

# Impact of Child Care and Head Start on Student Achievement

Legislative Finance Committee Staff Presentation to  
The Legislative Education Study Committee

Dr. Jon Courtney & Rachel Mercer-Smith  
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# Summary

- ▶ The challenge is clear.
  - Kids start school behind.
  - Low 3<sup>rd</sup> grade literacy levels.
- ▶ The research is clear.
  - Early literacy is a strong predictor of future success.
  - Experiences from birth to five are critical.
- ▶ The state has made progress in early childhood.
  - Investments are up 44 percent in key programs
  - More kids are in licensed child care and higher rated care.
- ▶ Biggest investments in early childhood are not getting results we need.
- ▶ State already moving to upgrade quality of child care, but we can't forget Head Start.
  - Consider this study a baseline
- ▶ Lots of opportunity to improve quality with Race to the Top and FOCUS.
  - Redouble efforts on quality.
  - Pay for performance.

# Overview

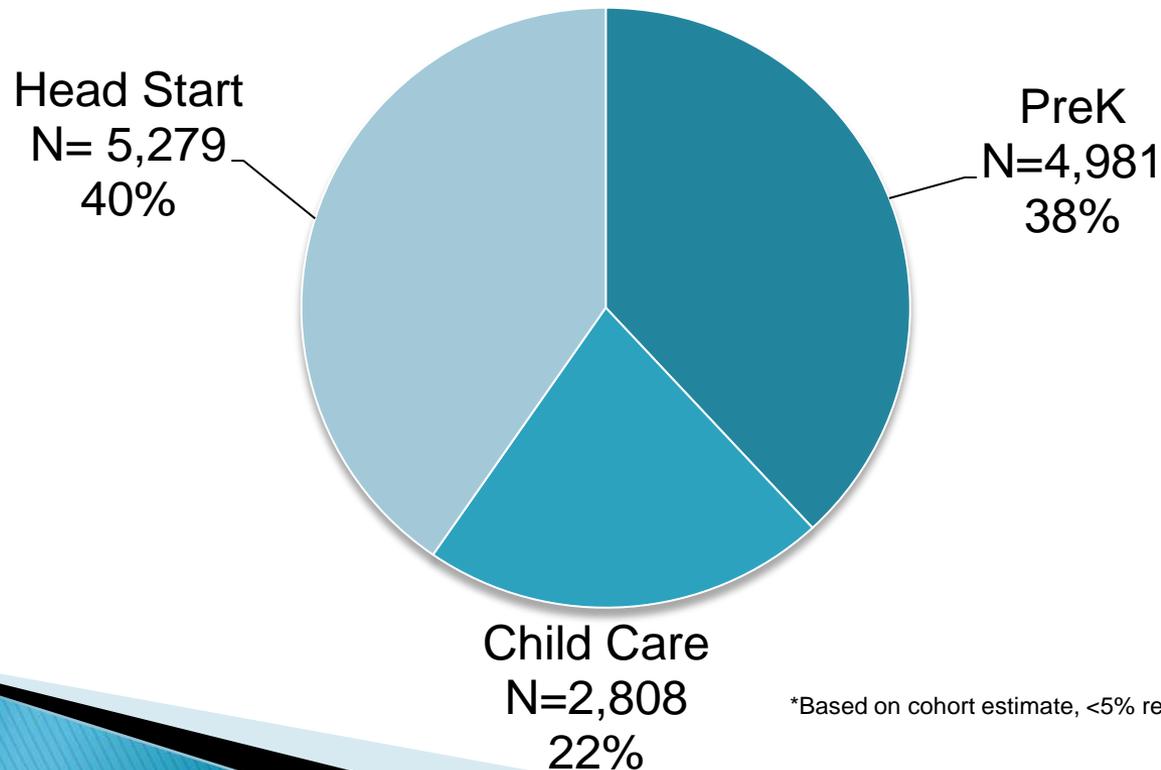
- ▶ Making Progress
- ▶ Background on child care
- ▶ Impact of child care (and PreK) on student achievement
- ▶ Improving quality in child care
- ▶ Head Start

# Making progress (summary)

- ▶ Since FY12 the Legislature has increased early childhood funding by 44 percent.
- ▶ Overall, the majority of low-income are receiving some form of early childhood programming (child care, PreK, Head Start).
- ▶ Secured a \$37.5 million Race to the Top–Early Learning Challenge grant
- ▶ Higher percentages of children in licensed care compared to 2009
- ▶ Higher percentages of children in higher quality care compared to 2009

# Making Progress: Closing The Opportunity Gap: 60–70% of low income children receive some type of early childhood programming

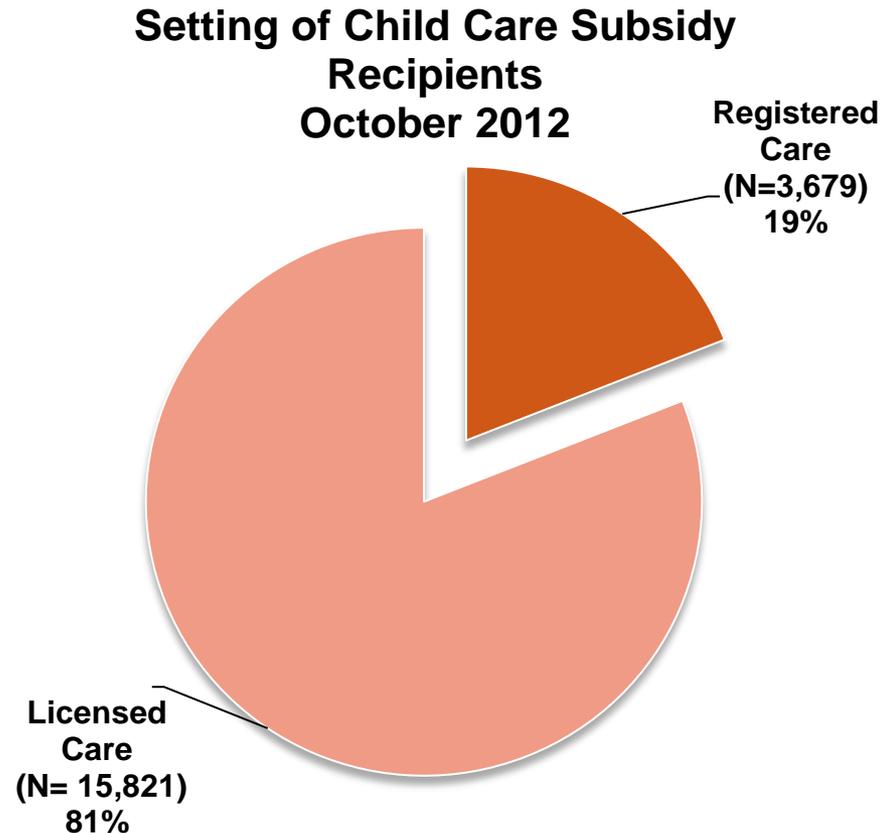
## Four Year Olds Participating in Publicly-Funded Early Childhood Programs, FY12 N=13,068



\*Based on cohort estimate, <5% receive a combination of services  
Source: LFC analysis

# More children are participating in Licensed Care

- ▶ The percent of children attending licensed care has increased steadily since 2009.
  - 2009=67% licensed
  - 2012=81% licensed



Source: LFC analysis

# We have a solid base providing the opportunity to improve child outcomes

- ▶ The need to improve school readiness...
  - One quarter of children entering kindergarten are unable to read one letter based on available data
  - Over 80 percent of children from low-income families are behind on the first day of Kindergarten
- ▶ “New Mexico suffers from devastating poverty, especially in the State’s rural and frontier areas. To intervene in this cycle of hopelessness, New Mexico’s response must be powerful and radical. Simply providing more of the same in a disorganized manner won’t work. New Mexico’s children are in a state of crisis that demands bold systemic reform.”

–New Mexico’s phase II RTT-ELC plan

# Program Evaluation

- ▶ Focused on the impact of the two largest early childhood programs in New Mexico on student achievement.
  - Child Care: Will spend around \$108 million this year for around 20,000 children (ages 0–13), quality ratings and administration
  - Head Start: Will spend around \$43 million this year for around 7,000 three and four-year-olds

# Background: Child Care Mission(s)

- ▶ Since 2004, LFC evaluations have noted competing missions for child care
  - Welfare= minimizing per child spending resulting in more children being served
  - Quality= increasing per child spending resulting in fewer children being served
- ▶ State and federal law is moving the mission of child care toward the quality aspect

# Background: New Mexico's Child Care Quality Rating System

- ▶ Licensed providers may choose to meet higher quality standards in exchange for higher subsidy reimbursement rates through the state's existing quality rating system (QRIS) AIM HIGH.
- ▶ Participating programs are rated on a 5-star scale, with 5-stars reflecting the highest level of quality.
- ▶ CYFD will revamp its quality rating system over the next five years and implement a new system, called FOCUS at a cost of \$37.9 million.
- ▶ FOCUS includes new quality benchmark standards but continues to rate quality on a 5-star scale.

## Additional Star-Level Subsidy per Child per Month

Provider Star Level	Previous Subsidy Rates	Rates Effective July 1, 2013
2-star (base rate)	\$326-\$521.00	unchanged
3-star	\$70.00	\$88.00
4-star	\$104.50	\$122.50
5-star	\$132.00	\$150.00

Source: NMAC and CYFD

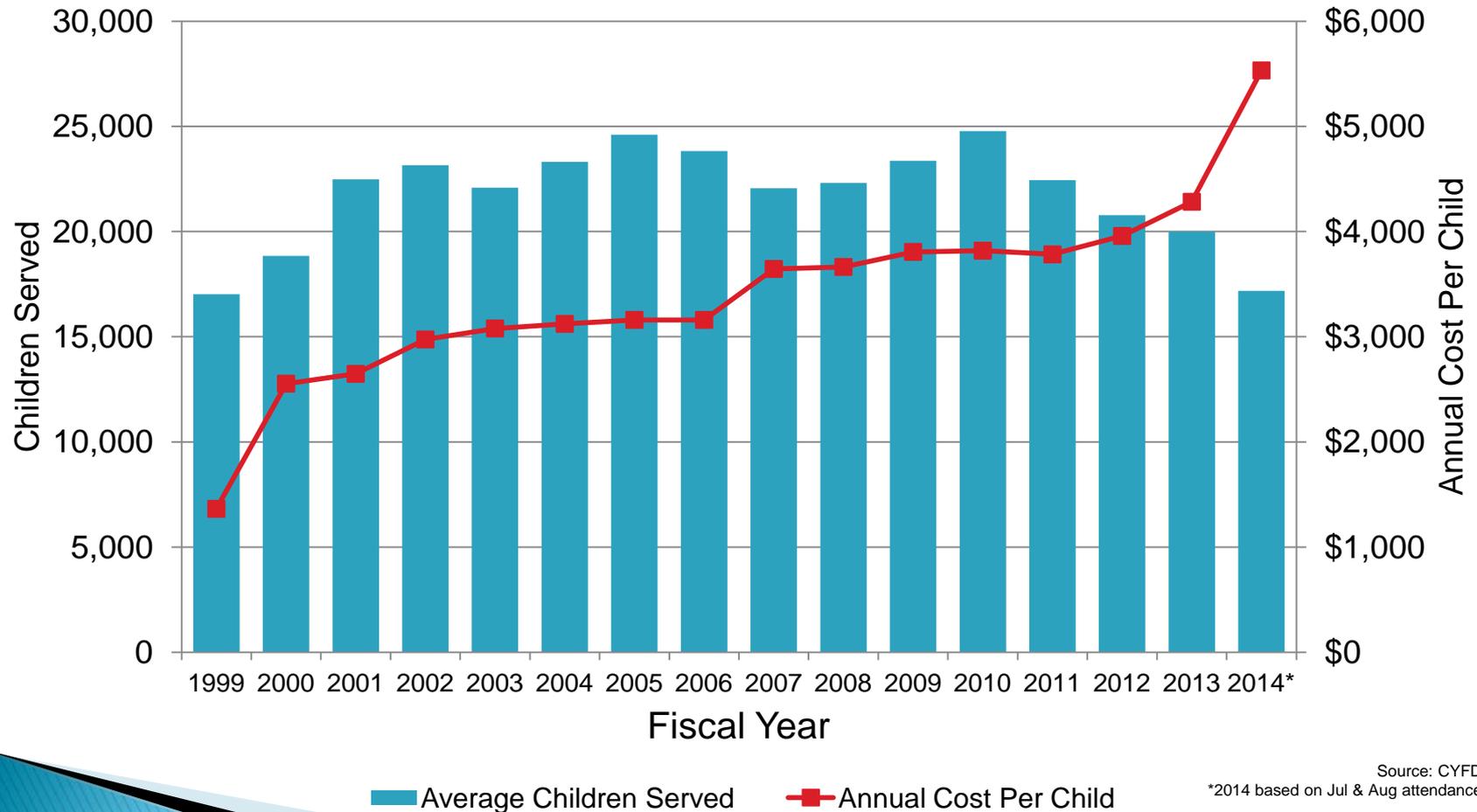
Child care assistance subsidy base rates vary by location (urban vs. rural) and child age.

In November 2012, CYFD increased the basic licensure level for subsidy children from 1-star to 2-star, increasing base subsidy rates.

In July 2013, CYFD again increased subsidy rates for 3,4, and 5-Star providers using appropriated tobacco settlement funds.

# Background: Spending per child is increasing and the number of children being served is decreasing

New Mexico Child Care Children Served and Cost Per Child



Source: CYFD  
\*2014 based on Jul & Aug attendance

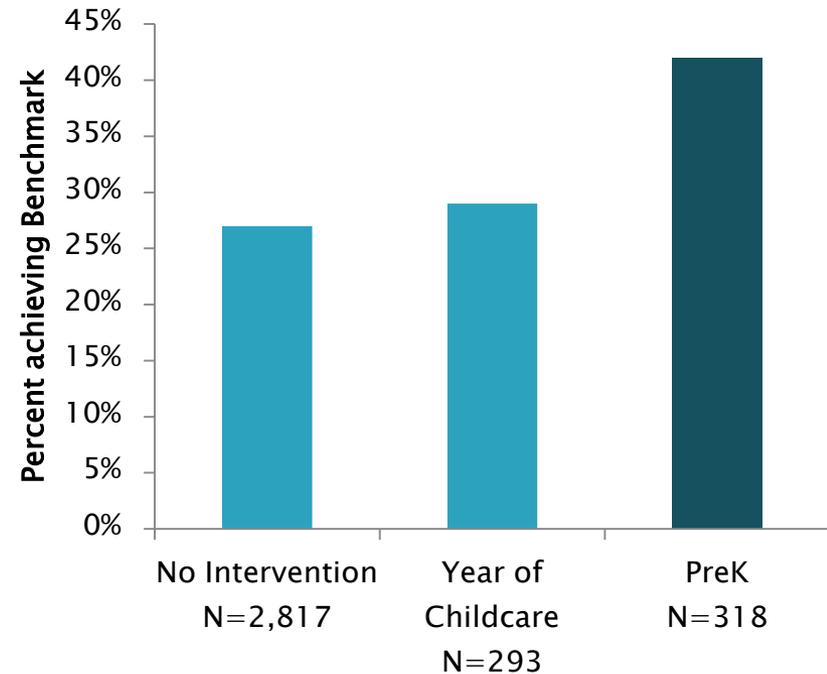
# Impact of Child Care on Student Achievement: Methodology

- ▶ LFC staff merged child care data with PreK participation data from UNM, and PED enrollment and SBA data.
  - The merged cohort included roughly 50 thousand third grade students (SY11 & 12), around 6,200 of which received child care between 2005 and 2008.
- ▶ Multiple analyses were run including comparisons of child care participants with a peer group.
- ▶ Analyses also looked at differences among star levels, and “dose” based on two years of quarterly participation data.
- ▶ All analyses yielded similar results.

# Impact of Child Care on Student Achievement: DIBELS

- ▶ Among cohort students who took the DIBELS when they entered kindergarten, we observed small differences among children who participated in a year of child care.
- ▶ PreK participants were still more likely to achieve benchmark levels.

Cohort Students Achieving Benchmark on the Kindergarten DIBELS, by Early Childhood Intervention

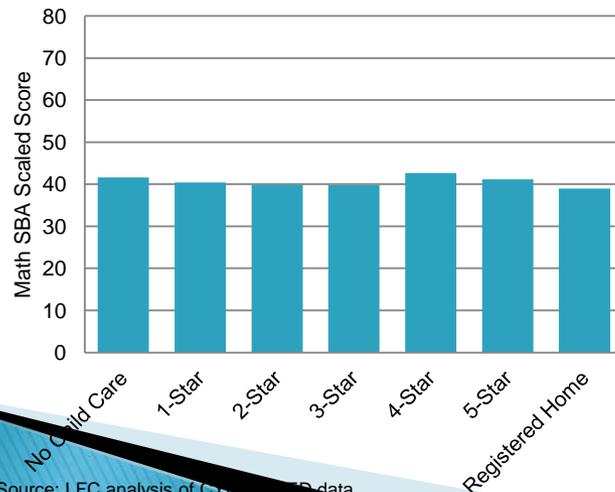


Source: LFC analysis

# Impact of Child Care on Student Achievement: Standardized Based Assessment (SBA)

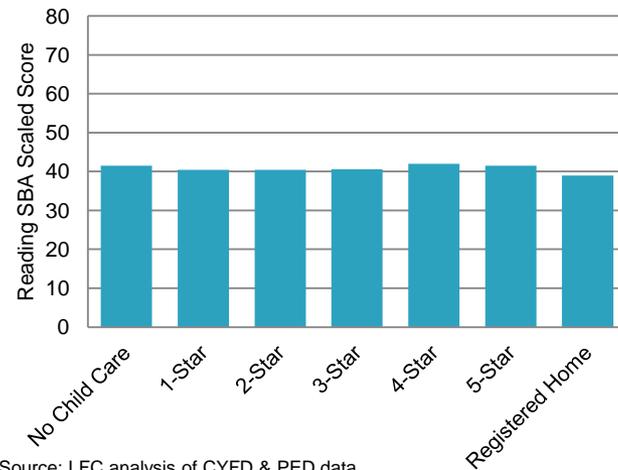
- ▶ Participating in child care is not associated with better outcomes on 3<sup>rd</sup> grade reading or math SBA scores compared with non-participants regardless of star level or duration of attendance.

**Average SBA Math Scaled Scores SY11 & SY12 Cohort Adjusted for the Impact of Demographic Factors**



Source: LFC analysis of CTR & PED data

**Average SBA Reading Scaled Scores SY11 & SY12 Cohort Adjusted for the Impact of Demographic Factors**

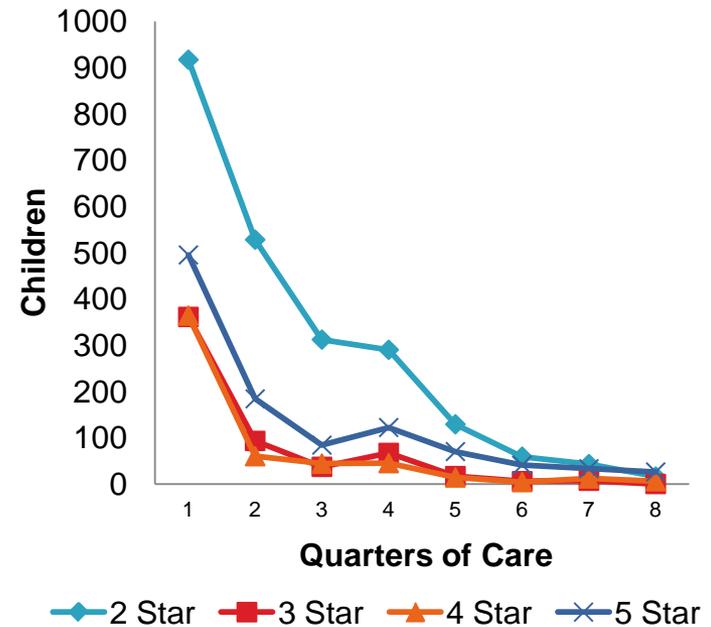


Source: LFC analysis of CYFD & PED data

# Impact of Child Care on Student Achievement: Children Participate in Child Care for Brief Periods of Time

- ▶ Among the identified cohort:
  - Children received roughly 4 quarters of care on average and received few quarters from a consistent star level during the two years prior to kindergarten.
  - Many children dropped out of care after a few months.
  - Consistent toddler-caregiver relationships are essential for optimal child development.

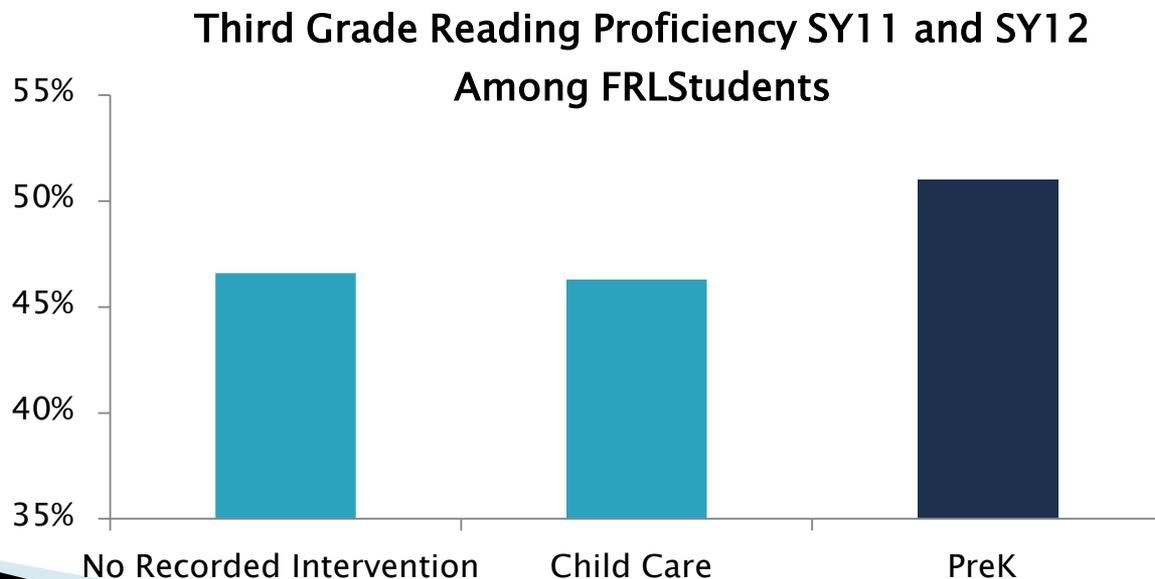
Quarters of Childcare SY11 and SY12 Students Received by Star Level



Source: LFC analysis

# Impact of Child Care on Student Achievement: SBA Proficiency Levels

- ▶ Participating in PreK programs is significantly related to reading and math SBA scores and increases proficiency rates by 4–5 percent.

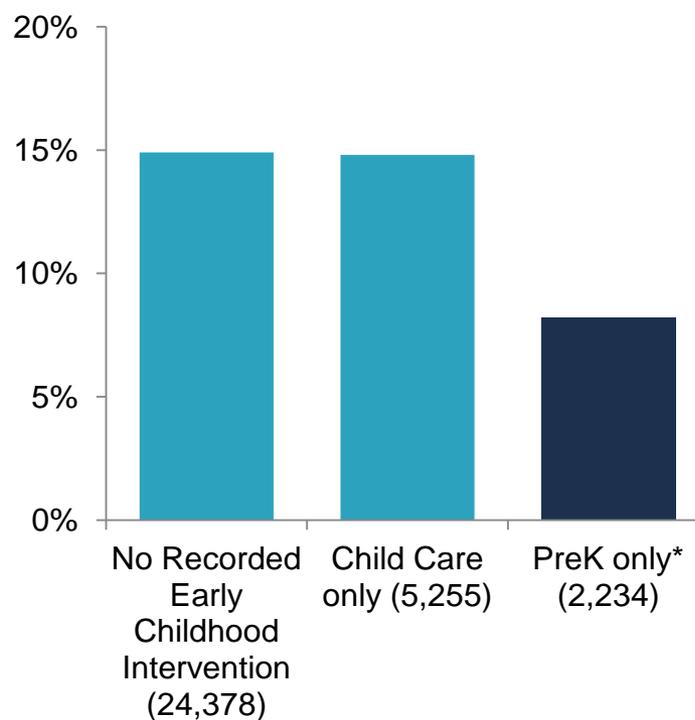


Source: LFC analysis

# Impact of Child Care on Student Achievement: Special Education and Retention

- ▶ Among FRL students:
  - Participating in PreK is associated with a 43 percent reduction in special education participation.
- ▶ Among all students, participating in PreK is associated with an 83 percent reduction in 3<sup>rd</sup> grade retention.

**SPED Participation in Third Grade Among FRL Students**

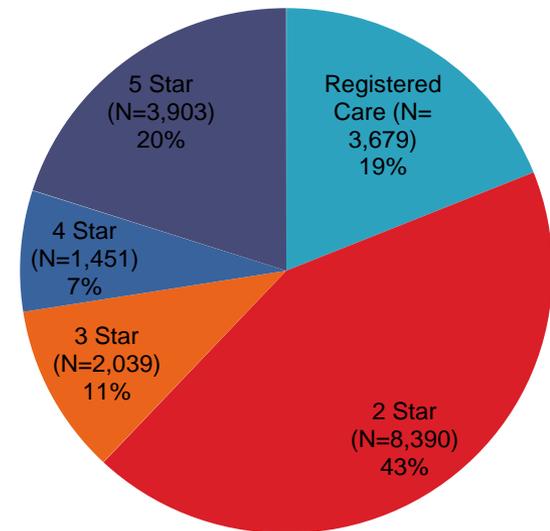


Source: LFC analysis

# Proposed Quality Initiatives

- ▶ The new quality standards in FOCUS reflect significant improvements to old AIM HIGH standards.
- ▶ FOCUS standards approach but do not quite reach PreK standards in categories that likely matter, including demonstration of all early learning guidelines, teacher qualifications, and environmental quality.
- ▶ Most children do not receive care in 5-star settings, where FOCUS standards are most similar to PreK standards.

**Setting of Child Care Assistance Recipients, October 2012**



# Improving Quality: Environmental Quality Rating

- ▶ Validated tools to evaluate classroom quality
  - The Early Childhood Environmental Rating Scale (ECERS)
  - The Classroom Assessment Scoring System (CLASS)
  - Research suggests higher ratings on these tools are associated with improved student outcomes.  
(Zaslow et al, 2009; Sabol et al, 2013, Howes et al, 2008)



# Improving Quality: Environmental Rating Standards

AIM HIGH 5-Star	FOCUS 5-Star	PreK
<p>No ECERS or CLASS evaluation required.</p>	<p>Every other year, programs must show progress that they are implementing an ECERS Program Improvement Plan.</p> <p>The ECERS will be verified in 1/3 of all classrooms. On the opposite year, 1/3 of classrooms will be rated using the CLASS.</p> <p>2-4 Star providers will not be independently evaluated on either scale.</p>	<p>All PreK classrooms must score a 5 on the ECERS.</p>

# Improving Quality: Teacher Qualification Standards

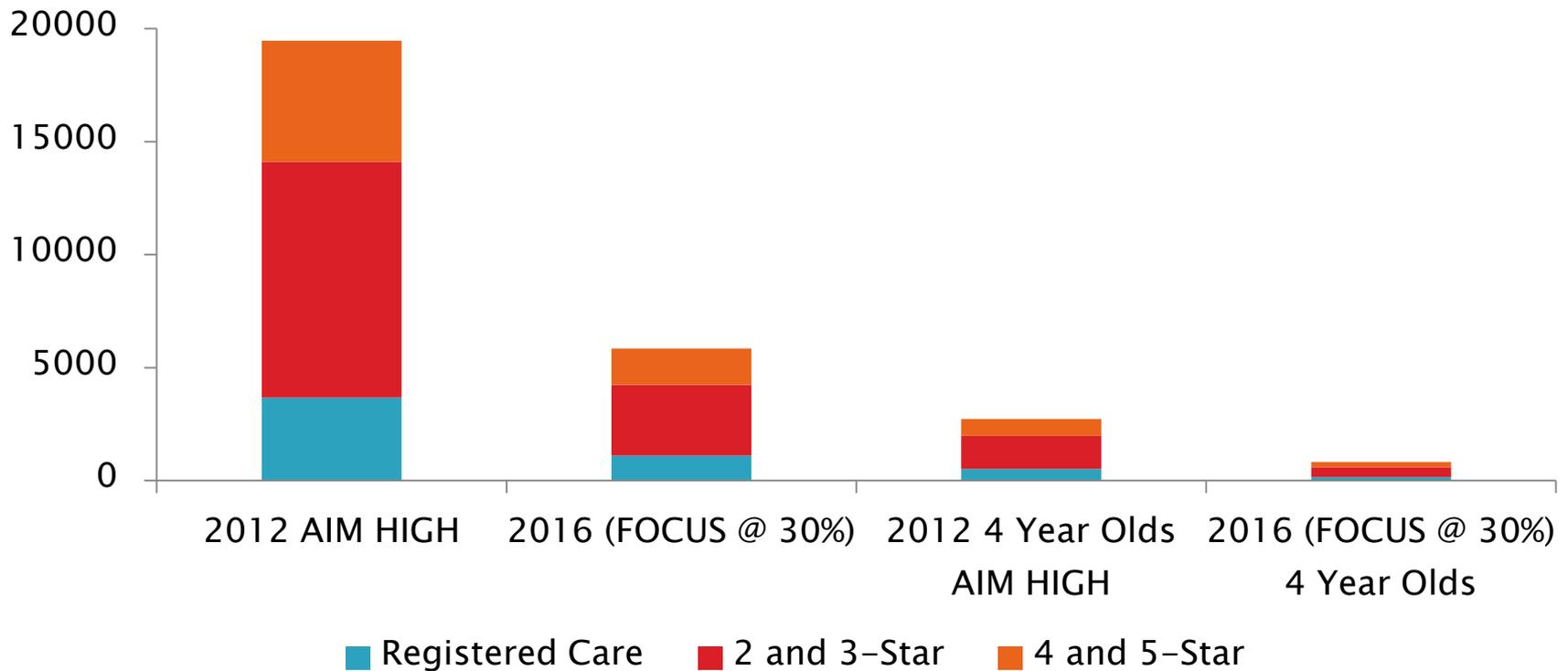
AIM HIGH 5-Star	FOCUS 5-Star	PreK
<p>New staff must have a high school diploma or GED and complete a 45-hour early childhood class.</p>	<p>20 % of all teaching staff must have a New Mexico Child Development Certificate</p> <p>All teaching staff must complete training in the ECERS, CLASS, and an intermediate course on New Mexico's Observation/Assessment and Curriculum Planning Process.</p> <p>The lead teacher in each classroom must complete a 3- semester credit hour early childhood course.</p>	<p>Lead teachers must hold a New Mexico Early Childhood Teacher license.</p> <ol style="list-style-type: none"> <li>1. Pass the Early Childhood NMTA</li> <li>2. Hold a bachelor's degree + early childhood coursework or have 3 years of early childhood work experience</li> </ol>

# Improving Quality: \$37.5 million Race to the Top–Early Learning Challenge (RTT–ELC) grant

- ▶ New Mexico has the opportunity to improve early childhood education through the RTT–ELC grant.
- ▶ The RTT grant phase II application suggests \$28 million in state funds will also be allocated to implement RTT activities.

# Improving Quality: FOCUS, will leave 70 percent of providers in the old system after RTT-ELC grant funding runs out.

Child Care Participation  
2012 AIM HIGH and Projected 2016 FOCUS



# Improving Quality: RTT Opportunities

- ▶ Implement FOCUS more quickly and bring more providers under the FOCUS system by the end of the grant period.
  - Provide incentives for transition to FOCUS
  - Increase validation of classroom quality for 3 and 4 stars and align subsidies with outcomes
  - Implement a pre-validated kindergarten readiness assessment aligned to the Common Core
- ▶ Implement the attendance system as described in the initial application grant.
- ▶ Bring Head Start into the developing data system

# Recommendations (Part 1)

- ▶ The Legislature should consider establishing a framework for high-quality childcare in statute through a child care accountability act.
- ▶ Potential provisions:
  - Establish purpose of child care program
  - Define outcome measures
  - Establish a QRIS with minimum elements including pay for performance in level 3–5 and validated class quality
  - Establish criteria for rate setting
  - Require coordination with Head Start
- ▶ The Legislature should consider providing funding to pilot a high quality wrap-around early childhood education program, such as Educare.

# Head Start

- ▶ The largest public preschool program in New Mexico
  - \$43 million in federal funds for roughly 7 thousand 3 and 4-year-olds
- ▶ 32 providers total, 18 of which are operated by tribal governments
- ▶ 2/3 participants attend part-day or part-week

Table 13. 2012 Non-Tribal Head Start Enrollment

Head Start Provider	Children Enrolled
Youth Development Inc.	1,725
Presbyterian Medical Services	1,159
Mid-West New Mexico Community Action Program	967
Southeast New Mexico Community Action Corporation	965
Las Cruces Public Schools	465
HELP New Mexico Inc.	417
Child and Family Services Inc.	322
New Mexico State University Education Research	316
El Grito, Inc.	218
West Las Vegas Head Start	215
Mora Independent School District	191
Region IX Education Cooperative	140

Source: 2012 ACF HHS PIR Report



# Head Start: Poor coordination with Head Start hampers accountability

- ▶ **A 2012 needs assessment conducted by the New Mexico Head Start Collaboration Office within CYFD suggests little collaboration between Head Start, child care, and PreK**
  - New Mexico lacks oversight
  - The state does not know which students receive Head Start
- ▶ **Unnecessary competition and lack of collaboration exists between Head Start and PreK, potentially crowding out students and programs.**
  - Failed collaboration between PreK and Head Start has resulted in the loss of almost \$1 million in federal Head Start funds and fewer Head Start slots for students.

**Table 14. Rate the extent of your involvement with each of the following service providers/organizations during the past 12 months**

Service Providers/Organizations	(1) No Working	(2) Cooperation	(3) Coordination	(4) Collaboration
A. State agency for child care	36%	29%	21%	14%
B. Child care resource & referral agencies	43%	21%	29%	7%
C. Local childcare programs for full-year, full-day services	43%	21%	21%	14%
D. State or regional policy/planning committees that address child care issues	39%	31%	23%	8%

Source: Soulful Presence

# Head Start: The state lacks information on Head Start's impact on school-readiness and other outcomes

- ▶ The LFC requested Head Start agencies provide lists of students who have participated in Head Start so that these students could be matched to PED data.
- ▶ With the exception of three Head Start providers, most chose not to provide data for several reasons cited in the report.
- ▶ Analysis regarding the impact of Head Start participation on New Mexico could not be included in our report.
- ▶ **As a result, we do not know if Head Start impacts student outcomes in New Mexico.**

Table 18. Head Start Data Collection

Head Starts that Provided Data	Head Starts that Did Not Provide Data
El Grito Head Start Las Cruces Public Schools Region IX Education Cooperative Center	Child and Family Services Inc. of Lea County Dona Ana Head Start Eastern Plains CAA HELP New Mexico MidWest New Mexico CAP Mora/Colfax Head Start Presbyterian Medical Services Southeast New Mexico CAC West Las Vegas School District Youth Development Inc.

Source: LFC

# Head Start:

## New Mexico Head Start Inputs

- ▶ Publicly–available Head Start data shows New Mexico providers falling behind in instructional education requirements.
  - Most New Mexico providers lag behind Head Start standards and national averages for teacher qualifications

**Table 16. Non-Tribal Head Start Teacher Educational Attainment**

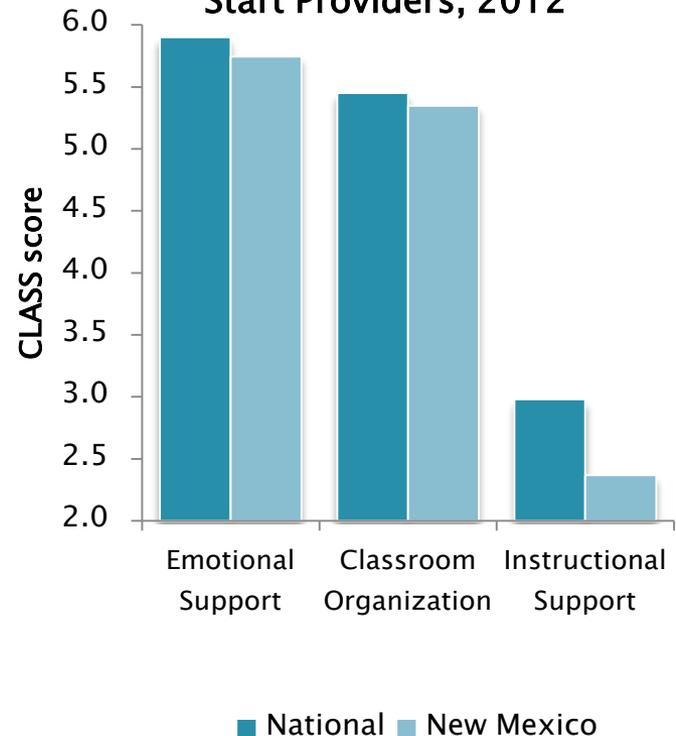
<b>Program Location (<i>Federal Requirement=50%</i>)</b>	<b>Percentage of Head Start classroom teachers with a BA or higher ECE/related</b>
<i>National Level</i>	61.8%
<i>New Mexico</i>	32.0%
Las Cruces Public Schools	100%
Hatch Valley Public Schools	100%
Region IX Head Start	75.0%
West Las Vegas Head Start	60.0%
Mora Independent Schools	44.4%
Youth Development, Inc.	42.9%
El Grito, Inc.	40.0%
Presbyterian Medical Services (PMS)	34.6%
Mid-West New Mexico Community Action Program	26.2%
HELP New Mexico, Inc	16.7%
Eastern Plains C.A.A., Inc.	16.7%
Dona Ana County	11.1%
Child & Family Services, Inc. of Lea County	9.1%
Southeast NM Community Action Corporation	9.1%
Loving Municipal Schools	0.0%

# Head Start:

## Evaluated Head Start programs are lagging on measures of instructional quality

- ▶ The 2007 reauthorization of the Head Start Act included provisions to evaluate Head Start providers using the CLASS.
- ▶ Programs that score below a certain threshold must re-competete for funding.
- ▶ The 3 NM Head Start grantees evaluated so far all scored below the national average on the CLASS.
  - One scored among the bottom 10 percent nationally in the instructional support category.

Chart 23. CLASS Domain Scores National and Three NM Head Start Providers, 2012



Source: US DHHS

# Head Start: Opportunities to Involve Head Start in the State's EC System

- ▶ All non-tribal Head Start providers receive state funds for other programs
- ▶ Almost all are licensed by CYFD.
- ▶ Use these mechanisms as opportunities to bring Head Start providers into the state's developing early childhood systems

Table 15. Non-Tribal Early Childhood Providers

	Head Start and/or Early Head Start	CYFD PreK	PED PreK	Child Care
Las Cruces Public Schools	X		X	
Hatch Valley Public Schools	X		X	
HELP - New Mexico, Inc.	X	X		X
Doña Ana County/NMSU Head Start	X	X		X
Presbyterian Medical Services	X	X		X
Region IX Head Start	X			X
Youth Development, Inc.	X	X		X
Child & Family Services, Inc. of Lea County	X			X
Mora Independent Schools	X		X	
Southeast NM Community Action Corporation	X			X
Eastern Plains Community Action Association, Inc.	X	X		X
Mid-West New Mexico Community Action Program	X			X
El Grito, Inc.	X			X
West Las Vegas Public Schools	X		X	
City of Albuquerque	X	X		X

Source: LFC analysis

37 percent (\$2.4 million) of CYFD's \$6.6 million for state PreK in FY12 was awarded to Head Start and Early Head Start providers. Of the 35 PreK providers funded by CYFD in FY12, six agencies (17 percent) also provide Head Start or Early Head Start services.

# Recommendations

- ▶ The Legislature should consider asking the New Mexico congressional delegation to support the federal government providing Head Start grants to the state for administration.
- ▶ Establish requirements in statute to improve Head Start through an accountability act.
  - Licensing requirements, data sharing, reporting of outcomes to the Legislature and the public, coordination with PreK and child care.
- ▶ Accelerate the evaluation of Head Start quality.
- ▶ RTT–ELC agencies should establish data sharing requirements with Head Start agencies by December 2013 to begin collecting data on participation, including historical participation to facilitate baseline performance calculations.

# Recommendations

- ▶ New Mexico should consider examples of better integrated Head Start and state early childhood systems.



## Educare

Educare is a state-of-the-art school open all day and year-round serving at-risk children from birth to five years old. Educare Schools provide high-quality instruction and stimulating learning environments to help students arrive at kindergarten ready to learn at the level of the average five-year-old in the U.S.

**Is it Working?** Yes. Data from 12 Educare Schools (Central Maine, Chicago, Denver, Kansas City, Miami, Milwaukee, Oklahoma City, Omaha at Indian Hill, Omaha at Kellom, Seattle, Tulsa at Hawthorne, and Tulsa at Kendall Whittier) are demonstrating results in preparing at-risk children from birth to five for later academic achievement. Evaluation data show that more years of Educare attendance are associated with better school readiness and vocabulary skills.

**-UNC FPG Educare Implementation Study Findings**

## Early Childhood Collaboration Models

**Stacking-** PreK and federal Head Start programs are stacked together to provide 9 hours of early care for children. Children may participate in PreK in the morning and Head Start in the afternoon (or vice versa). Each program may be staffed by the same or different teachers, but both services are provided in the same location, enabling a full day of care.

**Wrap-Around Model-** involves more than one program working together to provide both core and either before-or-after school services, or both. Often, PreK program or Head Start provider operates in a childcare center for part of the day, and the childcare program provides child care before and/ or after. This kind of model compliments combinations of PreK, Head Start, and child care.

**Braiding-** refers to using multiple funding streams to support a single early childhood program, expanding services. For example, state PreK may fund additional Head Start slots so that additional children may receive comprehensive early childhood services.

# Conclusions

- ▶ We have made progress to date, but challenges in improving student readiness are ever present
- ▶ The purpose of child care is shifting to quality improvement and this report provides a good baseline for future measurement
- ▶ We have good opportunities to improve quality in child care
- ▶ We need to better collaborate and coordinate with Head Start, and quality improvement efforts could provide opportunities to do this