

YoungStar in Wisconsin: Analysis of Data as of July 2014 EXECUTIVE SUMMARY: KEY FINDINGS AND ANALYSIS

Key Findings

Children in YoungStar:

1. Seventy-Two percent (**72%**) of Wisconsin Shares children are served in programs rated 3-Star or higher on a 5-Star scale. YoungStar ratings data shows that more and more children are in higher-rated programs in the fourth year of implementation. The percent of children served by 3- to 5-Star rated programs increased from 47% to 72% from July 2012 to July 2014, an impressive gain of 25 percentage points of children in higher-quality settings.
2. A total of **31,625** children were in 3- to 5- Star programs in July 2014, compared to 17,671 in July 2012 and 4,526 in July 2011—a remarkable increase of children in higher quality programs over a short time span.
3. The actual distribution of children by Star level is **better overall** than initially projected in 2010. It is significantly better (17 percentage points higher) at the 3-Star level but six percentage points worse at the 4-Star.
4. The average number of children served by the Wisconsin Shares child care subsidy program has declined dramatically over the past six years, from a high of 59,501 in 2008 to **46,242** in the first eight months of 2014. Programs serving these subsidized children are required to participate in YoungStar.

Programs in YoungStar:

5. Ratings data shows an increased number of higher-rated sites, but **56%** of all programs are still at the 2-Star level.
6. Ratings continue to vary dramatically across the four program types: licensed group child care centers, licensed family child care, certified family child care, and public schools. A **much** larger percentage of group child care centers have higher ratings than the other three types.
7. Almost all (**90%**) of group child care centers rated 5-Star received their rating through accreditation rather than the YoungStar point system.

8. A large number of programs have been rated: **4,257** child care programs were rated as of July 2014, compared to 1,516 in July 2011. Wisconsin is 4th in the nation in the number of group child care centers and family child care programs rated by a QRIS (Quality Rating and Improvement System).

9. **1,283** child care programs participated voluntarily in YoungStar as of July 2014. This is an increase of 310 over the past two years. Programs serving children subsidized by Wisconsin Shares are required to participate in YoungStar, but programs that do not serve subsidized children are not required to participate in YoungStar.

10. There continues to be progress in moving away from **automated ratings** over the past year. The percentage of programs choosing an automated (2-Star) rating has dropped from 43.5% to 42.5%. The percentage that chose to take a technical rating went up from 52% to 52.5% and for formal ratings, it went up from 4.5% to 5%. Programs that take automated ratings are not assessed on quality indicators and are not working with YoungStar technical assistance to meet higher quality indicators.

YoungStar Regions:

11. The six YoungStar regions vary appreciably in the number of children served (in rated programs) as of July 2014. The Northern region has the smallest number of children (2,281) and the **Milwaukee** region has the largest (22,068).

12. Regions vary in the percentage of children in higher rated programs. The Northern and Western regions have the highest percentage of children in 2-Star programs. The **Southeastern** (Kenosha/Racine) and **Northeastern** regions have the highest percentage of children in programs rated 3 to 5 Stars.



Analysis

1. What does it mean that close to three quarters (72%) of Wisconsin Shares children are in programs with 3- to 5-Star ratings?

This is a major accomplishment for YoungStar that is designed to ensure access to higher quality early childhood education for almost 32,000 children from low-income families, and represents significant progress over the last 2-3 years.

2. Why has the number of children receiving Wisconsin Shares been declining?

Fewer children served by Wisconsin Shares has likely been caused by lost jobs due to the recession, fraud prevention efforts, higher cost for parents, a significant decline in the supply of regulated child care programs, a drop in child care programs participating in Wisconsin Shares, and more parents choosing to use cheaper unlicensed child care. However, it is difficult to determine which possible causes have had the greatest impacts on the decline.

3. How are YoungStar and Wisconsin Shares related?

The Wisconsin Shares child care subsidy program is the foundation upon which YoungStar has been built. Child care programs participating in Wisconsin Shares serve children from working, low-income families, and these programs are required to participate in the YoungStar quality rating and improvement system.

4. What is the “cost of quality” for programs to improve or maintain 3- to 5- Star ratings?

In analyzing the cost of maintaining higher quality ratings (3, 4 or 5 stars) in a typical mid-sized child care center, it was found that expenses outpaced income by an average of \$1,200 to \$1,900 per child per year. The higher the star level, the bigger was the loss.

5. Why is there so much regional variation in quality?

Compared to two years ago, there is actually much less. Milwaukee has been targeted for quality improvement efforts, especially in the area of staff education, and it seems to be paying off.

