30.00	30.00	34.40	30.00	30.00	26.20

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 8. Part-Time Rates by Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
80th Percentile	45.00	45.00	35.00	32.00	42.80	44.00	45.20	31.20	46.40	44.80	35.40	35.00
Rural												
80th Percentile	33.00	33.00	28.00	30.00	32.00	31.00	30.00	29.20	30.80	28.80	27.40	26.80

Note: I = infant; T = toddler; PS = preschool; SA = school age

Subsidy Acceptance

The population examined in this study (all providers included in the January 2024 lists) indicates that the majority are willing to accept CCAP child care subsidies. 82.51% of licensed centers and 89.95% of certified child care homes are listed as able to accept CCAP. The differences in market rates by subsidy acceptance are detailed in Tables 9 – 12.

Table 9. Full-Time Rates by Subsidy Acceptance

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Statewide												
Subsidy	49.00	47.00	41.20	37.00	41.00	36.00	34.60	36.00	36.00	36.00	36.00	34.60
No Subsidy	52.60	46.40	40.00	47.00	56.23	50.47	44.64	49.24	44.00	44.00	44.00	32.80
East												
Subsidy	30.00	28.00	28.00	27.00	20.00	20.00	20.00	n/a	26.80	25.60	25.00	25.00
No Subsidy	28.20	27.40	41.60	42.80	n/a	n/a	n/a	n/a	35.00	35.00	33.60	35.00
Central												
Subsidy	54.00	51.78	46.00	39.08	48.20	47.00	42.80	37.00	40.00	40.00	38.00	36.80
No Subsidy	69.01	56.70	48.20	38.00	56.23	50.47	44.64	49.24	50.00	50.00	50.00	24.00
West												
Subsidy	36.00	35.00	34.00	30.40	30.40	30.00	30.00	28.00	35.00	30.00	30.40	30.00
No Subsidy	40.00	36.00	32.20	35.00	n/a	n/a	n/a	n/a	26.20	24.20	24.20	n/a

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 10. Part-Time Rates by Subsidy Acceptance

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Statewide												
Subsidy	43.00	42.80	34.13	32.00	40.60	42.40	39.20	30.00	32.00	31.80	32.20	29.20
No Subsidy	28.68	44.56	27.87	17.52	31.76	30.15	30.15	n/a	40.40	38.00	41.00	44.00
East												
Subsidy	28.24	28.24	27.80	27.00	n/a	n/a	n/a	n/a	28.00	26.00	22.00	22.60
No Subsidy	18.00	18.00	35.60	17.40	n/a	n/a	n/a	n/a	35.00	35.00	35.00	35.00
Central												
Subsidy	46.00	45.00	38.80	32.00	43.20	46.40	46.40	31.80	48.40	48.40	35.80	35.00
No Subsidy	37.20	52.28	26.71	16.80	31.76	30.15	30.15	n/a	39.20	39.20	42.40	42.40
West												
Subsidy	33.00	33.00	30.00	29.00	32.00	30.00	30.00	28.80	28.80	26.00	26.00	26.20
No Subsidy	22.00	29.00	22.80	n/a	n/a	n/a	n/a	n/a	38.00	35.00	35.00	n/a

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 11. Full-Time Rates by Subsidy Acceptance – Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
Subsidy	51.76	49.88	45.00	38.00	47.00	47.00	41.60	38.20	40.00	40.00	38.00	36.80
No Subsidy	55.00	50.00	41.36	50.00	56.23	50.47	44.64	49.24	40.00	38.40	40.00	24.00
Rural												
Subsidy	40.00	40.00	36.00	30.00	29.60	30.00	30.00	30.00	30.40	30.00	30.00	25.40
No Subsidy	29.60	29.00	30.80	19.00	n/a	n/a	n/a	n/a	47.00	47.00	44.00	35.00

Note: I = infant; T = toddler; PS = preschool; SA = school age

Table 12. Part-Time Rates by Subsidy Acceptance – Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
Subsidy	45.00	45.00	35.00	32.00	43.20	45.20	46.40	31.20	44.80	43.20	35.00	34.20
No Subsidy	31.52	44.32	28.00	17.76	31.76	30.15	30.15	n/a	42.80	41.00	44.00	42.40
Rural												
Subsidy	33.00	33.00	28.00	30.00	32.00	31.00	30.00	29.20	30.00	27.60	27.00	26.00
No Subsidy	18.00	39.72	22.00	15.00	n/a	n/a	n/a	n/a	35.00	35.00	35.00	35.00

Note: I = infant; T = toddler; PS = preschool; SA = school age

Quality Levels

Improving parents' access to quality child care is a central goal of CCDBG grant. The following tables (13-16) examine rates by quality as defined by Kentucky All STARS ratings. Comparisons are made based on market rate between High Quality (All STARS Level 3-5) and Regulatory Compliance (All STARS Level 1-2).

Table 13. Full-Time Rates by Quality

	Type I				Type II				Certified Home				
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA	
Statewide													
HQ	47.00	47.00	41.00	37.00	31.00	33.20	33.20	36.00	35.40	35.20	34.20	35.00	
RC	51.00	48.00	43.00	37.00	45.80	42.80	34.80	36.00	40.00	38.00	36.00	34.40	
East													
HQ	30.00	28.00	27.00	27.00	20.00	20.00	20.00	n/a	27.60	26.00	25.80	25.00	
RC	30.00	28.00	28.00	28.00	n/a	n/a	n/a	n/a	27.00	25.00	27.40	25.00	
Central													
HQ	50.00	48.64	44.00	37.00	n/a	35.80	35.80	36.00	36.00	36.00	35.00	39.00	
RC	57.00	53.00	48.61	40.00	48.20	47.00	44.00	37.60	40.00	40.00	39.60	36.00	
West													
HQ	36.00	36.00	34.00	30.00	31.60	31.00	31.00	n/a	30.00	28.40	28.40	30.00	
RC	36.00	34.00	33.00	31.00	30.00	30.00	29.60	28.00	35.00	30.00	30.40	29.40	

Note: I = infant; T = toddler; PS = preschool; SA = school age; HQ = High Quality (All STARS Level 3-5); RC = Regulatory Compliance (All STARS Level 1-2).

Table 14. Part-Time Rates by Quality

	Type I				Type II				Certified Home				
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA	
Statewide													
HQ	42.96	40.00	34.00	32.00	35.00	35.00	35.00	n/a	38.00	38.00	34.00	27.00	
RC	45.00	43.80	35.00	30.00	42.00	42.80	40.40	30.00	35.00	35.00	35.00	31.80	
East													
HQ	28.48	28.12	27.16	26.00	n/a	n/a	n/a	n/a	28.00	26.00	25.00	25.00	
RC	28.00	29.00	33.80	27.00	n/a	n/a	n/a	n/a	35.00	35.00	19.00	22.20	
Central													
HQ	45.00	43.60	35.40	32.06	n/a	n/a	n/a	n/a	50.00	50.00	50.00	41.00	
RC	46.00	45.00	39.04	32.00	43.20	46.40	46.40	31.80	44.80	44.80	35.40	35.00	
West													
HQ	33.00	33.00	31.00	29.00	35.00	35.00	35.00	n/a	15.00	15.00	15.00	15.00	
RC	34.20	35.00	29.00	29.00	24.40	28.40	29.20	28.80	33.20	27.00	27.00	26.40	

Note: I = infant; T = toddler; PS = preschool; SA = school age; HQ = High Quality (All STARS Level 3-5); RC = Regulatory Compliance (All STARS Level 1-2).

Table 15. Full-Time Rates by Quality – Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
HQ	48.20	47.13	43.02	37.00	33.20	33.20	33.20	n/a	40.00	40.00	36.00	48.00
RC	54.88	51.70	46.00	40.00	48.20	47.00	44.00	38.20	40.00	40.00	38.00	35.20
Rural												
HQ	40.00	40.00	36.00	30.00	29.80	32.00	32.00	36.00	28.00	26.40	26.40	25.00
RC	40.00	40.00	36.00	32.00	28.80	30.00	29.60	29.60	35.00	32.00	33.80	28.20

Note: I = infant; T = toddler; PS = preschool; SA = school age; HQ = High Quality (All STARS Level 3-5); RC = Regulatory Compliance (All STARS Level 1-2).

Table 16. Part-Time Rates by Quality – Urban/Rural Status

	Type I				Type II				Certified Home			
	I	T	PS	SA	I	T	PS	SA	I	T	PS	SA
Urban												
HQ	44.40	43.00	35.00	33.66	n/a	n/a	n/a	n/a	50.00	50.00	50.00	41.00
RC	45.20	45.00	35.60	30.40	43.20	45.20	46.40	31.20	36.80	33.80	35.00	31.80
Rural												
HQ	33.00	33.00	27.20	30.00	35.00	35.00	35.00	n/a	29.20	27.60	27.60	24.60
RC	35.00	31.80	29.00	29.00	24.40	28.80	29.20	29.20	35.00	35.00	27.00	28.60

Note: I = infant; T = toddler; PS = preschool; SA = school age; HQ = High Quality (All STARS Level 3-5); RC = Regulatory Compliance (All STARS Level 1-2).

These market rates are provided to inform DCC as they look at setting subsidy rates. In addition, these rates can be utilized as business information to providers as they set their own rates based on the market in their area. The research team will also be using this market rate information as a baseline to examine providers' costs of providing child care to providers in part two of this project.