Indiana Early Learning Advisory Committee

Indiana Government Center South
402 W Washington St.
Indianapolis, IN

December 20, 2023
9:00 AM

Meeting Agenda

- Call to Order
- Approval of Agenda & November Minutes
- Chair's Report
- Director's Report
  - Review Paths To Quality ™ Recommendations
  - Discussion/Vote
- Workforce Subcommittee
  - Review need/charge
  - Discussion/Vote
- Federal Relief Spending Update
- Public Comment
- Adjournment

Indiana Early Learning Advisory Committee

Approval of Agenda & September Minutes

Chair's Report

Maureen Weber
ELAC Chairwoman

Director's Report

HEA 1591
Paths to Quality™ Recommendations

Courtney Hott
ELAC Director

Background

The Opportunity

- In 2022, Indiana adopted two distinct, but related, policy objectives for its early learning system:
  - Ensuring that Hoosier children—especially vulnerable children—have access to early learning opportunities capable of preparing them with the foundational skills required to thrive in kindergarten and beyond.
  - Ensuring that Hoosier families have convenient access to reliable and effective early learning opportunities that facilitate participation in the labor force.

- To achieve the first objective, early learning programs must build upon the foundational health and safety standards of childcare licensing to provide early learning experiences that harness the extraordinary potential of the early years to strengthen kindergarten readiness.

- To achieve the second objective, Indiana must expand access to early care and education, even as its early learning programs work to continuously improve the quality of those services.

Roadmap Alignment

- In 2022, Indiana's Early Learning Advisory Committee established a set of priorities for the early care and education system, including, in part, to "Update Paths to QUALITY™ to incorporate objective measures of quality drawn from the [newly-developed birth-to-five] assessment system and to reflect current understanding of quality practices."
  - Following the update, the ELAC further recommended to "require Paths to QUALITY™ participation for all providers receiving public funding and continue tiered reimbursement based on rating levels."

A Primer: Quality Rating and Improvement Systems

- Quality rating and improvement systems are one lever that states have to encourage independent child care programs to **support families' needs** and the **state's policy aims**.

- Required for states receiving funding from the federal Child Care and Development Block Grant, a quality rating and improvement system creates **a framework to assess** the quality of care within a program, **to support improvement** in the resulting quality level, and **to inform families** as they choose a child care solution.

- Paths to QUALTY™, **Indiana's quality rating and improvement system**, launched statewide in 2008 as a voluntary system for quality improvement. It hasn't been materially updated since its launch.

Why Modernize Paths to QUALITY™?

The introduction of Paths to QUALITY™ was instrumental in fostering an appreciation for high-quality early learning practices. Indiana now has an opportunity to learn from more than a decade of experience in order to streamline requirements and concentrate scarce resources on the indicators that matter most for children.

1. Create a less cumbersome program that focuses on characteristics that **matter most** for child outcomes.
2. Provide more transparent data **within indicators**, making targeted technical assistance and professional development more accessible.
3. Acknowledge the **significant variation** that exists from classroom to classroom within programs.
4. Ensure **balance of supports and incentives** to both promote and reward quality improvement and sustainment

Current Paths to QUALITY™ Requirements for Child Care Centers

Level 1	Level 2*	Level 3*	Level 4
• Licensed and in good standing	• Meets Level 1 requirements • Meets requirements for Level 1 and 2 • Meets all requirements for Levels 1, 2 and 3 • Is accredited by an approved body • Director volunteers to informally mentor other programs		

Classroom is arranged and utilizes enough materials and activities to provide a variety of age and developmentally-appropriate interest centers that invite children's exploration. Each interest center must contain at least 3 different items. Interest centers must include:

1. Reading: Materials might include books, soft washable seating/pillows for use while reading
2. Writing: Materials might include writing tools, paper, envelopes, typewriter, letters, and numbers
3. Art: Materials might include drawing materials (crayons, markers, thick pencils, variety of paper, sizes and types, not coloring books or dittos/worksheets), painting materials, tools (scissors, hole punch, tape), staplers for school-age children, three-dimensional materials (play dough, clay with tools), collage materials (catalogs, magazines, paper scraps, fabric pieces, string, yarn, cotton balls, pipe cleaners, craft sticks)
4. Blocks: Materials might include different size/types of blocks and accessories such as small people, animals, vehicles, road signs, and materials to enhance building, sticks, stones, tape, string, craft sticks, interlocking blocks
5. Dramatic Play: Materials might include dress-up clothes, such as work boots, high heels, and a variety of hats, career gear/attire/uniforms, purses, billfolds and multicultural outfits. Other items would also include large pieces of fabric/scarves, child-size play furniture, dishes, pots, pans, dolls (multicultural dolls included), dollhouse or other play-sets, accessories for dolls, and "props" for different themes
6. Math/Numbers: Materials might include small objects to count/sort/classify, measuring tools (scales, rulers), numbers/shapes, number games, puzzles and pattern blocks
7. Music and Movement: Materials might include audio equipment, variety of tapes/CDs, and music boxes, musical toys, instruments, dance props such as scarves/streamers
8. Nature and Science: Collections of natural items (shells, rocks, flowers, bugs), living plants, pets to care for, science games, toys, magnets, magnifying glasses, cooking opportunities
9. Sensory Play: Materials might include water, play dough, sand, or similar materials, along with kitchen utensils, measuring containers, shovel, trough, buckets, small cars and trucks and water-play accessories for pouring, measuring, squeezing, and basting
10. Small Motor/Manipulative: Materials might include blocks, puzzles, crayons, pencils, scissors, interlocking blocks and other small building toys, pegboard and pegs, games, counting materials, sorting or classifying materials and containers

…aren't

…met, including, for example, durable books with short stories about common daily activities

HEA 1591 Charge

(11) Not later than December 31, 2023, develop recommendations for implementing a revised paths to QUALITY program that:

(A) maintains health and safety standards;

(B) integrates objective measures of kindergarten readiness;

(C) contemplates accredited kindergarten through grade 12 institutions as onsite providers; and

(D) incentivizes child care providers to increase wages for child care workers who complete education and training that result in a postsecondary degree or industry recognized credential

Proposed Recommendations for Indiana's Quality Rating and Improvement System

Priorities for the New QRIS

Quality Measurement:

Measure only what matters most to positive child outcomes and measure well

Quality Improvement:

Connect to well developed system of training, technical assistance and coaching

Communicating Quality to Families

Help families find care that matches their needs and preferences

Incentives & Implementation Consideration

Phased, but accelerated, approach through which providers will begin receiving official ratings in January 2026

Indiana's Simplified Quality Rating and Improvement System

Focusing on What Matters Most to Child Learning & Development Outcomes

1. Engaging adult/child interactions

2. Effective use of a developmentally-appropriate, research-based curriculum that incorporates the Science of Reading and is aligned to the Indiana Early Learning Standards

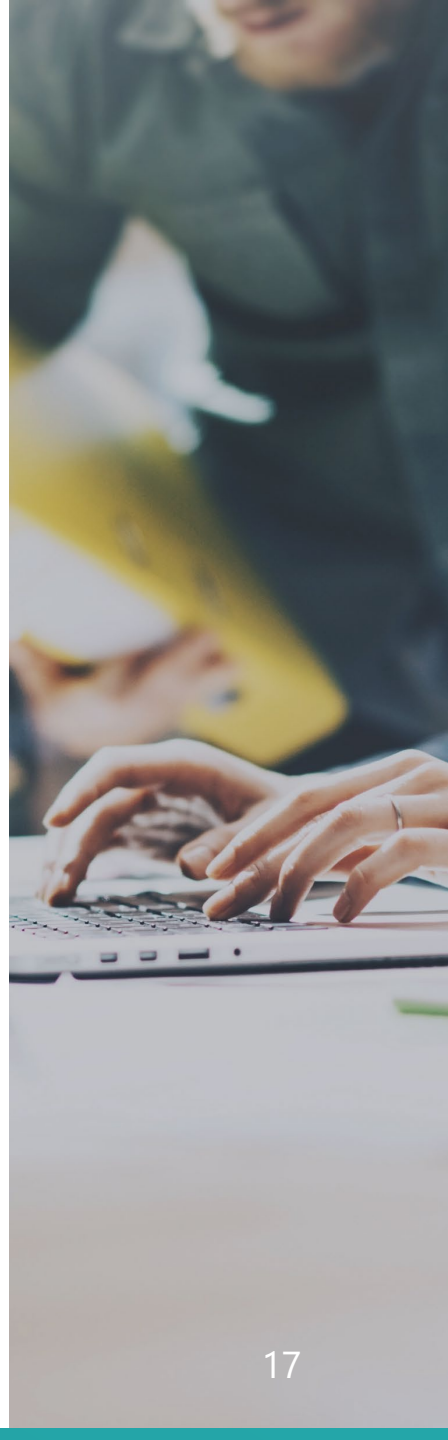
3. Incorporating a child assessment will enable programs to inform instruction/quality improvement efforts and will empower policymakers to evaluate the extent the which the early learning system is achieving public policy goals

Revising Paths to QUALITY

Indicator	Level 2	Level 3	Level 4
Adult/Child Interactions	Interaction scores indicating room for growth on interactions	Interaction scores indicating building or moderate interactions	Interaction scores indicating higher interactions
Curriculum Implementation	Evidence of curriculum utilization across all classrooms.	Evidence of research-based curriculum utilization as defined by the Early Childhood Knowledge and Learning Center across all classrooms.	Use of a research-based curriculum with a fidelity score that meets publisher's standard for effective implementation across all classrooms.
Kindergarten Readiness Assessment	Evidence that the site uses the state Kindergarten Readiness Assessment to assess child development and learning.	Demonstrates how Kindergarten Readiness Assessment scores are used to set developmental and learning goals and guide instruction for individual children.	Demonstrates how Kindergarten Readiness Assessment scores are used in the aggregate for program planning and quality improvement.
Level 1: Health and Safety Standards			

Training, Technical Assistance & Coaching

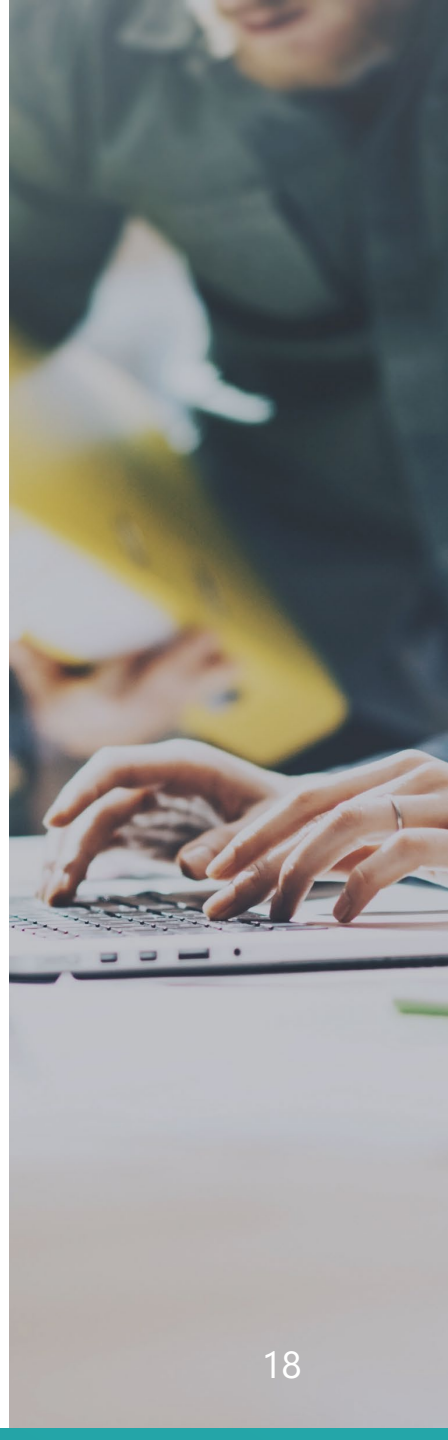
- Connect the rating system to opportunities for quality improvement through a well-developed system of training, technical assistance and coaching
- Ensure a provider's quality rating is not affected by limited resources or lack of access to training and technical assistance resources
- Use **quality enhancement grants** and access to training and technical assistance prior to administering the initial rating
- Provide ongoing direct funding to providers and decentralize assistance opportunities for to encourage **provider driven** improvement and needs
- Create effective communication strategies to ensure all providers know what resources are available



Help Families Make Informed Choices

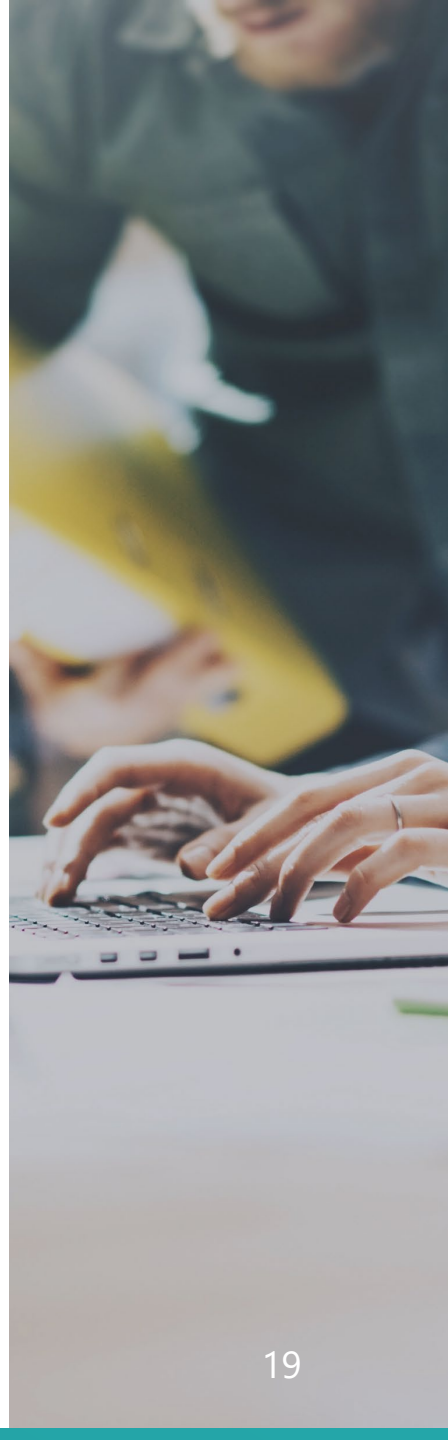
Within a quality level there will be variation and some providers will have individual strengths. Communicating this detail to families will assist in matching best-fit with high-quality at top of mind

- Expand **technology and communication** systems to include other preferences outside of the traditional questions and outcomes-based measures
- Provide information about variation in **quality across classrooms**
- Establish a set of distinctions for programs and micro-credentials for teachers that supplement the new QRIS and promote **family choice**



Incentives

- Require participation in new QRIS to receive funding from the state's subsidy program
  - While considering barriers unlicensed programs may have, especially those who already serve CCDF families
- Provide upfront quality funding to assist providers in achieving a higher quality rating
  - Additional funding will be needed to sustain ratings
- Conduct a cost of quality study to ensure obtaining and sustaining high quality is possible

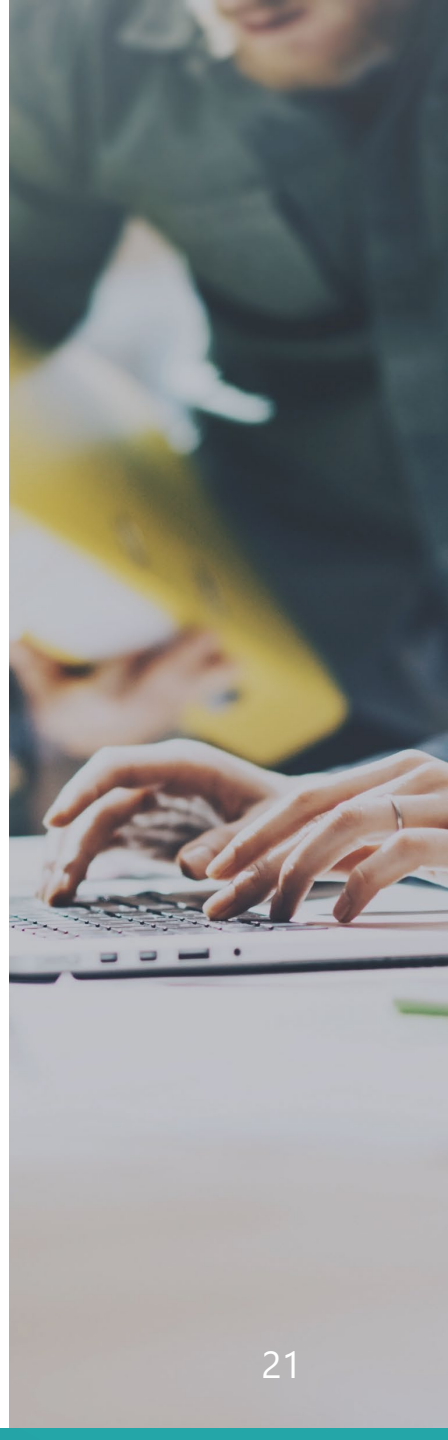


Proposed Timeline

Year 1: Socialization, planning and communication (2024)	Year 2: Practice (2025)	Year 3: Sites rated under new system (2026)
• Design detailed implementation approach • Engage in procurement process for selection of tools (including adult/child interaction tool, kindergarten readiness assessment and related supports) • Based on financial and operational feasibility, establish frequency, methodology and scope of ratings • Create and execute robust communications plan	• Suspend new Paths to QUALITY™ rating visits • Rate sites on new system for practice purposes only • Calibrate scoring to establish final ratings • Resolve any implementation issues • Conduct a validation study by piloting specific programs	• Rate programs using the new system • Officially sunset Paths to QUALITY™ once all programs seeking one have a new rating

Additional Considerations

- The system, though simplified, will remain a “block system” meaning programs have to achieve all criteria for a specific level in order to meet that level
- Providers will be given an overall rating, but scored for each of the three indicators to inform continuous improvement efforts
- Additional distinctions (not tied to particular levels) could be available for programs excelling in particular areas (e.g. STEM, serving children with exceptional needs, etc.)
- Out-of-School-Time locations could be incorporated, using a different assessment for the last indicator



VOTE

ELAC Subcommittee

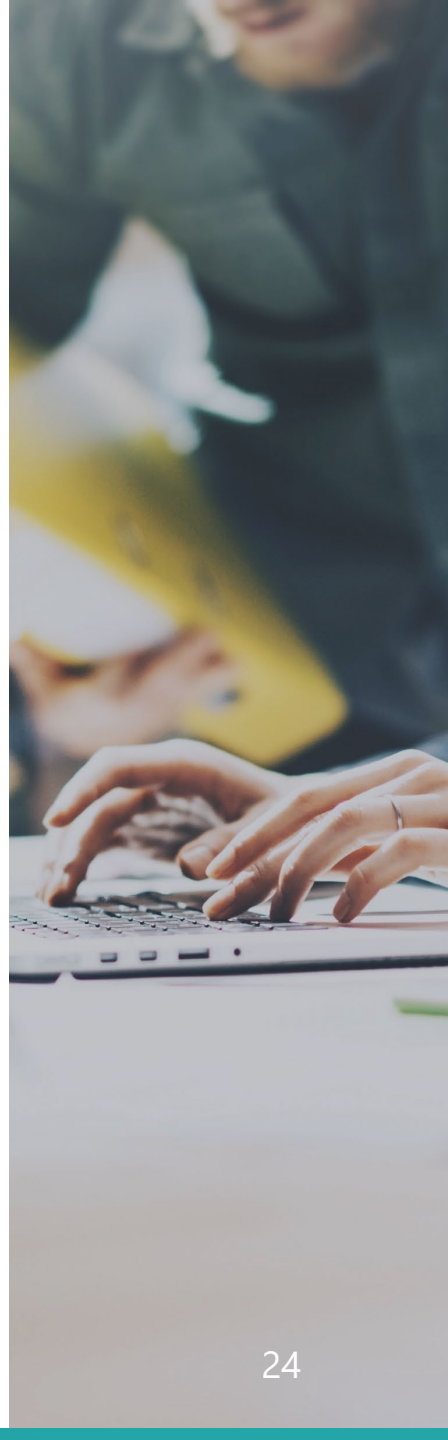
Workforce

Courtney Hott
ELAC Director

Subcommittee Proposal

CHARGE: Workforce Alignment and Expansion

- Propose a plan to accelerate pathways into and through early learning roles that offer low barriers to initial entry, build on industry-recognized credentials, maximize portability and incentivize ongoing professional development
- Chair: Erin Donovan
- Representatives from HeadStart, INAEYC, CHE, OECOSL, IDOE, ELI and more.
- Bring comprehensive plan to board for endorsement

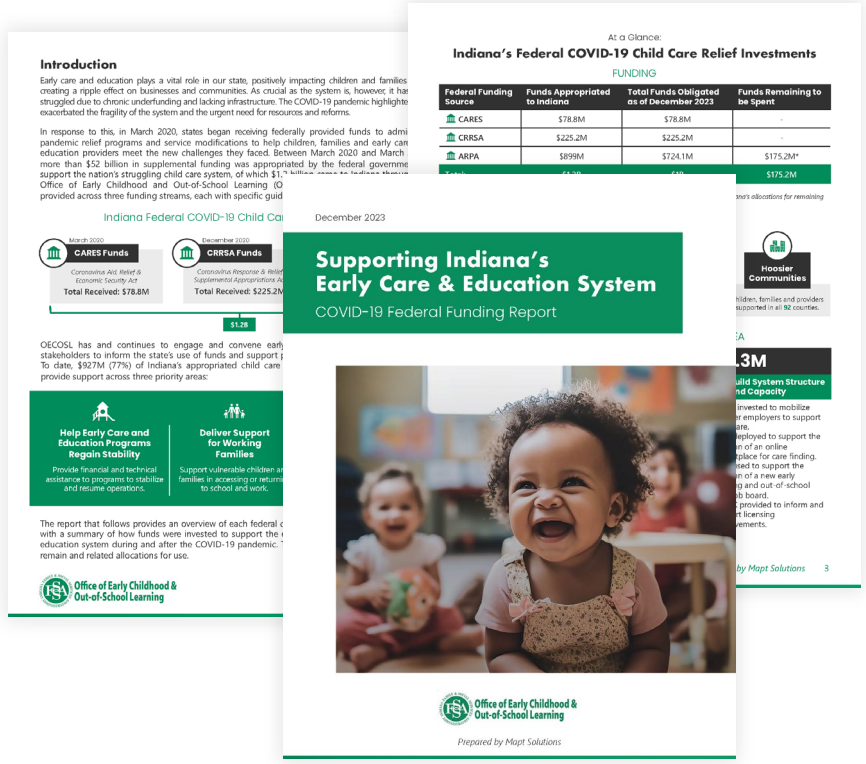


Federal Relief Funding Fiscal Update

Courtney Penn
Director of the Office of Early Childhood and Out of School Learning

Summary of Indiana Federal COVID-19 Child Care Relief Investments

- Many of the efforts highlighted today have been supported by Indiana's federal child care relief funds.
- OECOSL will soon publish a comprehensive report showing how funds have been invested to support children, families and providers during and after the COVID-19 pandemic.
- The efforts implemented using federal relief funds were carefully designed by OECOSL to avoid a fiscal cliff for the system.



The report will be available soon on the OECOSL webpage.

Office of Early Childhood & Out-of-School Learning

Highlighted Investments by Priority Area

Help Programs Regain Stability

- Offset decreased enrollment and temporary program closures due to COVID-19.
- Temporarily enhanced subsidy payments to support rising care costs.
- Offered Stabilization Grants to offset COVID losses and support recovery.
- Provided subsidy reimbursement rate increases.

Deliver Support for Working Families

- Waived co-pays for CCDF families, resulting in an average weekly savings of $50 per family.
- Invested to support tiered child care scholarships for 21K+ families over the CCDF income threshold.
- Supported families in accessing CCDF while searching for employment.

Build System Structure and Capacity

- Invested funds to mobilize Hoosier employers to support child care.
- Deployed funds to support the creation of an online marketplace for care finding.
- Supported the creation of a new early learning and out-of-school time job board.
- Leveraged funding to inform and support licensing improvements.

The above is only a snapshot of Indiana's federal relief fund investments. A full report will be available soon.

Public Comment

Adjourn

Information regarding today's meeting, including slides and materials, can be found at

https://www.in.gov/fssa/carefinder/advisory-groups/early-learning-advisory-committee/

Next Business Meeting:

- Date: January 9, 1-3 P.M.
- Location: IGCS - Indianapolis, IN

For media inquiries, questions or feedback, please contact courtney.hott@fssa.in.gov

Indiana Early Learning Advisory Committee

Implementing a Revised Paths to QUALITY™ Program

Recommendations for How to Define, Measure, Support, and Reward Quality in Early Care and Education Settings

Submitted to:
Indiana Early Childhood Advisory Committee

Submitted by:
Policy Equity Group

December 15, 2023

INTRODUCTION

Since their inception, state Quality Rating and Improvement Systems (QRISs) have struggled to meaningfully measure the characteristics of early care and education (ECE) settings that are most important to the developmental and learning outcomes of young children. Studies that have attempted to validate QRISs consistently find weak or no association between quality levels and children's developmental outcomes.[1] As one research synthesis noted: "The lack of robust findings across these studies indicate that QRISs, as currently configured, do not necessarily capture differences in program quality that are predictive of gains in key developmental domains."[2]

These overall findings hold true for Indiana's QRIS – Paths to QUALITY™ (PTQ™). A six-year study published in 2018 found few differences in quality across ECE providers at different PTQ™ levels when using an independent, validated classroom quality measure. The study also found mixed results related to the association between PTQ™ ratings and children's early learning and school readiness skills.[3] The inability to clearly distinguish different levels of quality, and the failure to identify and appropriately measure quality indicators that best promote children development and learning, means that PTQ™ is not helping Indiana's ECE providers improve in ways that support children's development.

To initiate a process to improve the measurement properties of PTQ™, the Indiana legislature issued a charge to the state's Early Learning Advisory Committee (ELAC) to provide a set of recommendations no later than December 31, 2023, for implementing a revised PTQ™. The parameters of the charge included that the recommendations:

(A) maintain PTQ™ health and safety standards;
(B) integrate objective measures of kindergarten readiness;
(C) contemplate accredited kindergarten through grade 12 institutions as onsite providers; and,

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[1]Tout, K., Magnuson, K. Lipscomb, S., Karoly, L, Starr, R., Quick H., …& Wenner, J. (2017). Validation of the Quality Ratings Used in Quality Rating and Improvement Systems (QRIS): A Synthesis of State Studies. OPRE Report #2017-92. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

[2]Karoly, L.A. (2014). *Validation studies for early learning and care quality rating and improvement systems: A review of the literature. [Working Paper.]* Validation Studies for Early Learning and Care Quality Rating and Improvement Systems: A Review of the Literature (rand.org)

[3]Elicker, J., L, S., Gold, Z. S., Mishra, A.,; & Christ, S. (2018). *Final report: Paths to QUALITY evaluation*. Center for Families Publications. Paper 70. Final_PTQ_Evaluation_Progress_Report_4-18-18.pdf

(D) incentivizes child care providers to increase wages for child care workers who complete education and training that result in a postsecondary degree or industry recognized credential.

This report provides recommendations on how best to revise PTQ™ to meet the legislative charge. The recommendations are designed to help PTQ™ fulfill its critical role within Indiana's ECE system of promoting high-quality ECE by:

1. Identifying quality indicators that research has shown to be predictive of positive developmental and learning outcomes for children.
2. Streamlining the measurement process and making it more consistent across provider types.
3. Embedding the PTQ™ rating within a quality improvement process that is well-resourced, tailored to individual programs, and data-driven.
4. Increasing provider participation in PTQ™.
5. Making the system more understandable and meaningful to families.

Methods

Information was collected and analyzed from several sources to develop recommendations in response to the legislative charge.

Literature and Document Review

How quality is defined and measured in ECE settings is perhaps the most heavily researched topic in the early childhood field. To better understand the provider characteristics that are most important to child development and learning, and how these characteristics are measured, a review of the ECE quality literature was conducted. In addition, there is a significant body of research specifically on the effectiveness of state QRISs, and these validation studies were also reviewed. The findings of an evaluation of the PTQ™ conducted by Purdue University, as well as a series of research briefs about PTQ™, were reviewed in detail and utilized for the recommendations.

Stakeholder Interviews

To obtain the perspectives of those who are most directly affected by the PTQ™ revision, virtual interviews and focus groups were conducted with state legislators, administrators, business leaders, ECE associations, PTQ™ raters, representatives of institutes of higher education, ECE providers, and families. Interview questions focused on respondents' current experience with PTQ™, the aspects of quality that were most important to them, and their recommendations for revising PTQ™. Over 40 stakeholders were engaged through this process, and the findings from these discussions provided important context that shaped the final recommendations.

Information on Other State QRISs

The recommendations are also informed by the implementation of QRISs in other states. Information on state systems was primarily drawn from the Quality Compendium, a catalog of state Quality Improvement Systems created by the BUILD Initiative and Child Trends.[4] Two state systems were examined in more detail. Virginia's review of the quality literature yielded a similar conclusion about the key quality indicators as the review conducted for this report. Given this alignment, additional attention was paid to how the state operationalized indicators and implemented its new Virginia's Quality Birth to Five (VQB5)

[4] See: qualitycompendium.org

system.[5] In addition, Michigan's unique continuous quality improvement (CQI) approach was studied to learn from its approach that defined rating levels not by quality, but by the ECE provider's progression through a CQI process (e.g., reflecting on quality, improving quality, demonstrating quality, etc.).

Key considerations

There are several points to keep in mind when reading this report. The first is that the PTQ™ is only one critical piece of a larger ECE system in Indiana. Like all systems, the PTQ™ relies on other system components—like a high-quality workforce, a strong system of professional development and technical assistance supports, and adequate financing and finance incentives—to achieve its goal of accurately measuring and improving the quality of ECE settings. There should be no expectation that a revised PTQ™ alone will meet the state's goals of a higher quality, more accessible child care system for Indiana's families.

As the state works to revise the PTQ™, it will also be important to consider efforts to stabilize Indiana's ECE workforce. Seeking to measure and improve quality using a revised PTQ™ that is embedded within a system where early learning employers cannot find qualified educators or experience high turnover rates will not yield the desired result. As such, it will be important to consider these recommendations in conjunction with other ELAC recommendations related to building an effective early educator system. At the heart of this workforce issue is adequate compensation—wages and benefits—to ensure that ECE professionals do not exit the field for higher paid positions outside the sector.

A PRIMER ON INDIANA'S CURRENT PTQ™

PTQ™ is a voluntary quality rating system for licensed child care centers, licensed family child care homes, unlicensed child care ministries, and exempt public school programs in Indiana. The system serves four important roles within the state's ECE system. PTQ™:

1. Defines quality and establishes a method to measure quality among participating ECE providers.
2. Supports and incentivizes quality improvement.
3. Provides information to parents to help them select high-quality child care; and,
4. Promotes the child development, well-being, and learning of children, birth to five years old.[6]

To accomplish these goals, PTQ™ rates ECE providers on a four-level scale, with each level defined by a different set of criteria. The system uses a "building block" scoring system. Under this system, all the conditions of a lower level must be present to achieve a higher level. For example, a provider seeking a Level 3 rating on PTQ™ must meet the criteria for Level 1 and Level 2. Providers achieve Level 1 by meeting the state health and safety requirements; Level 2 by meeting over 50 indicators related to how the environment supports children's development; Level 3 by meeting over 30 additional indicators related to curriculum implementation[7]; and Level 4 by achieving and maintaining accreditation by one of nine different national accrediting bodies and by committing to "informally mentor" a lower rated program.[8]

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[5] Virginia Department of Education. (2023). *2023-2034 Unified Quality Birth to Five System (VQB5) Guidelines.* www.doe.virginia.gov.docx (live.com).

[6] These goals are adapted from Anderson, T,. and Elicker, J. *Evaluation Brief #4:* Does Paths to QUALITY™ Help Indiana Parents Find Quality Child Care? See also: FSSA: Paths to QUALITY: Info for Programs.

[7] The current PTQ™ standards can be found here: FSSA: Paths to QUALITY: Paths to QUALITY™ Standards (in.gov).

[8] The nine nationally recognized accrediting bodies are: Association of Christian Schools International; Cognia; Council on Accreditation - Child and Youth Development; Council on Accreditation; National Accreditation Commission for Early Care and Education Programs; National Association for Family Child Care; National Association

Indicators differ by types of ECE providers, such as schools, licensed centers, licensed homes, and unlicensed registered ministries. Eight PTQ™ raters across the state conduct announced visits to ECE settings to observe whether providers meet every standard for the level for which they are seeking a rating. In larger sites, a PTQ™ rater will observe 30 percent of classrooms serving each age level (i.e., 30 percent of the infant rooms, 30 percent of the toddler rooms, etc.). Raters use a protocol to ensure that the ratings are consistent across providers and gather information through observation, interviews with staff, and a document review.

SPARK Learning Labs provides coaching to providers to help them enroll in PTQ™ and maintain and advance their ratings. SPARK offers training sessions, PTQ™ Success Tools, and SPARK Group Coaching Cohorts that provide virtual coaching opportunities.

PTQ™ incentivizes providers to achieve higher levels of quality by offering additional funding through the Child Care and Development (CCDF) voucher program. ECE providers who achieve higher levels of quality on the PTQ™ receive higher reimbursement rates per child. For example, a provider in Adams County without a rating will receive $399 per week for the full-time care of an infant. A Level 4 PTQ™ provider in the county will receive $451 per week. In addition, only Level 3 and Level 4 providers are eligible to provide *On My Way PreK* for 4-year-olds, offering another incentive to achieve a higher rating on the PTQ™.

Finally, the PTQ™ levels are available to families through Indiana's child care finder website, and providers can advertise their rating online and with banners and signs provided by the state. Through the website, families provide information about the child's age, days and times that care is needed, type of care desired, whether the provider participates in the CCDF voucher program, and the PTQ™ level of quality desired. Based on the search criteria entered by families, the child care finder system provides a list of providers that matches the criteria, including providers' PTQ™ level.

Assessment of the current PTQ™

The PTQ™ has all the elements necessary for a high-quality quality rating and improvement system. At the same time, when comparing the PTQ™ against best practice in the QRIS field, there are opportunities for significant improvement. These opportunities include:

Measurement: While the primary purpose of PTQ™ is to measure the quality of ECE providers, it does not possess strong psychometric characteristics. The PTQ™ rating is derived from a measurement process that does not use one standard scale. Instead, each rating level uses different criteria—Level 1 uses licensing compliance; Level 4 uses nationally recognized accreditation, and Level 2 and Level 3 use a wide range of indicators that address teacher credentials, classroom materials, family engagement, accommodations for children with special needs, and other factors. Providers must meet these varying criteria to determine a Level 2 or Level 3 rating, and raters are limited to a yes/no assessment of whether the criteria are met, with no way to indicate *how well* they are met.

However, best practice in QRIS measurement suggests that different constructs or dimensions of quality should be measured and reported separately.[9] For example, PTQ's™ current method of measuring quality assumes—particularly for Level 2 and Level 3—that the provider's curriculum implementation is of the

for the Education of Young Children; National Early Childhood Program Accreditation; National Lutheran Schools Association. See FSSA: Paths to QUALITY: Levels of Quality (in.gov)

[9] Burchinal, M., Soliday Hong, S., Sabol, T., Forestieri, N., Peisner-Feinberg, E., Tarullo, L. and Zaslow, M. (2016). *Quality Rating and Improvement Systems: Secondary data analyses of psychometric properties of scale development*. OPRE Report #2016-26. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

exact same quality as its family engagement, two completely different quality areas. The PTQ™ rating at any level is a mix of quality measures that may be very different from one another. This fact is one of the reasons why evaluations of PTQ™ show wide variations in quality within each rating level when using a single validated quality measure.

In addition, PTQ™ lacks a measure of process quality (teacher-child interactions) that has been shown to be predictive of child outcomes.[10] While structural indicators of quality, like credentials and the presence of books and other materials in the classroom, can be important, research has shown that it is the nature and quality of the interactions between adults and children in the classroom that have the most impact. This is important because, as an analysis of state QRISs noted, "The QRIS rating is more likely to accurately measure quality when there is good evidence that we know how to measure the included quality indicators in a manner that predicts desired outcomes for the QRIS."[11]

Incentives: The state's methods of incentivizing quality improvement include non-cash recognition awards, a one-time cash award for achieving Level 4 and annual cash maintenance awards for Level 4 programs, as well as increased CCDF reimbursement. Rewarding higher quality ratings with financial incentives is a common practice across states. However, there are two issues related to this strategy to consider. First, PTQ™ quality measurement focuses on structural indicators of quality, which rely on teacher credentials, the materials available for the classroom, and accreditation. Better-resourced programs (e.g., those serving more affluent families and can charge more; programs associated with larger institutions, etc.) can afford more training for teachers, more materials in the classroom, and the cost of the accreditation process. As such, they are likely to be rated as higher quality and receive incentives. In this case, initial resources beget additional resources and may leave resource-poor providers behind. Second, it will be important for the state to understand whether the additional financial incentives for higher quality levels act as a true incentive to promote quality by determining whether the incentives cover the cost of sustaining the quality improvements.

Using PTQ™ to Inform Families

While simple to understand, the single composite rating of PTQ™ can mask variation in the different quality components of the rating (e.g., a provider may be great at curriculum implementation but have lower-quality family engagement practices). In addition, the program level rating can mask the significant variation in the quality that exists within a program from classroom to classroom. The latest thinking on presenting QRIS ratings is to consider a "best fit" approach that provides objective and accurate information on the quality of the program (and the variation within a program) in addition to information in other areas where the provider excels that may not be directly linked to child outcomes, but still important to families. Through badging or other micro-credentialing approaches, states provide other information about providers that is important to families (e.g., additional training on STEM or expertise working with children with special needs in inclusive settings). As noted in the PTQ™ overview, the goal of the rating provides is to provide "an assurance" that families are finding quality care for their children.[12] As such, it is critical that families feel that higher-rated PTQ™ providers are in fact of higher quality. Better

[10] Sabol, T., Soliday Hong, Pianta, R.C., and Burchinal, P. (2013). *Can Rating Pre-K Programs Predict Children's Learning?. Science.* Vol 341, Issue 6148. Pp. 845-846.

[11] Burchinal, M., Soliday Hong, S., Sabol, T., Forestieri, N., Peisner-Feinberg, E., Tarullo, L. and Zaslow, M. (2016). *Quality Rating and Improvement Systems: Secondary data analyses of psychometric properties of scale development*. OPRE Report #2016-26. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

[12] FSSA: Paths to QUALITY: Overview (in.gov)

measuring quality and providing information that aligns family preferences with provider characteristics is a way to keep this assurance.

The recommendations in the final section of this report address these issues with the current PTQ system.

FINDINGS

As a measure of the quality of ECE settings in Indiana, it is important that the recommendations for the PTQ™ revision be guided by the latest research on quality measurement. Similarly, the recommendations must consider stakeholders' perspectives on how the potential changes may affect those who are most closely working with or affected by the PTQ™ results. Both the literature review and stakeholder engagement process yielded important findings to inform the PTQ™ recommendations. The key takeaways from these aspects of the project are discussed below.

Literature Review

The ECE literature differentiates quality measures into two categories: structural and process. As the name implies, structural measures of quality capture the characteristics of an ECE setting's structure, including the adult-child ratio, group size, provider background characteristics, and other measures of the environment. These are considered indirect measures of quality that can increase the likelihood that high-quality care is provided to children.[13] While they work to facilitate a positive experience for children, they are not considered a direct measure of child experiences in an ECE setting. The current PTQ™ consists exclusively of structural measures of quality.

Process measures, on the other hand, more directly capture the experiences of children in ECE settings. These measures focus on caregiver interactions with children, including their responsiveness and sensitivity, the quality of instruction, and the management of the classroom. Because they are designed to capture the interactions that define the child's experience, they are considered direct measures of ECE quality.

High-quality adult-child interactions within an early childhood setting can have a positive (yet almost always modest) impact on child development, emotional regulation, and learning. Higher-quality interactions are associated with learning gains in preschool[14] and at kindergarten entry[15], as well as increases in social and cognitive skills, working memory, and language and literacy skills.[16] Conversely, children in settings with less sensitive interactions have increased stress levels that inhibit focus and learning.[17]

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[13] Vandell, D. (2004). Early child care: The known and the unknown. Merrill-Palmer Quarterly, 50, 387-414.

[14] Vitiello, V.E., Bassok, D., Hamre, B.K., Player, D., Williford, A. (2018). "Measuring the quality of teacher–child interactions at scale: Comparing research-based and state observation approaches." **Early Childhood Research Quarterly** Volume 44, 3rd Quarter 2018, Pages 161-169.

[15] Johnson, A. D., Markowitz, A. J., Hill, C. J., & Phillips, D. A. (2016). Variation in impacts of Tulsa pre-K on cognitive development in kindergarten: The role of instructional support. *Developmental Psychology, 52*(12), 2145–2158. https://doi.org/10.1037/dev0000226

[16] Hamre, B., Hatfield, B. Pianta, R. and Jamil, F. (2014). "Evidence for General and Domain-Specific Elements of Teacher–Child Interactions: Associations With Preschool Children's Development." *Child Development*. Vol. 85, No. 3 (MAY/JUNE 2014), pp. 1257-1274.

[17] Hatfield, B. E., Hestenes, L. L., Kintner-Duffy, V. L., & O'Brien, M. (2013). Classroom Emotional Support predicts differences in preschool children's cortisol and alpha-amylase levels. *Early Childhood Research Quarterly, 28*(2), 347–356. https://doi.org/10.1016/j.ecresq.2012.08.001

Measures of adult-child interactions are not without limitations. Most notably, these measures do not capture how curriculum content is scaffolded and delivered in early childhood settings.[18] While the literature on early childhood curriculum effectiveness is vast, a critical point for the purpose of the PTQ™ revision is the distinction between "research-based" and "evidence-based" curricula. Research-based curricula use research on how children learn to inform curriculum content. For example, a research-based curriculum will use research on the precursors to literacy—alphabet knowledge, phonological awareness, rapid automatic naming, writing, and phonological memory[19]—to design learning strategies that address these precursors. In contrast, to be "evidence-based," the curriculum must show evidence of effectiveness on specific outcomes using a research design that meets specific standards—usually experimental or quasi-experimental. Evidenced-based curricula in early childhood are most likely to be domain specific (math or literacy). Equipping educators with evidence-based curricula can support educators in using the types of rich, content-specific interactions that foster children's skill development in academic domains.[20] The What Works Clearinghouse is the federal repository for curriculum and provides different tiers of effectiveness based on the amount and quality of the research conducted on the curriculum.

States typically allow, and provide lists of, research-based curricula for use in ECE programs. The research-based standard is used because of the limited number of evidence-based curricula, the narrow focus of the evidence-based curricula (specific to math or reading outcomes), and the fact that research-based curricula could likely show the desired outcomes, but an expensive, time-consuming evaluation has not yet been conducted.

Perhaps most importantly, for the purposes of the PTQ™ revision, there is a clear relationship between the quality of interactions, curriculum implementation, and child outcomes. Both high-quality interactions and strong implementation of curriculum are required to produce the desired child outcomes[21]. For instance, researchers have highlighted how child outcomes can vary by instructional quality even when using the same curriculum, with greater gains occurring when measures of instructional quality are high.[22] Instructional quality is related to children's development in mathematics, language, science, and other academic skills.[23]

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[18] Weiland, C. and Rosada, G. (2022). *Widely Used Measures of PreK Classroom Quality: What We Know, Gaps in the Field, and Promising New Directions.* Widely Used Measures of Pre-K Classroom Quality: What We Know, Gaps in the Field, and Promising New Directions (mdrc.org)

[19] National Early Literacy Panel. (2008). *Developing Early Literacy: Report of the National Early Literacy Panel: A Scientific Synthesis of Early Literacy Development and Implications for Intervention.* Developing Early Literacy: Report of the National Early Literacy Panel (ed.gov)

[20] Burchinal, M. (2018). Measuring early care and education quality. *Child Development Perspectives*, *12*(1), 3-9.

[21] Hong, S. L. S., Sabol, T. J., Burchinal, M. R., Tarullo, L., Zaslow, M., & Peisner-Feinberg, E. S. (2019). ECE quality indicators and child outcomes: Analyses of six large child care studies. *Early Childhood Research Quarterly*, *49*, 202-217.

[22] Burchinal, M., Zaslow, M., Tarullo, L., Votruba-Dr[22]zal, E. & Miller, P. (2016). Quality thresholds, features, and dosage in early care and education: Secondary data analyses of child outcomes. *Monographs of the Society for Research in Child Development, 81*(2), 5-126. See p. 79 for discussion

[23] Howard, S. J., Siraj, I., Melhuish, E. C., Kingston, D., Neilsen-Hewett, C., De Rosnay, M., ... & Luu, B. (2018). Measuring interactional quality in pre-school settings: introduction and validation of the Sustained Shared Thinking and Emotional Wellbeing (SSTEW) scale. *Early Child Development and Care*.; Ryoo, J.H., Molfese, V.J., & Brown, E.T. (2018). Strategies to encourage mathematics learning in early childhood: Discussions and brainstorming promote stronger performance. *Early Education and Development, 29*(4), 603-617.; Justice, L. M., Jiang, H., & Strasser, K. (2018). Linguistic environment of preschool classrooms: What dimensions support children's language growth?. *Early Childhood Research Quarterly*, *42*, 79-92.; Whittaker, J. V., Kinzie, M. B., Vitiello, V., DeCoster, J.,

Stakeholder Feedback

Families, providers, business leaders, advocates, and state policymakers and administrators provided important insights on their experience with PTQ™, their conception of quality, and what they would like to see in a revised PTQ™. High-level takeaways included:

Families. The small number of families that participated in the focus groups discussed a range of quality characteristics that were important to them, including:

- Love and respect for the child: Respondents who were most satisfied with their child care described the care "as if my sister and my mother were taking care of my child."
- School readiness: Respondents also discussed the importance of being ready for school with a specific focus on the social aspects (making friends and understanding school norms) as well as "knowing numbers and letters."
- Family Engagement: Respondents discussed the importance of communication with the provider. Understanding what the child experienced in the provider setting and an overall assessment child's well-being during the day was important.

Also, a small number of respondents mentioned that they used the PTQ™ rating to help them find care, and respondents primarily found care in other ways (word mouth, lists provided by a casework, etc). Respondents who used PTQ™ to find care discussed that it did not help them with their choice of provider because there were no openings in the providers with the highest rating, "especially for an infant." Participants were also limited in their choice because preferred providers sometimes did not accept the child care subsidy.

Providers. There were several takeaways from the provider focus groups that are important to the recommendations:

- Respect: Providers discussed how the PTQ™ rating elevated the work that they did in the eyes of parents beyond simply "babysitting." The quality rating brought respect to the program and distinguished it as early education rather than caretaking. Providers used the rating on parent tours and in other ways to market the quality of the program. Providers also thought that the PTQ™ helped parents understand quality regardless of provider type.
- PTQ™ influences provider behavior. Providers discussed how they used the indicators and even trained on them to improve quality.
- Imprecise measure of quality: Some providers questioned the measures used in the PTQ™. The yes/no nature of whether a curriculum was being utilized, for example, led them to ask, "Is learning really taking place."
- Schools found it difficult and redundant. To be eligible for *On My Way PreK,* schools require a rating. The school providers that attended the focus groups thought the process was overly burdensome and redundant with other requirements imposed by the state as part of being a K-12 school.

Other stakeholders. State policymakers and administrations, advocates, and business leaders provided critical information about the history of PTQ™**,** how it is currently administered, and recommendations for how it should be revised. Key takeaways from these interviews included:

- Inclusivity and fit: The recommendations must keep all provider types in mind and ensure that the measurement system makes sense for each type. For example, the current

Mulcahy, C., & Barton, E. A. (2020). Impacts of an early childhood mathematics and science intervention on teaching practices and child outcomes. *Journal of Research on Educational Effectiveness*, *13*(2), 177-212.

indicators do not work for out-of-school time programs. This is an issue because the lack of a rating for many of these programs implies that they are of lower quality than other rated programs, even though the lack of a rating is the product of the barriers within the PTQ™ system.

- Administrative burden. Stakeholders discussed reducing the burden of obtaining a rating and making the system less "compliance-based" and more focused on measuring instructional quality.
- Measurement. Like the literature review findings, numerous respondents questioned whether the PTQ™ was addressing the most important aspects of provider quality.
- Balancing requirements and resources. Stakeholders discussed the need for the new system to be adequately resourced to ensure success. Some stakeholders discussed the role of the state as the payer of child care services, which affords the state the right to have expectations related to quality. At the same time, stakeholders discussed "you get what you pay for," and if adequate state resources to improve quality are not available, these quality expectations will not be met.

RECOMMENDATIONS

The recommendations for revision were informed by the evaluations of the current PTQ™, the body of literature on quality measurement and QRIS implementation, best practices from other states, and stakeholder feedback. They are organized into four recommendation areas: (1) Quality Measurement; (2) Quality Improvement; (3) Communicating Quality to Families; and (4) Incentives and Implementation. The recommendations provide a framework for the implementation of a redesigned PTQ™ and address the various roles the program must play within the state's ECE system.

Recommendation Area 1: Quality Measurement

1. Measure only what matters most to positive child outcomes and measure those indicators well.

The large number of structural quality measures contained within the current PTQ™ must be streamlined to focus exclusively on quality measures that are most closely associated with positive child outcomes. The first of these quality measures is adult-child interactions. There are two prevailing adult-child interaction measures—the Classroom Assessment Scoring System (CLASS) and the Early Childhood Environmental Rating Scale, Third Edition (ECERS-3™)—each with specific strengths and weaknesses. Indiana should engage in a procurement process to determine which measure is the best fit for the revised PTQ™, considering each assessment's psychometrics properties, administrative burden, cost, and other factors.

The second measure is the implementation of a developmentally appropriate, research-based curriculum aligned to the Indiana early learning standards. Currently, PTQ™ Level 3 includes indicators that attempt to determine the presence of written curriculum, but the indicators do not explicitly require a research-based curriculum or attempt to measure the fidelity of curriculum implementation.

Limiting curriculum choice in ECE settings can be difficult given that both providers and families may have preferred pedagogical approaches or may desire to utilize an emergent curriculum. In implementing this recommendation, it will be important to retain provider autonomy of curriculum choice to the extent possible. At the same time, certain curricula that convey content knowledge and scaffold instruction in a developmentally appropriate way have been shown to promote positive outcomes for children. There

have been important strides in the science of reading and the field's understanding of the precursors to literacy that have been incorporated into curriculum models and the state must consider the trade-off between allowing provider autonomy in curriculum use and requiring a research-based curriculum that can promote stronger learning outcomes.

As a first step, Indiana should require the use of a developmentally appropriate curriculum at a lower quality rating and require the provider to inform the state of its curriculum choice. This will allow the state to potentially provide specific curriculum implementation supports if resources allow. Next, the state should work with the ECE provider community to develop a list of research-based curricula that, along with training on the curriculum to ensure fidelity, would meet the higher quality levels of the revised PTQ™.

2. *To integrate objective measures of kindergarten readiness into PTQ™, include as a quality indicator the effective use of an observation-based child assessment to guide curriculum and support continuous quality improvement.*

Assessing a child's developmental level using a developmentally appropriate child assessment system and then using the results to inform instruction is best practice in early childhood education. In a federal ECE accountability system—called the Designation Renewal System—programs must use child assessment data to set goals for individual children. In addition, programs are held accountable for using aggregated child assessment to inform quality improvement goals, as well as decisions about resource allocation and professional development. To meet the legislative charge, the state should include an indicator that measures whether a provider is utilizing child assessment data for informing instruction and for continuous quality improvement. At the lowest levels of the progression would be evidence of the use of a child assessment, followed by how the assessment results are linked to child development goals, and culminating at the highest level in using child assessment data in the aggregate to develop and implement a continuous quality improvement plan. It is important that this recommendation be aligned with the state's current procurement of a birth to age five assessment system and work to potentially utilize that assessment to meet this requirement once it is implemented.

Creating the Rating Levels

Once the indicators have been finalized, the state will have to decide how best to use the interaction scores, curriculum implementation measure, and kindergarten readiness assessment utilization to define the different quality levels. **Table 1** provides recommendations on how to define the quality levels using the three measures. As required by the legislative charge, Level 1 remains that providers meet the state's health and safety standards. Level 2 is achieved with low interaction scores, the use of any curriculum across all observed classrooms, and evidence that the program uses a child assessment system to assess child development and learning. Level 3 is achieved with interaction scores that indicate a moderate level of quality, evidence that a research-based curriculum is used across all observed classrooms, and evidence that child assessment data is used to inform instruction. Finally, Level 4 programs will have high interaction scores, implement a research-based curriculum with fidelity, and utilize child assessment data not only to inform instruction, but also to develop a continuous quality improvement plan.

The ratings are determined using the block system of scoring, meaning that each indicator within a level must be met for a provider to achieve that level. For example, to achieve a Level 3 rating, a provider must meet the specific interaction threshold scores associated with Level 3, **and** utilize a research-based curriculum, **and** use child assessment scores to set developmental and learning goals.

Table 1: How Adult-Child Interactions, Curriculum implementation, and Kindergarten Readiness Indicators Could be Utilized in Revised PTQ™ Rating Levels

Indicator	Level 2	Level 3	Level 4
Adult/Child Interactions	Interaction scores indicating low quality	Interaction scores indicating moderate quality	Interaction scores indicating high quality
Curriculum Implementation	Evidence of curriculum utilization across all classrooms.	Evidence of research-based curriculum utilization as defined by the Early Childhood Knowledge and Learning Center across all classrooms.[24]	Use of a research-based curriculum with a fidelity score that meets publisher's standard for effective implementation across all classrooms.
Kindergarten Readiness Assessment	Evidence that the site uses the state Kindergarten Readiness Assessment to assess child development and learning.	Demonstrates how Kindergarten Readiness Assessment scores are used to set developmental and learning goals and guide instruction for individual children.	Demonstrates how Kindergarten Readiness Assessment scores are used in the aggregate for program planning and quality improvement.
Level 1: Health and Safety Standards			

[24] Research-based curriculum is defined by the ECKLC as having the following criteria: (1) Is founded on research about child development and learning; (2) Promotes teaching and learning activities that are shown to have positive effects on child programs and outcomes; (3) has descriptive research or evaluation reflecting child progress but is lacking evidence from a randomized control trial.

3. *After the quality indicators are finalized, create a working group to determine how indicators may have to be adapted for different settings, including center-based care, home-based care, ministries, schools, and out-of-school time programs.*

While interactions, curriculum, and assessment are universal pillars of quality in ECE settings, these aspects of quality might look different in different settings. As such, it will be important to bring together stakeholders that represent the different provider settings to determine how the measures might have to be adapted for different settings. These stakeholders would include representatives from school-based programs and out-of-school time programs, as well as centers, licensed homes, and unlicensed ministries.

4. *Train PTQ™ raters to ensure validity and reliability.*

Accurate quality measurement is not just about the measurement tools that are used—it is also about the implementation of those tools. To make sure there is confidence in the new measurement system, different raters, when assessing the same program, must derive the same conclusion about the quality of that program. This will require that raters are extensively trained and assessed to ensure the reliability and validity of the quality rating.

Recommendation Area 2: Quality Improvement

5. *Connect the revised* PTQ™ *rating system to opportunities for quality improvement through a well-developed system of training, technical assistance, and coaching.*

The new PTQ™ indicators are designed to facilitate a continuous quality improvement process at the provider level. Not only do the indicators more directly measure the most important aspects of quality, but part of the rating is dependent upon the use of data on child development and learning to create a quality improvement plan. To be effective in promoting quality improvement, the state must provide quality improvement resources that will meet the needs of a larger number of providers. To start, the state should assess the alignment between the new quality indicators and the training, professional development, and coaching that is currently offered through the state system. Using the results of the alignment process, the state should then work to align and enhance the current system to better serve the larger number of providers who will be a part of PTQ™ because of the mandatory participation requirement (discussed below). The state should also consider providing direct resources to providers in the form of quality improvement grants to allow some discretion in what training, professional development, and coaching is chosen. Providers may wish to go outside the state system of quality supports directly to a curriculum publisher or non-profit focused on a specific area of program quality (e.g., working with children with disabilities) and the grant approach will allow them autonomy to do so.

6. *Ensure that a provider's quality rating is not affected by limited resources or a lack of access to training and technical assistance resources.*

In many states, higher ratings on the QRIS are less about providers' understanding of quality or their desire to improve and more about the resources they have available to meet quality standards. State systems that rely heavily on credentials like a bachelor's degree to define quality often find that programs with limited resources to pay teachers a competitive wage cannot meet this quality standard. The quality measures recommended for the revised PTQ™ attempt to keep the costs to providers down by, for example, using an adult-child interaction measure rather than a bachelor's or other credential to define teacher quality. However, providers will incur costs resulting from the new quality indicators, including the implementation of a research-based curriculum with fidelity.

Historically, states have rewarded quality through an increased subsidy reimbursement when specific quality levels have been met (see incentive discussion below). This back-end method of incentives allows better-resourced programs to receive additional funding, often leaving behind programs in need of financial support for quality improvement. As such, it will be important that the state provides up-front resources to providers through quality enhancement grants to help motivated providers achieve higher ratings.

It will also be important for the state to provide tools necessary for quality improvement in addition to quality enhancement funding prior to providers' initial rating on the new system. These tools could include a program self-assessment/readiness checklist that aligns with the revised PTQ™ and that works in conjunction with the state's current Program Growth Tool, and access training and technical assistance specific to interactions, curriculum implementation, and child assessment.

Recommendation Area 3: Helping Families Make Informed Choices about Quality

7. *Build upon the current communication system for* PTQ™ *with the understanding that families have different preferences and needs for care, and with the intent of helping families find high-quality care that best matches these needs and preferences.*

Families have preferences for different provider characteristics. In national surveys of families[25] and the Indiana family focus groups, families expressed preferences for care ranging from loving, warm environments to being well trained in providing an inclusive setting for children with special needs. Accordingly, the state should consider a PTQ™ communications system for families that is more aligned with how they choose care, and that allows a "best fit" option based on objective measures of quality and personal family preferences. The current Child Care Finder tool is a static tool that provides a limited set of questions for families to use: Age; Days and time care is needed; Preferred provider type; Subsidy utilization; Paths to Quality Level. A "next generation" system of Indiana's child care finder should have the functionality to ask families their preferences for care, provide quality information, and "match" families to providers that have some or all of the characteristics families prefer.

8. *Provide information about the overall rating of the setting and the amount of quality variation that exists across the classrooms assessed for each* PTQ™ *indicator.*

Research has found significant variation from classroom to classroom within a provider setting and across different dimensions of quality within a QRIS rating level. While the ratings will be established using the average interaction and curriculum fidelity scores, it will be important to allow families to see the scores of the separate measures within a rating level and the quality range across classrooms within a rated program.[26] This approach is critical to ensuring that families have an accurate picture of what they will experience for their child in any given provider setting.

9. *Establish a set of distinctions for programs and micro-credentials for teachers that supplement PTQ™ to distinguish providers and teachers who excel in specific areas.*

[25] Smith, L. and Owens, V. (2023). *The Illusion of Parent Choice: Lessons Learned from BPC's Parent Survey Series.* Washington, D.C. Bipartisan Policy Center. bipartisanpolicy.org/download/?file=/wp-content/uploads/2023/05/BPC_ECI-Parent-Report_R04.pdf

[26] Under this approach, no individual classroom score would be provided. Instead, the average rating would be provided with an indication of how much that rating varied across the individual classrooms that were observed (e.g. +/- .5).

Families often look for provider characteristics that are not directly related to child outcomes. For example, some families may have a specific interest in STEM education or want a provider that excels with a child who may have special needs. To support families in choosing a provider that aligns with their preferences, some states have created micro-credentials or badges for teachers who have completed special training in a specific area. Indiana should consider this approach to promote family choice and apply the concept to overall programs.

Recommendation Area 4: Incentives and Implementation

10. Make participation in PTQ™ mandatory for all providers receiving a CCDF voucher.

Fourteen states and the District of Columbia require providers to participate in the QRIS if they receive funding from the state's child care subsidy program. As the payer of child care for many families, states feel justified in requiring that funding be allocated only to providers that commit to quality improvement through the QRIS. Some states have taken the additional step of allowing only those providers who achieve a certain rating level to receive state child care subsidy payments. As an initial step, Indiana should require participation in the *PTQ™* to receive child care subsidies. This requirement will allow the state the opportunity to connect with providers and provide support. At the same time, careful consideration must be paid to the barriers that this requirement might present for unlicensed programs as well as access to care for families who utilize the CCDF subsidy.

11. Allow a three-year phase-in period of the revised PTQ™ *system.*

States that have been the most successful in transitioning to a revised QRIS system have utilized an intentional phase-in period. Learning from the Virginia example, Indiana should allow for a three-year transition period to full implementation of the revised PTQ™. All currently participating providers should retain their PTQ™ level rating during the transition period until a rating under the new system was issued. The major activities of the transition period include:

Year 1 (2024): Socialization and Planning, and Finalize Indicators and Rating Levels

In year one of the transition, the state would create and implement a communications plan to introduce (rebrand) the new measurement system, explain the rationale behind the system, communicate how the transition will take place, and outline the supports that will be available to providers as they transition. The state would also create the provider working group discussed earlier to finalize the indicators, engage in the procurement process for the interaction assessment tool, conduct the alignment to professional development supports, and hire additional raters and train current and new raters on the new measurement system.

Year 2 (2025): Practice Year

In year two, any provider who wishes to be rated can be assessed using the new measure system. This practice year will allow implementation issues to be resolved, provide the state with data for the calibration of the rating levels as necessary, and allow providers to see where they need to improve on the rating system prior to an official rating. The state would provide funding and other quality supports to providers who were assessed to help improve PTQ™ scores. The state could also use the data as part of a validation study to determine whether the new measures are meeting the intended goal of supporting higher-quality programs that produce better child outcomes. In this year, the state would build out the website to utilize the new measures and "matching" to inform their choices.

Year 3 (2026): Full implementation

In year three, implementation of the new system will begin. Programs would be officially rated, quality supports offered, and ratings provided to families. By December 31, 2026 every program would have a rating on the new system.

12. *Implement a cost-of-quality study to understand the cost to providers of achieving a level four rating under the new system and revise the tiered voucher reimbursement to create meaningful incentives to achieve higher rating levels.*

While upfront quality funding will be important to support providers in achieving higher quality ratings, additional funding will also be required to sustain those ratings. Currently, Indiana uses a tiered subsidy reimbursement to reward providers for receiving a higher level of quality. This is an imperfect way of supporting higher-quality programs given that the number of subsidized children cared for can vary significantly from provider to provider. In addition, it is unclear the extent to which the increase reimbursement acts as an incentive to improve quality. To determine how much a provider would need to sustain the different quality levels over time, the state should conduct cost of quality study that could determine the cost to providers of sustaining the different quality levels. The state could use the study results to inform subsidy reimbursement rates and other financial supports to providers geared to sustaining quality.