



Don't Stop Improving

How States Can Help Early Childhood Programs on Their Journey to High-Quality

By Simon Workman May 11, 2017

As the old parenting adage goes, “The days are long, but the years are short.” Before you know it, that helpless little bundle of joy you brought home from the hospital is crawling around exploring the world, then talking and asking questions—constantly—and suddenly kindergarten is on the horizon. Every parent faces the same worries: Will my child be successful? Will they be happy? What can I do to make sure they are ready for everything life will throw at them? No parent wants their child to start school at a disadvantage, and increasingly, parents are realizing the critical role that child care and preschool can play in ensuring their child is ready for school and life. But this realization is often tempered by the daunting prospect of finding a good child care program or preschool and figuring out what exactly makes a good program.

Research shows that parents place a high value on quality but often don't have enough information to evaluate their options, or they are limited by practical constraints, such as availability, accessibility, and affordability.¹ Either way, the search for child care is often overwhelming. In almost every state, however, parents have access to an early childhood program rating system to help navigate their options. These rating systems provide a tool for parents to find child care and preschool programs that meet a set of quality criteria. While the issues of availability, accessibility, and affordability still exist, within those constraints, parents can find programs that have been rated and therefore can have some certainty that the program they select will help their child be prepared for kindergarten and beyond.

In addition to helping parents make informed choices, these state rating systems—called quality rating and improvement systems, or QRIS—can play a key role in supporting early childhood programs to achieve high quality. As part of a well-funded early childhood system, QRIS can provide a robust set of supports to help programs achieve and maintain quality.

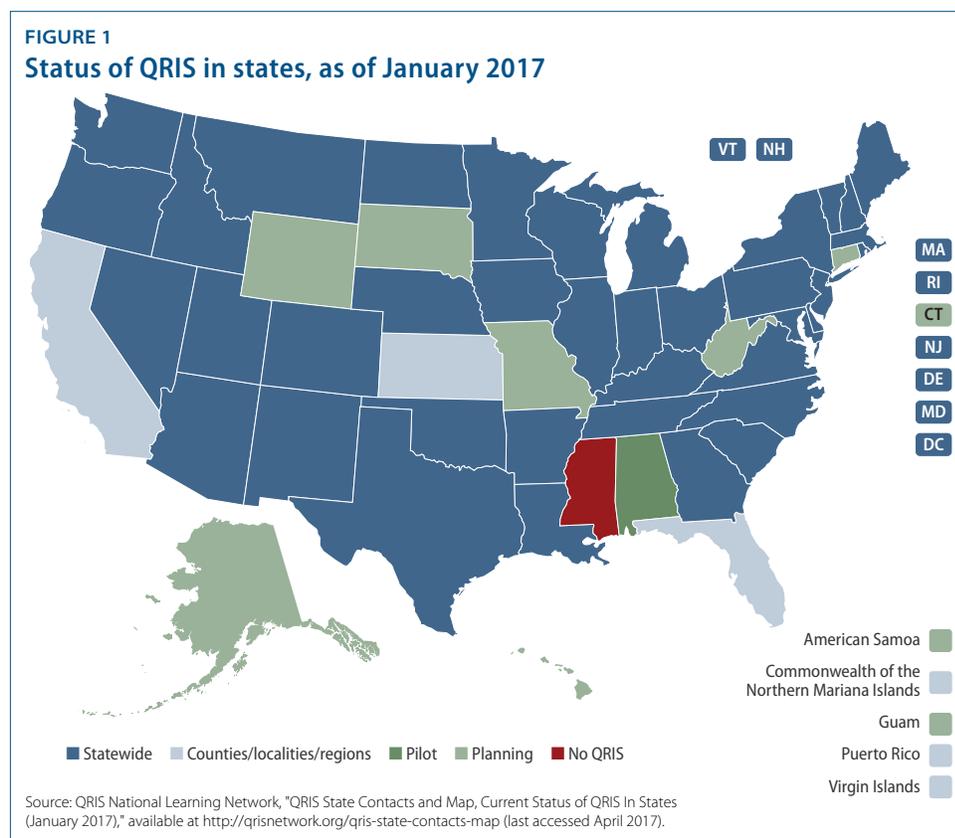
Ultimately, it is these quality improvement supports that are the most important aspect of QRIS, being a key way these systems can have a direct impact on a child's early learning experience.

Child care is unaffordable for many families, and communities across the country face a severe shortage of quality care.² Federal and state policymakers must invest in early childhood systems to ensure that all children can access high-quality programs. This investment can ease the financial burden on families, as well as support child care providers to help them meet important health and safety requirements and improve the quality of care they provide.

In the absence of federal leadership, states are increasingly leading the charge on early learning. As part of a larger investment in the early childhood system, state policymakers should look to the role that QRIS can play in supporting providers in order to achieve higher quality and ensure that all children can access quality care.

What is a QRIS?

QRIS are state-driven frameworks designed to “assess, improve, and communicate the level of quality” in early learning programs.³ First developed in the 1990s, states have increasingly adopted QRIS in the past decade, partly due to the Race to the Top – Early Learning Challenge, or RTT – ELC, which required states to include their plans to develop or improve their QRIS in grant applications.⁴ As of 2017, 49 states and the District of Columbia either have a statewide or regional QRIS; are engaged in a pilot phase; or are planning for QRIS—as shown in Figure 1.⁵



QRIS can be designed for use by all program types, including family child care homes, child care centers, and school-based programs. Participation can be tied to state licensing or the child care subsidy system, or states can make the QRIS entirely voluntary. While the specific goals of each QRIS might vary, they are designed to serve three purposes: to assess program quality; to inform parents about program quality; and to provide a mechanism for program quality improvement.⁶

As federal supports such as the RTT – ELC come to an end, and the prospect of future quality initiatives from the federal administration looks bleak, it is increasingly important for states to commit financial resources to their early childhood systems and, specifically, to promote high-quality programs. This requires investments in the workforce, in initiatives to expand access to high-quality programs and in quality improvement supports for programs. QRIS offer a promising framework for delivering child care and provider supports, but a lack of funding can hamper the effectiveness of QRIS as a strategy to improve quality.⁷ While the rating and parent information aspects are important, well-designed QRIS should direct the majority of their resources toward supporting providers to achieve and maintain quality, and they should be integrated into the wider state early childhood system.

How can QRIS help programs improve?

QRIS offer a framework within which states can deliver quality improvement supports to providers, aligning resources with shared quality standards. There are several types of supports offered through QRIS. Most systems offer financial awards and incentives, professional development opportunities, coaching, and direct technical assistance. The extent of these supports varies in each QRIS, with some systems targeting programs that enroll low-income children and others making supports universally available to all participating programs. A lack of resources often forces states to choose between universal supports that are limited in size and intensity or targeted supports that provide a more significant level of assistance to a select number of programs.

Financial awards

States can offer financial awards to programs once they achieve a certain step or tier within the rating system. These awards act as an incentive to providers to participate in the QRIS and strive for higher ratings, as well as help compensate providers for the additional costs of achieving high quality. Nearly two-thirds of states report that their QRIS offers some form of direct financial incentive or award to providers.⁸ These awards range from \$50 to \$6,500 per program and are usually used by providers to purchase materials or equipment; reward teachers; or help with general operating

expenses.⁹ To be most effective, and to act as a true incentive, these awards need to be sufficient to help providers cover the costs of operating a high-quality program. Child care businesses operate on very tight margins, so programs rarely have excess resources available to devote to quality improvement.¹⁰

In addition to these direct financial supports, more than two-thirds of QRIS also offer tiered reimbursement, where the value of the child care subsidy payment received for each eligible child increases as the program's quality rating increases.¹¹ Currently, states offer increases of between 2 percent and 30 percent to the base subsidy rate for each participating child.¹² As with the direct awards, in order to fully incentivize programs serving low-income families through the child care subsidy system to improve their quality, the amount of the additional reimbursement needs to reflect the higher costs providers face when they improve quality.

Professional development, coaching, and technical assistance

The workforce is critical to the quality of an early childhood program, and effective quality improvement must include direct support to teachers and program directors.¹³ Almost all QRIS offer coaching, mentoring, or some other form of expert consultation, either directly through a state agency or through a partnership with a resource and referral agency or with an education institution.¹⁴ This support can include working directly with teachers to improve their instructional techniques, classroom management skills, teacher-child interactions, and use of observational assessments. Technical assistance may also involve working with program leadership to guide them through the QRIS enrollment and rating process or to improve administrative practices and family engagement.¹⁵

States can also coordinate their professional development systems with their QRIS, developing a comprehensive system that crosses sectors and that is aligned with the quality standards.¹⁶ States can also offer financial supports to help providers access continuing education and training. At least one-third of QRIS offer some form of educational scholarship—either through the Teacher Education And Compensation Helps, or T.E.A.C.H., early childhood scholarship program, or a state initiative—or they provide funding to cover the cost of professional development or to reward teachers who participate in training programs.¹⁷

With more than half a million early learning providers and 2 million early childhood teachers and caregivers across the United States,¹⁸ states need to target resource-intensive supports such as coaching and technical assistance. While a new QRIS with limited participation might be able to offer in-depth technical assistance and individualized coaching to all providers, this is unsustainable for a mature QRIS with high participation rates.

How can QRIS be improved?

Despite the promise of QRIS as a mechanism to deliver quality improvement supports, a lack of financing for state early childhood systems hampers these efforts. Limited resources mean that the supports available through the QRIS are often insufficient to help providers achieve and maintain quality. Thus, providers lack a financial incentive to participate, which limits QRIS' impact on the availability of high-quality providers. To make participation a worthwhile use of providers' limited time, the quality improvement supports must be robust enough to have a real impact on provider quality, and providers must see a financial benefit from participation. Ultimately, this requires a significant investment in the child care system. For too long, QRIS have promised supports to improve and sustain quality, but underfunding has diminished their impact and harmed the image of QRIS as a quality improvement tool.

To fully realize the potential of QRIS, states should:

- Provide sufficient and sustained funding to ensure financial incentives and quality improvement supports can help programs achieve and maintain quality
- Use data to target technical assistance supports for maximum impact

Provide sufficient funding

The largest expenditure in a well-designed QRIS should be quality improvement supports. Currently, the bonus or award amount that providers receive for achieving a specified level of quality in the QRIS rarely covers the actual costs associated with increasing quality.¹⁹ Also, as a one-time payment, these awards do not support providers with the ongoing costs of operating a quality program. As a result, these awards are insufficient to make significant structural changes to a program—such as improving classroom space or purchasing outdoor play equipment—and can't support ongoing costs, such as increased teacher salaries or hiring additional staff.

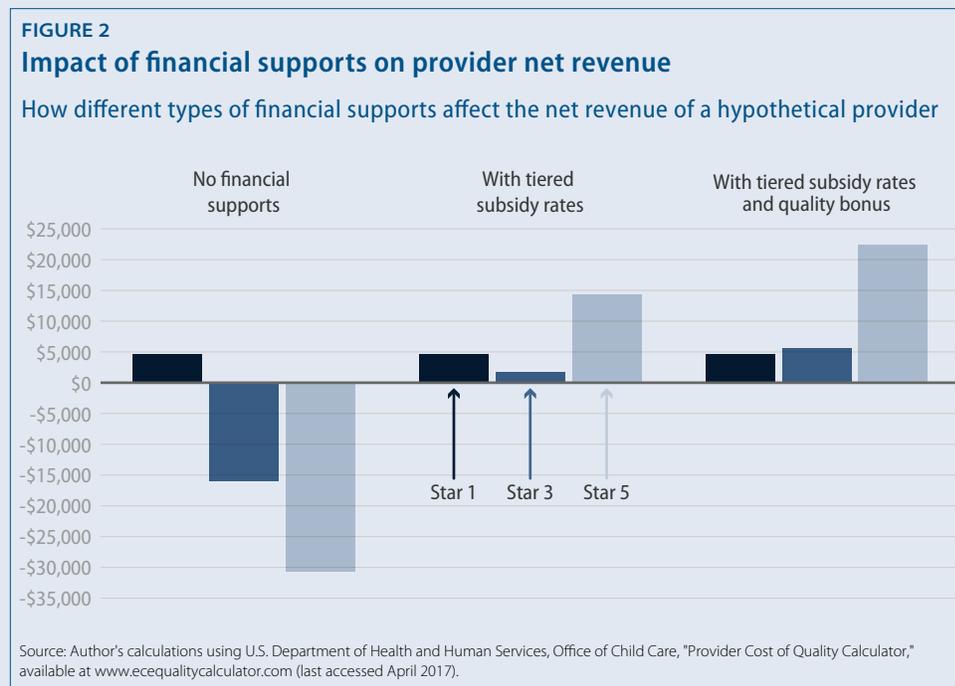
Instead these awards are most often used to make small material purchases or to boost morale through staff recognition events. While these are worthwhile uses of funds, they do not make significant and lasting impacts on the quality level of a program, nor do they improve wages for teachers or defray child care costs for parents. Teachers are a critical determinant of program quality, and personnel expenses are the largest cost driver in early childhood programs.²⁰ To recruit and retain highly skilled teachers, high-quality programs need access to revenue sources that allow them to increase teacher pay. The financial incentives in QRIS offer a framework to increase teacher pay, but funding must be increased to achieve this goal.

Similarly, in no state is the tiered subsidy reimbursement rate tied to the actual cost of delivering a higher-quality program.²¹ The value of the increase is tied to the base subsidy rate, which is already far too low in most states. While federal regulations recommend setting rates at the 75th percentile of current tuition market rates, only one state sets its reimbursement rate at this level.²² The impact of tiered reimbursement is also limited by the low number of children receiving a subsidy. Almost half of all providers don't receive any subsidy funding, and among those who do, nearly three-quarters report that less than a quarter of their enrolled children receive subsidies.²³ Current tiered reimbursement rates are therefore insufficient to support programs to achieve and maintain higher quality, and rarely act as an incentive to providers to participate in a QRIS or to engage in quality improvement efforts.²⁴

States need to increase funding for their early childhood systems and ensure that their QRIS have adequate resources to achieve their goals, including assessing programs and assigning ratings, conducting parent outreach, and providing quality improvement supports. To ensure that quality supports are sufficient, states should conduct a cost of quality study, which can determine the true cost of operating a program at different quality levels.²⁵ The results of this study can guide redesign of financial supports to ensure that they are sufficient to achieve their purpose, covering the cost of operating at high quality, and thereby incentivizing providers to improve. A cost of quality study can also be used to set subsidy reimbursement rates to ensure that providers accepting subsidy-eligible children have adequate revenue to operate at high quality.

The impact of adequate financial supports

Financial incentives, such as quality awards and tiered subsidy reimbursement, can significantly affect the financial viability of a high-quality program. Figure 2 models the impact on net revenue at a typical child care center.²⁶ This hypothetical center serves infants, toddlers, and preschoolers; has four classrooms; employs a teacher and teacher assistant for each classroom; and has a total capacity for 66 children. Twenty-five percent of the children are eligible for child care subsidies.



Without any financial supports, the center's revenue from subsidy payments and tuition does not cover the cost of operating at high quality; the program operates with a deficit at higher-quality levels. With tiered subsidy reimbursement rates, the center makes a small profit at lower-quality levels. Higher tuition payments help cover the cost at the higher-quality levels. When the program has access to tiered reimbursement rates and quality awards, the program is financially sustainable at each level of quality.

Use data to target quality improvement efforts

QRIS must not operate in a silo but rather should be part of the larger early childhood state system. This means that data from the QRIS should help policymakers make informed decisions about where and how to improve access to high-quality child care.

Collecting comprehensive data can help identify the areas—both within programs and across different parts of the state—with the greatest need for quality improvement supports. Among other things, these data can be used to map provider locations, quality levels, and capacity; workforce qualifications and training; and child enrollment. A comprehensive data system can be an invaluable tool for assessing provider and family needs and ensuring that quality improvement supports are tailored to meet the various needs that exist across programs.²⁷

While some states target their technical assistance—such as to providers serving high-need communities or those rated at lower levels of quality—almost half indicate that technical assistance supports are broadly available to all providers.²⁸ As a result, limited resources are likely being spent inefficiently, with already high-performing programs having access to critical supports, such as coaching, at the same level as lower-performing programs. By integrating the various data systems, including workforce registries, states can analyze data and target the assistance offered through the QRIS to the teachers and programs where it can be most effective, making the best use of limited resources.

What is the role of policymakers and advocates?

First and foremost, early learning programs need increased investment. Policymakers at the federal and state level should acknowledge that access to high-quality early childhood education is a public good, with long-term benefits for children, parents, and the wider society. To provide access to affordable early learning programs for all children, investment is needed to:

- Encourage the growth and development of high-quality programs, especially in underserved areas
- Develop robust data systems that can identify and respond to the needs of providers and parents
- Adequately support providers to fully cover the cost of operating at high quality, including increased teacher compensation

QRIS offer a framework to deliver the supports necessary to improve the quality of programs, but they can only be successful in producing significant improvements if they are resourced appropriately. A well-financed child care system should include substantial investment in QRIS, directing funds to quality improvement supports; the quality rating process itself; and a robust provider and parent outreach strategy.²⁹

Legislators, early childhood advocates, and state administrators all have a role to play in supporting early learning programs to achieve and maintain quality.

Legislators must provide funding to support quality early learning programs. Funding for quality improvement supports should be sufficient to help programs achieve and maintain high quality. This requires committing dedicated and ongoing resources in state budgets. Quality improvement is a process and does not happen overnight. Stable and sufficient funding allows administrators to design and implement systems that will support providers on their journey to high quality.

Early childhood advocates at the state and federal level should support QRIS as a mechanism to deliver quality improvement supports. To be sure, not all the challenges facing early childhood systems can be solved with QRIS. However, they offer a promising framework in which to target and deliver supports and a key way to engage providers and parents on the importance of quality.

State child care and QRIS administrators must ensure quality improvement is central to the design of their QRIS. While quality rating systems can have many different goals, quality improvement must be the focus. QRIS resources should primarily be spent on efforts to improve quality, including supporting the workforce. Administrators need to collect and analyze data to design a suite of quality supports that can have the most impact on provider quality. They should also develop marketing campaigns that highlight the quality improvement supports providers can access when they participate in the QRIS.

Conclusion

Achieving high quality can be a long and difficult journey. And once it is reached, maintaining that level of quality takes dedication and a significant commitment of resources. High-quality early learning programs are constantly reflecting, adjusting, and improving, and providers must be supported at each step on this journey. With sufficient investment and a clear focus on the core goal of improving quality, QRIS offer a promising framework to provide this support and to ultimately increase access to high-quality programs for all children.

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