How would a quality rating system be likely to work in Wisconsin?

Background

In May 2004, the Wisconsin Governor asked the Department of Workforce Development (DWD) to convene a Task Force to develop recommendations for two interrelated child care initiatives:

1. **A quality rating system** would evaluate all regulated child care programs on a set of standards, with program ratings to be made available to parents, thus providing them the information they need to make more informed choices.

2. **A tiered reimbursement system** would make child care subsidy payments reflect differential levels of quality, thereby establishing an incentive for child care providers to improve quality.

The research challenge

Data from the Wisconsin Child Care Research Partnership (WCCRP) provided a strong foundation for the work of the Task Force. The challenge was to apply research findings to create measures of quality that were practical for use by state government. How could complex research data be filtered and “translated” as definite and assertive for public policy purposes?

Policy options for quality measurement

Task Force members considered both indirect, “proxy” measures of child care quality (based on administrative data, which are relatively simple to collect) and process measures (based on observations, which are complex and more costly). In the end, they recommended a model that combined use of “proxy” indicators and limited observational indicators.

According to the proposed model for the Wisconsin quality rating system (Figure 14.1), programs must meet a set standard for compliance with licensing or certification rules before earning points within designated categories (Figure 14.2). Programs with a 3-star rating would receive the same level of reimbursement for serving low-income families that they are currently receiving, with higher payments going to 4- and 5-star programs and lower payments going to 1- and 2-star programs (Figure 14.3).

For more information about Wisconsin’s proposed quality rating system: [http://dwd.wisconsin.gov/kidsfirst](http://dwd.wisconsin.gov/kidsfirst)
Wisconsin’s proposed quality rating system is built on a solid foundation of data including (a) observations in 341 classrooms in Centers for Excellence and randomly-selected Comparison centers serving children who receive a state subsidy; (b) statewide surveys from 784 teachers, 256 directors, 452 family child care providers, and 240 nationally-accredited centers, plus analyses of trends based on statewide workforce studies in 1980, 1988, 1994, and 2001; and (c) analyses of information on all children, families, programs, and payments ($300 million/year) in the subsidy system’s Data Warehouse.

Research support for key quality indicators

1. Regulatory compliance
   - The primary purpose of child care regulation is to provide a minimum level of health and safety for all children. Researchers have documented that states with stricter regulatory standards have higher quality care.14
   - A study of 902 licensing violations in 51 Wisconsin child care centers demonstrated that programs with a consistent pattern of numerous violations on multiple licensing visits provided lower environment quality rating scores than programs with fewer licensing violations or a less consistent pattern of multiple violations.15
   - Research is currently underway, in collaboration with the state Bureau of Regulation and Licensing, to assess the number, type, and seriousness of recurring violations in a random sample of licensed programs as a framework for development of a workable definition of regulatory non-compliance.

2. Provider/staff qualifications
   - The majority of Wisconsin’s child care teachers (58%) identified a high school diploma as their highest level of education; 80% of family child care providers had no more than a high school diploma.1
   - Teachers with more education had significantly higher quality interaction with children than teachers with less education.6
   - The percentage of teachers with bachelor’s degrees dropped from 44 percent in 1980 to 14 percent in 2001.1
   - Directors’ education correlated with teachers’ education and the quality of their interactions with children.9
   - 47% of directors had a bachelor’s degree, and directors with stronger educational qualifications earned higher salaries, had more child-centered beliefs, and experienced lower staff turnover.9

3. Learning environment
   - The average quality of care in Wisconsin is less than “good,” with 11% of programs averaging less than minimal on standard environment rating scales.6
   - Licensed family child care providers were more than twice as likely as certified providers to receive scores of “good” on the environment rating scale.11
   - Directors and teachers in nationally-accredited centers had higher education and wages, lower turnover, and a higher quality of care, but only 10% of Wisconsin’s centers are accredited.10

4. Professional practices
   - Wages for child care teachers averaged under $9/hour and important staff benefits, such as health, retirement, and life insurance, were frequently not offered.2
   - Providers who were “intentional” about their work and participated in professional development offered higher quality care.4
   - For family child care providers, four characteristics were correlated with quality: a) level of regulation, b) training in child development, c) business practices, and d) professional commitment.11

Policy Implications

1. Full implementation of a statewide quality rating system would represent a bold attempt to alter child care policy. To be most effective, it might be prudent to have all quality improvement efforts in the state be consistent with the initiative. For example, educational incentives or technical assistance might be targeted toward programs with lower star ratings.

2. The development of the proposed quality rating system was enhanced by a federal grant to create a merged “data system” that will allow for efficient transfer and reporting of information on child care programs and providers. State government might consider ongoing support for merged data as a core component of any quality improvement strategy.


Issue Brief #14:
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Figure 14.4  A coherent framework for improving early care and education

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"Brief and to the Point" issue papers are also available on the Wisconsin Child Care Research Partnership website: www.uwex.edu/ces/flp/ece/wccrp.html
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