

Infant and Toddler Care and Education in Milwaukee 2012



Interviews with High-Quality Infant and Toddler Programs



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Introduction

The YoungStar quality rating and improvement system is being rolled out, bringing greater focus to the quality of services for children from low-income families supported by Wisconsin Shares child care subsidies. The Herzfeld Foundation funded the Wisconsin Council on Children and Families to analyze infant/toddler care and education in Milwaukee, investigating the extent to which Milwaukee infants and toddlers are being served by high-quality programs, particularly those from disadvantaged backgrounds.

This Milwaukee report examines infant and toddler services in two sections:

- A. Early Head Start in Milwaukee:** A description of two programs with high standards serving infants and toddlers
- B. Milwaukee Children in YoungStar-Rated Child Care:** An analysis of Milwaukee infants and toddlers in child care settings participating in the Wisconsin Shares child care subsidy program and a breakout of YoungStar quality ratings
- C. Interviews:** Results from discussions with high-quality infant and toddler programs.

Definition of Infants and Toddlers

The term “infants and toddlers” is typically defined as children under age 3, with infants under age 1 year, and toddlers 12 to 36 months old; however, the definition of infants and toddlers is sometimes children under age 2 or 2 1/2 rather than under age 3. In this report, the Early Head Start program defines infants and toddlers as under age 3, but data from Wisconsin Shares is for children under age 2.

A. Early Head Start in Milwaukee

1. What is Early Head Start?

Early Head Start (EHS) is a federally funded program for low-income families with infants and toddlers (under age 3), pregnant women, and their families, with a mission to:

- promote healthy prenatal outcomes for pregnant women,
- enhance the development of very young children, and
- promote healthy family functioning.

EHS has high quality standards that guide the programs across the country. Grantees are required to provide child development services, build family and community partnerships, and support staff to provide high-quality services for children and families. Early Head Start programs may select from a variety of approaches to enhance child development directly and to support child development through parenting and/or family development services. Early Head Start programs can be center-based, home-based, or a combination of center- and home-based.

2. Milwaukee Early Head Start Programs Serve 344 Children Under Age 3

Milwaukee has two Early Head Start programs: The Educare Center of Milwaukee, operated by the Next Door Foundation, and the Guadalupe Center, operated by the Council for Spanish Speaking, Inc. Significant funding for both programs come from Early Head Start Expansion Grants awarded through the American Recovery and Reinvestment Act of 2009 (ARRA), which helped Next Door Foundation expand its EHS program and funded the creation of the Council for Spanish Speaking's EHS program

Educare Center of Milwaukee: 266 children served

The Educare Early Head Start program serves a total of 266 infants and toddlers, with 148 in a home-based program, 102 at the Educare Center of Milwaukee, and 16 at Jo's Daycare Academy. Most of the children at Educare are funded through federal funding, but 54 are funded through the state supplement to Head Start and Early Head Start.

Educare is part of a coast-to-coast network of 15 state-of-the-art, full-day, year-round schools. The first Educare center opened in 2000 in Chicago. Through a partnership with the Buffet Early Childhood Fund, the Educare Center of Milwaukee opened in 2005, and was the third Educare center in the country. Research shows that children who experience Educare for a full five years arrive at school performing on par with average kindergarteners, regardless of their socio-economic standing. Of the 266 children served, 48 also have funding from the Wisconsin Shares child care subsidy program to cover full-day services.

Guadalupe Center: 78 children served

Guadalupe Center serves 78 infants and toddlers, with 54 of them in a home-based program and 24 in a center-based option through collaboration with the Child Development Center of St. Joseph. Wisconsin Shares helps to fund full-day services at the center-based program. Guadalupe Center has a history going back to the beginning of Head Start in 1965, housing the first federally funded bilingual Head Start in Milwaukee, and one of the first in the nation.

3. Less Than 3% of Eligible Children Are Served by Early Head Start in Milwaukee

We estimate that less than 3% of eligible infants and toddlers are being served by Early Head Start, with an estimated 13,419 children eligible, and only 344 children served.

Calculation: Milwaukee Children Eligible for Early Head Start

- ***Children under age 3 (36 months) in Milwaukee in poverty are likely to be eligible for Early Head Start.***
- ***According to 2011 data (http://wccf.org/pdf/county_snapshot_milwaukee_update-10-2012.pdf) 70,777 children are under age 5 in Milwaukee county***
- ***31.6% of Milwaukee county children are in poverty***
- ***Multiply 70,777 by .6 to estimate the number of children under 3 in Milwaukee = 42,466 (assuming that each age group is generally even in numbers of children)***
- ***Multiply 42,466 by the poverty rate (.316) = 13,419***

B. Milwaukee Children in YoungStar-Rated Child Care

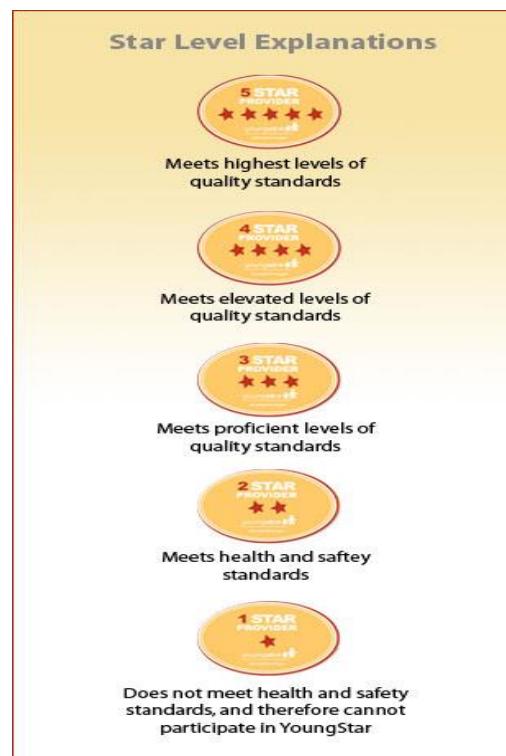
Child care background: YoungStar, Wisconsin Shares, and regulation

Over 2,700 Milwaukee children **under age 2** receive child care services assisted by the Wisconsin Shares child care subsidy program. The recently implemented YoungStar program has been rating child care quality on a 5-star scale. Programs receiving funding from Wisconsin Shares are required to participate in YoungStar, and most of those child care programs have been rated in Milwaukee County. This rating system provides the most extensive data we have ever had in Wisconsin to assess the quality of child care services.

Wisconsin Shares is a program to help working low-income families afford regulated child care. Child care support was a cornerstone of the Wisconsin Works (W-2) welfare reform implemented in 1997. Wisconsin Shares has grown dramatically since then, with annual federal and state allocations totaling \$300 million in the 2011-13 biennial budget. Wisconsin Shares payments in Milwaukee in September 2012 exceeded \$10 million, over half the statewide total.

In recent years policy-makers have wanted to leverage that child care funding to improve quality, driven by the desire to get value for the investment in children's development and school readiness and by concerns of child care fraud that was identified in recent years, particularly in Milwaukee. YoungStar was established to establish quality levels and scale payments based on quality ratings, as well as a mechanism to inform child care consumers and improve the early learning and development elements of child care programs.

The YoungStar program rates child care quality on a 5-Star scale:



The ratings are based on parallel but different quality indicators to determine ratings for group child care providers and family child care providers. YoungStar evaluates the quality of care given by regulated child care providers and rates them from 1 to 5 stars, with 5 stars being the highest rating, similar to ratings for hotels, restaurants, etc.

A provider's star rating is based on four categories:

- Education Qualifications and Training;
- Learning Environment and Curriculum;
- Professional and Business Practices; and
- Child Health and Well-Being Practices.

One-star programs are not eligible to receive Wisconsin Shares payments. Two-star programs meet the licensing and certification regulatory standards discussed below. Until 2011 child care providers participating in Wisconsin Shares were required to meet only regulatory standards. YoungStar has established three levels above basic regulatory compliance to differentiate the overall quality of programs. Since this a very new requirement, it will likely take time for programs to move above the two-star level.

The Department of Children and Families (DCF) provided data as of September 2012 on all of the child care programs in Milwaukee County serving children and toddlers participating in YoungStar and participating in the Wisconsin Shares child care subsidy program. (Note that the age frame is under age 2, *not* under age 3 for this data). While the data provided does not cover all child care programs in Milwaukee, it covers a large percentage of Milwaukee's regulated supply.



In exploring the quality of Milwaukee child care programs serving children under age 2, this analysis focuses on child care programs participating in Wisconsin Shares and the YoungStar program *and* serving infants and toddlers. In order to explore the range of quality child care services, it is helpful to differentiate between three different types of regulated child care programs:

- **Licensed group child care centers:** These centers are licensed to serve nine or more children (sometimes serving as many as 200 or more) and must meet a rigorous set of rules and requirements related to health, safety, and program, and personnel. Licensed centers are eligible to receive Wisconsin Shares child care subsidies.
- **Licensed family child care centers:** These programs are licensed to serve four to eight children and are typically in the provider's home. They must meet rigorous standards similar to group child care centers, but adapted for a smaller setting. Licensed family child care programs are eligible to receive Wisconsin Shares child care subsidies.
- **Certified family child care centers:** A certified provider can serve less than four children under age 7 unrelated to them (the threshold for family child care licensing) but can serve as many as six children if some are related or older than 6 years old. They are not required to be licensed under state law, but must meet regulatory standards considerably less stringent than the licensing rules. Certification allows small family child care providers to receive Wisconsin Shares funding.

YoungStar ratings of child care programs serving infants and toddlers

Overall analysis: As of September 2010, 673 child care programs in Milwaukee County receiving Wisconsin Shares funding serve 3,211 children under age 2. Many assume that most infants and toddlers are likely to be served in family child care settings, but the data show that 75% are served by licensed group child care centers. Overall, 60% of the infants and toddlers are in programs rated 2 stars, and 40% are in programs rated 3- to 5-stars.

Table 1 shows the overall breakout of the YoungStar ratings of Milwaukee County child care programs that serve infants and receive Wisconsin Shares subsidies. (Note that 1-star programs cannot receive Wisconsin Shares funding.) As of September 2012, **69.5%** of child care programs serving infants and toddlers **were rated 2 stars**, with **30.5% rated 3 to 5 stars**. Only 1% are rated 4 stars, and 7% are rated 5 stars.

Table 1 Milwaukee Child Care Programs by YoungStar Rating Serving Children Under Age 2 Participating in WI shares Based on WI Shares data September 2012		
Provider Rating	Number of Programs	Percent of Programs by Rating
5 stars	40	7.0%
4 stars	6	1.0%
3 stars	129	22.5%
2 stars	398	69.5%
TOTAL	573	100%

Breakout by program type

An analysis of Milwaukee child care programs receiving Wisconsin Shares subsidy funding *and* serving infants and toddlers, broken out by the three regulatory types, shows that group child care centers were rated much higher under YoungStar than the family child care programs:

Table 2 Programs Serving Children under Age 2 Rated 3-5 Stars September 2012	
Type of program serving children under age 2	Percent Rated as 3-5 Stars
Licensed group child care centers	43.5%
Licensed family child care programs	20.9%
Certified family child care programs	3.5%

Below are three tables showing the distribution of programs by YoungStar ratings and the number of children served at star levels 2-5.

1. Licensed Group Child Care Centers

43.5% of licensed group child care centers serving infants and toddlers were rated 3-5 stars under YoungStar (see Table 2).

Table 3 Licensed Group Child Care Centers Serving Children Under Age 2 Participating in Wisconsin Shares in Milwaukee Distribution by YoungStar Level as of September 2012				
YoungStar Level	# programs by YoungStar rating	% of programs by YoungStar rating	# children under age 2 by YoungStar rating	% of children under age 2 by YoungStar Rating
5 stars	35	14.6%	383	15.8%
4 stars	3	1.3%	21	0.9%
3 stars	66	27.6%	734	30.4%
2 stars	135	56.5%	1279	52.9%
Sub total	239	100%	2417	100%

Note: 40 licensed group child care centers serving 334 children under age 2 had not been rated as of September 2012

Table 1 shows that 239 rated licensed group child care programs served 2,417 infants and toddlers as of September 2012. Over 43% of the centers are rated as 3- to 5-stars, while 47% of infants and toddlers were in 3- to 5-star programs. The 35 highest rated programs with 5-star ratings served 383 infants and toddlers; of those, most were awarded 5 stars by achieving private accreditation from the National Association for the Education of Young Children.

2. Licensed Family Child Care Centers

20.9 % of licensed family child care programs serving infants and toddlers were rated 3-5 stars under YoungStar (see Table 3).

Table 4: Licensed Family Child Care Centers Serving Children Under Age 2 Participating in Wisconsin Shares in Milwaukee Distribution by YoungStar Level as of September 2012				
YoungStar Level	# programs by YoungStar rating	% of programs by YoungStar rating	# children under age 2 by YoungStar rating	% of children under age 2 by YoungStar Rating
5 stars	5	1.6%	11	1.8%
4 stars	3	0.9%	6	1.0%
3 stars	59	18.4%	119	19.6%
2 stars	253	79.1%	471	77.6%
Sub total	320	100%	607	100%

3. Certified Family Child Care Providers

3.5% of certified family child care providers serving infants and toddlers were rated 3-5 stars under YoungStar (see Table 4).

Table 5
Certified Family Child Care Providers Serving Children Under Age 2
Participating in Wisconsin Shares in Milwaukee
Distribution by YoungStar Levels as of September 2012

YoungStar Level	# programs by YoungStar rating	% of programs by YoungStar rating	# children under age 2 by YoungStar rating	% of children under age 2 by YoungStar Rating
5 stars	0	0.0%	0	0.0%
4 stars	0	0.0%	0	0.0%
3 stars	4	3.5%	6	3.2%
2 stars	110	96.5%	181	96.8%
Sub total	114	100%	187	100%

Potential of 3-star centers moving to 4-star level

An analysis of 3-star rated centers showed potential for them to move to a 4-star rating. The 66 licensed group child care centers serving infants and toddlers under YoungStar had earned 16.4 points on average, about 70% of the way to the 23 points needed for a 4-star rating. YoungStar points earned declined slightly depending on how many children under age 2 they served:

- Programs served 8 or less children under 2 averaged: 17.2 points
- Programs serving 9-14 children under 2 averaged: 16.2 points
- Programs serving 15 or more under 2 averaged: 15.6 points

It is not clear why the points earned declined based on the number of infants/toddlers served. It may have to do with the cost of serving a large number of very young children in a program, with higher staff-child ratios.

Child care programs with highest enrollment of infants and toddlers

Based on September 2012 information from the Wisconsin Shares child care subsidy data warehouse, we have developed a list of 15 child care programs with YoungStar ratings of 4-star or 5-star, in order of the number of infants and toddlers they serve (see Table 5).

Table 6
4- and 5-Star Child Care Programs Serving 15 or More Infants and Toddlers
Data based on Milwaukee County programs participating in Wisconsin Shares
September 2012

Program Name	Children under age 2 served	YoungStar Rating	Address
Child Development Center- St. Joseph	26	5 stars	1600 W. Oklahoma Ave. Milwaukee, WI 53215
COA Child Care Center	22	5 stars	909 E. Garfield Ave. Milwaukee, WI 53212
Kindercare Learning Centers- N 76th St.	21	5 stars	6835 N. 76 th St. Milwaukee, WI 53223
YMCA Child Care North Side Center	21	5 stars	1350 W. North Ave. Milwaukee, WI 53205
Ebenezer Child Care Center St. Paul	19	5 stars	340 W. St. Paul Ave Milwaukee, WI 53215
Ebenezer Child Care Center S. 29th St.	19	5 stars	1496 S. 29 th St. Milwaukee, WI 53215
Kindercare Learning Centers-S. 108th St.	18	5 stars	3370 S. 108 th St. Greenfield, WI 53227
Glendale Heights	17	5 stars	2315 W. Good Hope Rd Glendale, WI 53209
Kindercare Learning Ctrs-Forest Home	17	5 stars	8650 W. Forest Home Ave Greenfield, WI 53228
Kindercare Learning Ctrs- Whitnall	17	5 stars	4692 Whitnall Ave, St. Francis, WI 53235
Tendercare Child Care Center	16	4 stars	5229 W. Capitol Dr. Milwaukee, WI 53216
YMCA Child Care Cudahy Center	15	5 stars	9050 N. Swan Rd. Milwaukee, WI 53224

C. Interviews with High-Quality Infant and Toddler Programs

We interviewed six directors of 5-star programs under YoungStar. All of the directors seemed proud of their programs, and emphasized the excellence of their staff. They were pleased to have their successes recognized.

Most of those interviewed directed nonprofit programs that are part of larger organizations that provide funding for multiple sites. They indicated that the economies of scale and dedicated fiscal administrators are keys to their ability to provide quality services to low-income families. They indicated that most families they serve could not afford private pay rates that would actually cover the full cost of quality infant-toddler care. Infant-toddler care is especially expensive, with Milwaukee market rates well over \$200 per week. Wisconsin was ranked as the 10th least affordable states for infant care in 2011 in a study by the National Association of Child Care Resource and Referral Agencies, with an average cost of \$10,775 per year for full-time infant care.

Several directors expressed dismay at the decline over the past few years in the numbers of Wisconsin Shares clients they are serving. The center directors we interviewed indicated that they enroll from 40% to 95% Wisconsin Shares-funded children in their programs. Collecting parent co-pays is a challenge for the centers, as is



the widening gap between the reimbursement rate and the private pay rate. One director called the funds to fill this gap “magic money.” She talked about how those funds are harder and harder to come by through fund-raising. Most of these high-quality centers have some kind of scholarship program that is used to cover the unpaid costs of serving WI Shares clients.

In terms of co-pays, several directors said that “every family pays something,” and that they have fairly strict compliance policies. One center has a rule that the parents pay the co-

pay every Monday or they can’t bring their kids. Others use payment plans or have cut-off amounts.

All six of the directors interviewed were at 5-star sites that either had accreditation from National Association for the Education of Young Children (NAEYC) or from the National Accreditation Commission (NAC). At least one of them had ratios for infants that were even better than required for licensing, in this case a ratio of 1:3 as opposed to 1:4. They also mentioned that many of the teachers have four-year degrees and that staff turnover is generally low.

Here are comments that came up in our conversations:

- Unfortunately, even with the YoungStar rating system, most parents are still choosing child care based on pricing and convenience, not quality.
- My center is losing kids to Milwaukee Public Schools 3K and 4K programs that we had as infants and toddlers. Parents don’t realize that the quality and ratios are not the same.
- YoungStar should offer more free trainings for child care staff.
- I like the 25% bonus for five-star centers, but I object to the fact that the money comes from punishing two-star centers with a 5% cut.

Summary

Milwaukee has many high-quality early care and education programs serving infants and toddlers, but the vast majority of children are in settings that are not considered high-quality early learning and development programs, based on YoungStar standards of quality. High quality infant/toddler programs rely on economies of scale and fund-raising to maintain high quality and retain qualified staff. Due to the high cost of infant-toddler care, the challenge to develop and sustain high quality child care services is substantial.