A Roadmap to Modernize Indiana's Early Learning System

Indiana made some significant strides in 2023 to reform the early child care and education system. Last year's recommendations are well underway, and the work will continue to progress by way of the multi-year plan. The Early Learning Advisory Committee (ELAC) will continue this multi-year strategy focused on cross-agency and inter-branch collaborations to disrupt longstanding practices. The anticipated return on investment is an early learning system that supports these two public policy goals:

1. Ensuring Hoosier children – especially vulnerable children – have access to early learning opportunities capable of preparing them with the foundational skills needed to thrive in kindergarten and beyond.

2. Ensuring Hoosier families have convenient access to reliable and effective early learning opportunities that facilitate participation in the labor force.

ELAC will continue its work around this roadmap in 2024 and 2025 to address the four over-arching priorities:

1. **Improve learning and kindergarten readiness**
2. **Increase the supply and sustainability of high-quality providers**
3. **Increase affordability for families, particularly vulnerable families**
4. **Improve and increase system capacity**

While a primary owner has been identified for each strategy below, ELAC will work with its two institutional members, FSSA's Office of Early Childhood and Out of School Learning (OECOSL) and IDOE's Office of Kindergarten Readiness (OKR), to coordinate efforts. Together, these three entities will ensure continued alignment and transparency of progress on each of these stated priorities.

Priority 1: Improve Learning and Kindergarten Readiness

Strategy	Owner	Timing	Legislative Action	Funding Source
Define kindergarten readiness and refresh early learning standards to align to this definition.	OKR	Complete	N	State
Build and deploy an assessment system that effectively measures all domains of early learning across the birth-to-five system.	OKR	2023/24 - On-time	N	CCDBG
Update Paths to QUALITY to incorporate objective measures of quality drawn from the assessment system and to reflect current understanding of quality practices. Incentivize increased workforce compensation, lower adult-child staffing ratios, ECCE/K-12 system coordination, and job-embedded training and professional development. Promote accountability, transparency and ease of use.	OECOSL	2023/24 - On-time	Y	CCDBG
Following the update, require Paths to QUALITY participation for all providers receiving public funding and continue tiered reimbursement based on rating levels.	ELAC	2025	Y	N/A
Design and implement a strategy to strengthen kindergarten readiness across the full provider spectrum by incentivizing evidence-based curriculum usage and advanced professional development aligned to readiness standards.	OKR	2023/4 - On-time	N	CCDBG
Adopt or develop data systems and technology to enable improved data analytics across the birth to school continuum and more effective evaluation to support improved kindergarten readiness.	OKR	2024/25	N	CCDBG & State

Priority 2: Increase the Supply and Sustainability of High-Quality Providers

Strategy	Owner	Timing	Legislative Action	Funding Source
Physical and Workforce Capacity. Increase reimbursement rates, based on costs of delivering high-quality care, to improve provider sustainability.	OECOSL	Complete	N	ARPA, CCDBG
Physical Capacity. Encourage and reward operational efficiency and scale for high-quality providers (e.g. by removing the expansion penalty requiring growing providers to be reimbursed as if new provider).	OECOSL	Complete	N	CCDBG
Physical Capacity. Create a streamlined path to enable accredited local education agencies to qualify on Paths to QUALITY in order to accept On My Way vouchers for pre-kindergarten services.	OECOSL	2024	Y	State
Physical Capacity. Enable new models of care to meet demand, especially in hard-to-serve areas (e.g. employer and school-based microsites, family childcare home collaboratives, etc.). Follow/coordinate with statutory/regulatory changes below.	OECOSL	2024/25	Y	CCDBG
Physical Capacity. To the extent of available funding, target financial incentives to grow capacity for high-need areas and populations.	IEDC, OECOSL	Complete	N	ARPA, State
Workforce Capacity. Design and implement a strategy to encourage new workforce training models (competency-based credentials and pathways, including career technical education in high-school) for career entry and advancement, leveraging portable and stackable credentials, apprenticeships and regional sector-based job-embedded training).	ELAC	2024/25	N	PDG, ARPA
Workforce Capacity. Increase scholarship supports for early childhood workers to participate in training and education programs that allow them to advance and increase compensation.	OECOSL	2022-24 On-time	N	PDG, ARPA
Workforce Capacity. To the extent of available funding, use matching workforce funds or other incentives to support recruitment and competitive compensation and working conditions for effective early learning educators.	OECOSL	2023/24	N	ARPA

Priority 3: Increase Affordability for (Particularly Vulnerable) Families

Strategy	Owner	Timing	Legislative Action	Funding Source
Expand income eligibility for Child Care and Development Fund vouchers (even temporarily) to facilitate access to high-quality early learning services and enable workforce participation. Mirroring the Build, Learn, Grow scholarship approach, implement a transparent graduated scale for co-payments to minimize funding cliffs while expanding access.	OECOSL	Complete	N	ARPA, CCDBG
Expand income eligibility and remove work requirement for On My Way Pre-K, in recognition of the program's educational purpose. Align to K-12 voucher processes when possible for ease of administration.	OECOSL	2024 Partially Complete	Y	State
Improve business sector support through technical assistance and tax credits to employers who improve employee access to or participation in high-quality early learning. Consider national models of shared responsibility among employer, employee, and the public sector.	OECOSL	Complete-expanding	Y	ARPA, State

Priority 4: Improve and Increase System Capacity

Strategy	Owner	Timing	Legislative Action	Funding Source
Overall System. Be vigilant about focusing exclusively on system-level improvements that can only be carried out by government, avoiding the temptation to devote human and financial capital to programmatic changes that may be necessary, but could be implemented by others.	All	2022/24 - On-Time	N	N/A
Licensing. Enable blanket waivers in place of frequent variances, especially related to staffing capacity (e.g. the 21-year-old rule).	OECOSL	2024	N	N/A
Licensing. Modernize the statutory and regulatory environment, in tandem, to: 1. Seek simplicity, coherence and alignment to goals; 2. Solve safety, quality, access and similar barriers to desired results; 3. Recognize and eliminate areas of undue burdens (documentation, restrictions, processes); 4. Reconcile requirements across different provider types to eliminate inequities and reduce barriers to access; and 5. Enable waivers to regulations impeding providers' effectiveness and sustainability.	OECOSL	2022/24 - On-time	Y	PDG
Licensing. Update licensing systems to increase automation and streamline reporting, especially associated with staff compliance measures	OECOSL	2024	N	CCDBG
Licensing. Refine licensing compliance with efficient and abbreviated inspections focused on key indicators, using risk-based approach to corrections	OECOSL	2024	N	N/A
Eligibility Systems. Evaluate structures and processes for determining eligibility and establish user-centered systems and approaches that improve service and build equity. Institute common eligibility with other supportive programs (Medicaid, TANF, etc.).	OECOSL	2024/25	N	PDG
Eligibility System. Establish targets for percentage of subsidies allocated through providers qualifying under "agreement center" contracts. Enable these providers to determine eligibility, so that families can have a one-stop shop. Adopt robust auditing process to avoid fraud.	OECOSL	2024	N	ARPA