



Cost Modeling in Maine

JOIN THE CONVERSATION

Maine is taking significant steps toward achieving its early childhood goals and bettering the lives of young children. The Office of Child and Family Services, in coordination with the Governor's Office on Policy, Innovation, and the Future and the Maine Department of Education, was awarded the Preschool Development Grant. One component of the grant is to expand upon the state's current plan by developing a cost model.

What does this mean?

A cost model estimates the related costs associated with providing early childhood education and care at different levels of quality across program setting and geography. Traditionally, government funding has relied heavily on federally required market rate surveys to measure the price of care across the state. But understanding the price is not enough. Cost modeling paints a more complete picture.

**THE PRICE OF CARE
IS VASTLY DIFFERENT
FROM THE COST OF CARE.**

Cost modeling assesses all the factors associated with delivering licensed services at different levels of quality. It considers staffing ratios, compensation, rent, food, and other costs and relies on input from providers, state agencies, and advocates—making stakeholder collaboration essential.



A cost model is a tool for states and system administrators to use to inform their overall financing strategy, including:



Understanding child care financial assistance reimbursement rates



Identifying and Quantifying specific 'cost-drivers' in a child care program



Understanding the difference between the typical costs providers incur and the prices they charge (*prices are studied separately in a Market Rate Survey*)



GET INVOLVED

Join the community of valued stakeholders. Here are two upcoming opportunities to participate!

Attend the Statewide Early Childhood Conference

October 27 | 1:45 pm–3:00 pm

October 28 | 10:15 am–11:45 am

CELFE will be presenting at Maine's Statewide Early Childhood Conference to share what has been learned and explain in more detail how information will be used to construct a cost model for Maine. We invite you to learn, provide feedback, and explore data's pivotal role in strengthening the state's ECEC system.

REGISTER NOW →

Take the Market Rate Survey

CELFE will rely on data from this year's market rate survey to estimate key drivers of cost. By completing the survey and sharing information about your program, you are enabling the state to have a more accurate estimation of pricing and providing access to other important data related to your delivery of care.

Cost modeling helps states better understand what 'adequate funding' is—and where to allocate investments to best meet the developmental needs of young children. When paired with market rate surveys, it gives states a more accurate understanding of operating costs and current realities while providing them with key data to inform policy, budgeting and future decision-making.

A bigger-picture view requires you!

Center for Early Learning Funding Equity (CELFE) will be engaging in extensive data gathering and analysis to build a preliminary cost model for Maine. And you are invited to help. Our results and recommendations are only as good as the information we gather.

YOUR INPUT IS CRITICAL
TO GROUND THE DATA
IN LIVED EXPERIENCE.

As providers caring for Maine's young children and routinely interacting with their families, your voice is integral to the success of this work. Maine is also working with the ECE Business Collaboratory to ensure the approach and methods are sound, and that outreach and engagement efforts are robust, diverse, equitable, and representative of the entire state.

CELFE is dedicated to enhancing early learning funding systems through innovative approaches and funding mechanisms that support the diverse needs of children and families. Our mission is to partner with states and communities to design more equitable, efficient, and effective early childhood education and care systems.

celfe.org

