

DEPARTMENT OF CHILDREN AND FAMILIES

YoungStar

Wisconsin's Quality Rating and Improvement System Proposal

Improving the quality of early care and education in Wisconsin is vital to ensure that our children are prepared to succeed in school and in life. YoungStar, Wisconsin's Quality Rating and Improvement System (QRIS), will help providers improve the quality of child care statewide, provide a tool for parents to identify and select quality child care, create incentives for child care programs to improve services to low-income children, link quality to Wisconsin Shares payments, and provide a mechanism to further prevent fraud in the Wisconsin Shares program. Wisconsin has nearly 8,500 regulated child care providers with a statewide capacity to serve more than 234,000 children each year, allowing their parents to work. Sixty thousand of these children and their parents benefit from the Wisconsin Shares program.

Many other states have adopted QRIS programs, including Colorado, Delaware, Florida, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Minnesota, Missouri, Montana, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Vermont, and Virginia. The programs in these states, which are similar to Youngstar, have improved child care quality and outcomes for children. The President's proposed Early Learning Challenge Fund, which would make billions of dollars of competitive funding available to states, requires states to have in place a Quality Rating and Improvement System to compete for large grants.

A. Rating System Design

The recommended model in this plan is a hybrid point system based on a 2005 proposal developed by Governor Doyle's appointed public – private task force. It has been modified to reflect changes in Wisconsin's underlying environment since the original report and proposal was developed. Significant effort went into the development of this proposal:

- The *KidsFirst: Quality Counts for Kids* Task Force, composed of representatives from 21 public and private organizations and agencies, met seven times between June 2004 and November 2004.
- The Task Force examined a wide range of quality rating and tiered reimbursement options, and was guided by national research and the experiences faced by other states when developing quality rating systems.
- Three public hearings were held in October 2004 to receive comments on the *KidsFirst: Quality Counts for Kids* Task Force recommendations. Comments were also received directly by the Department of Workforce Development.
- Further feedback from meetings with stakeholders, conducted by the Department of Children and Families beginning in late 2008, has consistently reaffirmed the need for supporting quality child care and rewarding providers who strive for greater quality. Programs providing higher quality care should not be reimbursed at the same level as those just meeting minimum standards.

- Programs have also consistently indicated they are committed to quality but must have additional supports to improve and maintain their program quality.

Program Participation

All regulated center, family child care and Head Start programs – including both certified and licensed providers – may participate in YoungStar. Participation in the program is required for all programs serving children in the Wisconsin Shares program and optional for other programs.

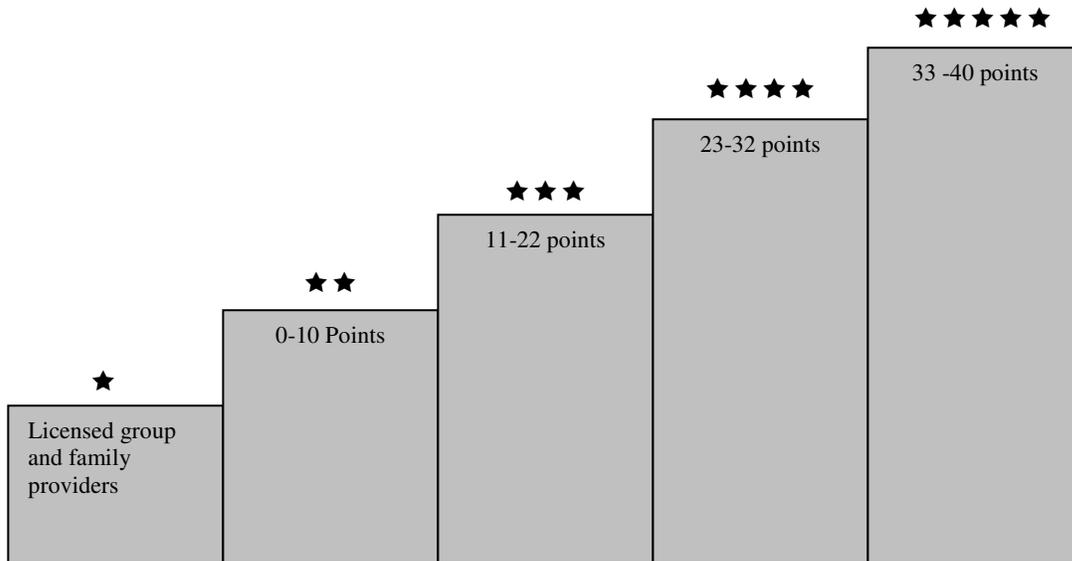
Point Scale

The proposed rating scale is a five-star system, which uses compliance with existing child care regulations as a starting point. All regulated programs would receive a minimum of one star, but in order to obtain two or more stars, programs must meet a set standard for compliance with licensing or certification rules. Stars two through five are achieved on the basis of the total number of points earned in a 40 point quality indicator system. Points can be earned in the following four categories: educational qualifications, learning environment and curriculum, professional practices, and health and well-being.

To advance in the rating system, providers would be required to reach designated minimum levels. These minimums ensure that points are not accumulated entirely in one category, while other quality indicators are ignored. Beyond the designated minimum requirements, providers would have options of accumulating points in different facets of their child care program operations (as detailed below). In the proposed model, all participating programs would be eligible for a menu of technical supports to improve the quality of the child care program and advance in the star system. It is anticipated that rating will take place on an annual basis. A limited number of exceptions will be made to allow rating changes when major milestones are achieved, such as a program becoming accredited, a family child care director earning a degree, or a significant percentage of classroom teachers in a group center increasing their education.

The YoungStar model for family child care programs will be customized to reflect the different operational realities of operating in a home. More than half of the states with QRIS have established separate models for family and group child care programs in recognition of the distinct differences in the two settings. Deliberations during the development of the 2005 model and feedback since that time have confirmed the need to recognize this distinction, without reducing standards for either type of provider.

Quality Rating and Improvement System Overall Model



Programs not in regulatory compliance would not be able to earn points in the system until coming into compliance with licensing and certification.

Category for Earning Points	Possible Points	
	Family	Group
Family Provider Qualifications	0-14	N/A
Group Teacher Qualifications	N/A	0-9
Group Director Qualifications	N/A	0-6
Learning Environment and Curriculum	0-14	0-13
Professional Practices (business practices, staff benefits, parent involvement)	0-7	0-7
Health and Wellness	0-5	0-5
Total	0-40 points	0-40 points

Program Rating

Ratings incorporate information gathered from a variety of data sources. Regulatory compliance will be verified by licensing and certifying entities, education and training will be verified by Wisconsin’s Registry system, professional and business practices as well as learning environment and curriculum will be verified by suitable regional entities with whom DCF will contract, and accreditation will be verified by an approved accrediting body. DCF will develop an automated process for generating a score based on the variables that earn points in the rating scale.

QRIS Component Definitions

Regulatory Compliance. A program will be considered to be in "regulatory compliance" unless there are at least two serious violations in the past 12 months. The Department will work with stakeholders to develop a "severity index" which clearly defines "serious violations." Examples of serious violations could include: violations that endanger the safety of children, failure to conduct background checks, failure to report abuse or neglect of a child, and grossly exceeding the staff to child ratio.

Provider Qualifications. The Registry, Wisconsin's Recognition System for the Childhood Care and Education Profession, verifies entry level and continuing education requirements defined by the State of Wisconsin Department of Children and Families.

Family Provider Qualifications. In family child care, one individual is often responsible for both the oversight of the business and caring for children. Registry certificates validate each recipient's unique training background. Providers would receive higher points for higher education and training levels.

Group Staff Qualifications. Points accumulate in the education category according to the education levels of teachers and directors. Training and education are verified using the levels of The Registry's career ladder.

Registry certificates validate each recipient's unique training background. Providers would receive higher points for education levels of teachers and the Director as verified by the Registry. In a group child care setting, a threshold will be established for the percent of classrooms that have teachers reaching higher levels on The Registry scale with, for example, more points awarded when 100% of classrooms have a teacher with a Bachelor's degree and fewer points awarded when teachers with early childhood education credits are in only 25% of the program's classrooms.

Group Director Qualifications. Credentials of directors will be comparably aligned with Registry levels. Directors are responsible for recruitment, hiring, guidance and teaching of staff and establishing a foundation for the program's quality. Research has confirmed that centers with well-qualified directors demonstrate higher quality care.

Learning Environment and Curriculum. The quality of the child care learning environment will be validated by trained professionals utilizing nationally recognized research-backed tools. Examples of facets of a high quality environment include well-equipped learning environments and written weekly lesson plans that include at least 15 minutes of daily reading/early literacy skill building.

Programs could also accumulate points for:

- Demonstrating an Early Childhood Environment Rating Scale (ECERS) score average of five;
- Aligning program with the Wisconsin Model Early Learning Standards;
- Using individual child portfolios to identify and track child outcomes;

- Documenting use of quality improvement assessments and use of written improvement plans.

DCF proposes creating an alternate path to four or five star ratings through accreditation by an approved accrediting entity that is aligned with Wisconsin's proposed standards. Creating this alternate path minimizes duplication of effort by programs that have already received assessments and visits to secure accreditation status. The State currently recognizes specific accreditations and will explore expanding the number of accrediting bodies that are recognized. Accreditation bodies that will be accepted in some form – either as a direct proxy for five-star status or as an automatic point value – include: National Association for the Education of Young Children (NAEYC), City of Madison Accreditation for group centers and family child care programs, National Association Commission for Early Care and Education Programs (NAC), National Association for Family Child Care Accreditation (NAFCC), as well as full compliance with Head Start Performance Standards. The current numbers of accredited programs in Wisconsin are listed here:

- NAEYC Accredited group child care centers – 127 centers
- NAC Accredited group child care centers – 17 centers
- NAFCC Accredited family child care programs – 14 programs
- Head Start Performance Standards – 54 programs
- City of Madison Accreditation Program – 107 programs

Professional Practices. This category recognizes strong business and professional practice to support staff and parents, including timely and accurate completion of Wisconsin Shares report forms and all program integrity requirements as provided in s. 49.155 Wisconsin Statutes; staff evaluation plans, a minimum of 25 hours paid professional time each year, participation in the Child and Adult Care Food Program, 75% or higher retention of well-educated lead teaching staff; participation in organizations that lead/advocate for quality care and education, development of job descriptions and hiring practices that have expectation for a well-trained and educated workforce; staff benefits – including salary scale, written personnel policies, health insurance, paid holidays, sick leave and other support for staff. Indication of strong parental involvement including regular communication with parents, opportunity for them to become involved in a program, communication about children's activities, newsletters and other activities will be part of this category.

Health and Wellness. Providers can earn points by demonstrating that program curriculum supports the physical, nutrition and health needs of young children, equips providers with protective factors and tools to prevent and detect early signs of child abuse and neglect, and takes into account young child social and emotional needs, particularly of children with special needs. Specific ways providers can accumulate points would include training on the Center for the Social Emotional Foundations of Early Learning pyramid model modules and/or strategies, incorporation of Strengthening Families materials into staff preparation and training (training on protective factors in early childhood settings to prevent child abuse and neglect and detect early signs of child abuse and neglect), participating in the federal Child and Adult Care Food Program (CACFP), and ensuring

that children get at least 60 minutes of physical activity a day. Providers who demonstrate the capacity to care for children with special physical, emotional, developmental or behavioral needs would also earn points.

Alternatives Considered

The system described above is a “Hybrid Points” approach, which draw from the two prominent QRIS design models: the Building Block approach and a Pure Points system (in contrast to the “Hybrid Points” approach described above, which incorporates elements of both systems). In both systems, the same rating factors apply: teacher qualifications, director qualifications, classroom environment, professional practices, health and well being, etc.

The major difference in the two systems or approaches involves how a provider advances to higher levels. In the Building Block approach, a provider could not move from one level to the next unless *all* prerequisites for that level were completed. For example, if a certain score were required on the Early Child Environment Rating Scale (ECERS) to move from level 2 to level 3, it would not matter whether the provider scored dramatically higher than normal on teacher qualifications. That provider could not advance until the required score on the ECERS was achieved.

The strength of the Building Block approach is that the levels are defined consistently, which might provide more clarity to both parents and providers. However, this approach also makes it more difficult for providers to experience incremental improvements and does not recognize great strengths in one specific domain.

In a Pure Points system, in which there are no minimum point requirements across categories, the provider can accumulate points regardless of the category. In this formulation, a provider could have zero points in one category and still advance in the QRIS.

The hybrid model – as the name suggests -- borrows from both the Building Block approach and the Pure Points system, allowing providers to advance along many different paths – but, at the same time, requires minimum standards of achievement across categories before achieving a higher star level.

B. Quality Assurance Monitoring

The Department of Children and Families believes that quality assurance monitoring in the Quality Rating and Improvement System cannot occur in isolation from efforts to help providers improve. At the same time, the Department must avoid creating duplicative infrastructure, which essentially replicates or crowds out existing organizations in Wisconsin already supporting quality care. Other states have found that the creation of Quality Rating and Improvement Systems can be an opportunity to leverage the significant interest of the business and philanthropic sectors in high quality early care and education.

YoungStar will be administered by six regional entities geographically based on the Department's regional structure. As such, the organizations providing the child care rating and training/technical assistance could include Child Care Resource and Referral Agencies, the Wisconsin Early Childhood Association, United Way, other philanthropic organizations, government entities, for-profit companies, technical colleges, or non-profit organizations whose mission is to improve the quality of child care in Wisconsin. Through a Request for Proposal (RFP) process, the Department will select an organization(s) in each region to be contractually responsible for administering YoungStar.

Beyond rating, the regional entities will also be responsible for providing technical assistance to providers seeking to improve and administer micro-grants to providers for improvements required to advance in the rating system. They will also coordinate closely with certifying and licensing entities to ensure that programs are in regulatory compliance and that all available data is being taken into account. Finally, regional entities will be responsible for sharing information with parents and the public about child care providers.

In the RFP, the Department will seek out applicants that can demonstrate:

- The ability to harness the region's existing infrastructure to support quality child care. The Department explicitly wants to build upon existing efforts, not to duplicate them, and it will be incumbent upon applicants to demonstrate their capacity to do so.
- The ability to bring additional resources to bear in the form of philanthropic, community, and corporate partners. Youngstar will only be successful if it is collectively owned by the broad range of constituents touched by early care and education.
- The requisite industry and programmatic expertise to provide meaningful training and technical assistance to child care providers on a broad range of issues.
- The organizational and leadership capacity to manage and deliver the services required to administer the Quality Rating and Improvement System.
- The community presence and cultural competence required to meet the specific needs of the region's provider and parent population.

Alternatives Considered

The Department of Children and Families considered an option that would increase State licensing staff or create separate State infrastructure to staff its quality assurance monitoring efforts. This would require the State to hire staff capable of performing on-site ratings and deliver training and technical assistance.

While there are strong arguments supporting other models, the Department has recommended contracting these services for several reasons:

- The Department believes that there should be a differentiation between staff dedicated to licensing – which is compliance-based and primarily focused on health and safety – and staff dedicated to quality advancement. Providers need resources that they can call for help, and the relationship with licensors requires a level of distance that make certain types of training and technical assistance more complicated.
- Wisconsin has historically invested its quality resources in existing non-profit organizations in the State, and to staff the QRIS with State resources would unnecessarily duplicate the professional capabilities that have been developed over time, primarily in Wisconsin’s non-profit sector.
- A State-run option may be less likely to inspire cooperation from business and philanthropic interests, which are more likely to partner with locally-based organizations with which they have stronger ties than with State government.

Several states have chosen to contract out their Quality Rating and Improvement Systems in this manner. Indiana contracts with its statewide association of Child Care Resource and Referral Agencies and the Indiana Association for the Education of Young Children. Pennsylvania contracts with regional entities, including Child Care Resource and Referral agencies, private organizations, and other non-profits, such as Community Action Agencies, to forge partnerships to administer their system. Iowa contracts with their Child Care Resource and Referral system to administer the program at the local level. We also anticipate that Wisconsin’s universities and technical colleges, which already have infrastructure dedicated to training and supporting early childhood education, will be potential applicants. This approach allows states to use existing expertise and local contacts and presence throughout the State to strengthen and build on existing local efforts.

C. Estimated Expenditures

The Department of Children and Families proposal can be accomplished within current resources available in the 2009-11 biennium. The table below shows the projected expenditures for the QRIS in the current biennium.

	FY2010	FY2011
Quality Assurance Monitoring	\$0	\$3,249,000
Training and Technical Assistance	\$0	\$2,219,200
Micro-grants	\$0	\$2,308,500
Grant Administration	\$0	\$1,377,700
Communication	\$120,000	\$120,000
IT	\$200,000	\$150,000
State Staff	\$79,200	\$316,900
Ongoing Evaluation	\$0	\$155,500
Total	\$399,200	\$9,896,800

Quality Assurance Monitoring and Training and Technical Assistance. Regional entities will require staff to both rate providers and provide ongoing training and technical assistance. The types of training that will be made available to providers include using sound business practices, implementing developmentally appropriate curriculum, encouraging early literacy, and supporting health and wellness. Trainings will be provided in variety of contexts depending on the needs of providers, including online and on site at the provider’s place of operation. Further, regional entities will be required to explain a program’s rating to that provider to ensure they understand the rating and can begin to make improvements as quickly as possible.

Quality Micro-Grants. The Department will provide micro-grants of up to \$250 for certified providers, \$500 for licensed homes, and \$1,000 for licensed group centers that apply to be rated. The grant program will specify exactly what purposes grants could be used for and tie that use to quality, e.g., purchasing books to provide a more robust literacy program, purchasing materials for creating more developmentally appropriate learning areas, purchasing classroom resources in multiple languages to reflect diverse populations, and adapting an environment to accommodate children with disabilities in an inclusive way. Grant funding would be tied to required participation in quality improvement planning and implementation.

Grant Administration. Proposed funding is included at 10% of direct service costs. In addition, one-time start-up funds are included in FY11 for costs vendors may incur in beginning operations of this magnitude.

Communication. One of the first decisions many parents make either before or after having a child is who will care for their child while they are at work. However, in Wisconsin, information on the quality of specific childcare programs is currently

unavailable for parents. One part of the YoungStar program would be an aggressive communication and media campaign to ensure that parents know about YoungStar and the benefits of quality child care. Elements of the campaign will include the development of a YoungStar website and outreach through media tours, partnering with local radio and television stations, Child Care Resource and Referral (CCR&R) agencies throughout the State, Wisconsin Early Childhood Association, and partnering with other community-based organizations such as churches, obstetricians, pediatricians, job centers, laundromats, beauty shops, among other family-centered establishments. In addition, parents enrolling in the Wisconsin Shares program would be provided with information on YoungStar, the benefits of quality child care, a list of child care providers in their area with the associated rating, and other useful information.

Information Technology. The Department will develop the information technology system required for rating providers. This system will automate scoring and link directly to the child care information website, and provide connections to the regional entities selected for YoungStar.

State Staff. In order to efficiently implement the system, additional DCF staff will be needed at the State level, even using a largely contracted system for delivery of services. At a minimum, other states' experiences show that an additional three staff at the State level will be required to provide necessary oversight of the operation of the QRIS system. These positions would be responsible for implementation, contract management, quality assurance, data collection and coordination with project evaluation.

Evaluation. The Department will pursue a contract with a higher education research team that will analyze the results of the QRIS implementation. This evaluation will include the measurement of individualized child outcomes at programs of different star levels using a standardized and research backed tool as well as improvement in star levels for programs and tracking of child care quality improvements.

Provider Reimbursement

Wisconsin law establishes base reimbursement rates in Wisconsin Shares. Beginning in FY 2012, the Department proposes that reimbursements in the Wisconsin Shares program beyond the base would be linked directly to the quality of the provider. By creating this link in FY 2012, providers will have time to access training and technical assistance and be rated before their payments are affected.

Connection to Wisconsin Shares Reimbursement – Family and Group Programs

Level 1	No participation in Wisconsin Shares
Level 2	No change
Level 3	5% increase
Level 4	10% higher rate of reimbursement than base
Level 5	25 % higher rate of reimbursement than base

Providers that are one star (and, thus, not in regulatory compliance) will not be allowed to participate in the Wisconsin Shares program. Providers with a two-star rating will be paid their current base rate. Providers with a three-star rating would be paid at a 5% increase to the base rate, providers with a four-star rating would receive a 10% reimbursement increase, and providers with a five-star rating would receive an increase of 25% from the base rate.

D. Provider Training and Technical Assistance

Other state experiences and numerous studies have confirmed that sufficient, sustained supports to improve quality are critical elements for the successful implementation of a QRIS. Wisconsin has a strong foundation of programs that support quality:

- **TEACH/REWARD.** For SFY 10, there will be \$3.4 million in T.E.A.C.H. scholarships for child care teachers to take credit-based training for advancing their educations and providing REWARD stipends. REWARD stipends help teachers/providers and directors stay in programs and provide high quality care based on educational achievement.
- **Training/Technical Assistance.** For SFY 10, there will be \$600,000 to fund ongoing training and technical assistance projects, including funding to The Registry, as well as training and technical assistance dollars to the child care resource and referral programs for training on the Wisconsin Model Early Learning Standards, inclusive practices, and social and emotional development. For the past four years, 100 family and group programs have received technical assistance and grants through the Grow in Quality program, which will help them through the proposed quality rating system. This program is operated by the Supporting Families Together Association that supports Child Care Resource and Referral Agencies and Family Resource Centers throughout the State. Training and technical assistance dollars have supported the development of a cadre of staff who have demonstrated reliability and validity in ECERS observation.
- For SFY10, the Child Care Information Center will be funded to provide technical assistance materials for providers working on the QRIS.

In addition to the base current resources identified above, the Department's proposal would result in the investment of resources for the provider community in training and technical assistance and quality improvement grants to improve the quality of care provided, including:

- **Quality Improvement Micro-Grants** – As described earlier, these grants would be directly tied to improving quality, improving record keeping, safety and environment in child care settings.
- **Additional Training and Technical Assistance Resources** – As described earlier, these resources would be located in regional entities throughout the State and would have responsibility for:

- Technical consultation and assistance on improving business and professional practices such as aligning curriculum with Wisconsin Model Early Learning Standards, and implementing intentional child care programming practices, and child assessment and other needs identified to build program quality and business acumen.
- Assessing the learning environments of child care programs.
- Administering quality improvement grants.
- Additional resources to support improving the education levels of providers through supporting the scholarship and bonus program.

E. Consumer Accessibility and Usefulness of System

YoungStar will be a critical resource for parents and guardians looking to easily access information on the quality of a program. No mechanism currently exists in Wisconsin that distinguishes high quality care from standard or substandard care, aside from regulatory compliance and accreditation (which is limited to the small number of providers referenced earlier). This is not acceptable for child care consumers. A five-star quality rating system would help parents make more informed choices regarding child care. A provider's star level would be indicated on the State's licensed child care search website. The popularity of the website among parents (over 90,000 pages of information accessed in a single month) underscores the strong demand for this type of information. In addition, the Department would partner closely with Child Care Resource and Referral agencies to counsel parents about using the ratings to select quality care. More informed consumers will drive the entire market to improve.

How will this help parents make better choices? Parents will have objective ratings of individual child care programs based on research proven criteria for quality. For parents, DCF will ensure that the rating system:

- is concise and easy to understand;
- directly connects program ratings to program quality indicators;
- explains why quality matters in a child care program;
- directs parents who desire more detailed information to resources that will provide answers, e.g., the Supporting Families Together Association (SFTA), Child Care Information Center, DCF, and others.

A media campaign will be launched to inform parents and the early care and education community, along with other interested stakeholders, of the YoungStar initiative. In addition, local organizations will disseminate information on the Quality Rating Improvement System through their websites, newsletters, and list serves. It will also be important to connect with Workforce Development Boards, W-2 and Job Service agencies to get information in the hands of job seekers and to work within the Department and the community to cultivate media opportunities to highlight the new approach. Key child care organizations to be involved in the dissemination effort will include:

- Supporting Families Together Association
- Wisconsin Early Childhood Association

- Wisconsin Child Care Administrators Association
- Wisconsin Family Child Care Association
- Early Learning Coalition
- Child Care Providers Together
- Wisconsin Early Childhood Collaborating Partners
- Institutions of Higher Education
- W-2 Agencies
- County Social Services

F. Process for Ongoing Evaluation

DCF will build in mechanisms to ensure that YoungStar is being implemented and monitored in a way that is supportive of early care and education programs and parents. DCF will work with the University System to enlist partners in developing an overall evaluation and monitoring strategy that will include collecting baseline information at the outset of YoungStar and track progress in terms of program improvement and ultimately child outcomes in the future. DCF will ask for feedback on YoungStar from stakeholder groups, parents and community leaders and consider suggestions or adjustments to the program as circumstances change. At a minimum, we will work with a neutral assessment entity to assess:

1. How many programs are participating in YoungStar?
2. What are the characteristics of the program at the beginning of their involvement; what improvements are made in terms of quality as a result of participation in the program?
3. Are there discernable improvements in the quality of care for providers that serve children primarily receiving Wisconsin Shares?
4. Are children's outcomes, using a known and proven measure of early literacy, different in higher quality providers?
5. Why are programs choosing to participate; why are they electing not to?
6. What feedback are parents offering in terms of ease of accessing the system and connections to more information and higher quality programs?
7. Is technical assistance and program support sufficient to support programs participating in YoungStar?
8. What mid-course corrections would be advised based on experience of programs and parents?
9. What is the retention rate of children within the child care program?
10. What is the retention rate of parents in their employment positions?
11. What is the increased demand (and is their accessibility) for early care and education credit based instruction? – tracked in all areas of the State?
12. What is the increased demand for content based training (WMELS, CSEFEL, Strengthening Families, etc.)?

G. Other Information

DCF is proposing that YoungStar will be launched in two phases, beginning with programs that serve children before kindergarten with a second phase to include programs that serve children before and after school. The first priority in phase one will be to rate and support programs that serve high concentrations of children who are involved in the Wisconsin Shares Program. Our goal is to clearly and concretely tie YoungStar to Wisconsin Shares to improve quality and ensure greater accountability for this critical public resource.

YoungStar Implementation Timeline

- March 2010: DCF Proposal submitted to Joint Committee on Finance
- April 2010: Request for Proposal (RFP) is released
- September 2010: Rating and Technical Assistance begins statewide
- October 2010: Initial ratings become available to parents on DCF website
- July 2011: Wisconsin Shares payments linked to quality