

November 2011

## **Great Progress on a Great Start**

### *An Update on Michigan's Progress in Meeting the Needs of Young Children*

Michigan leaders from the public and private sectors have worked for more than a decade to ensure that young children receive the services and supports they need to be healthy, developmentally on-track, and ready to succeed in school. Key to children's success, of course, are strong and healthy families, and state leaders have had to simultaneously grapple with Michigan's weakened economy, including high unemployment rates, increasing childhood poverty, and declining fiscal resources.

Unfortunately, too many Michigan children continue to struggle to succeed academically. Overall, one in ten students fail to graduate from high school and in communities of color, this rate is even higher with one out of five students of color failing to graduate. To build the workforce of tomorrow, it is essential that we support Michigan children and youths, particularly those of color, early since the academic achievement gap emerges as young as nine months of age. For a child living below the poverty line, an 18-month gap at age four is still present at age ten. Thus, a comprehensive early childhood system that supports young children and their families is critical to reducing disparities in opportunity and outcomes for Michigan children of color.

While Michigan's attempts to build a comprehensive system for young children, beginning prenatally and continuing through the transition to the K-12 public school system, have their roots in work started in 2004, recent opportunities at the federal and state levels have accelerated the state's progress. Among the new initiatives are the following:

- Creation of the Office of Great Start within the Michigan Department of Education.
- Efforts to build a statewide network of home visitation services for families with high needs.
- Development of a plan, in conjunction with the state's application for the Race to the Top-Early Learning Challenge grant, to build a high quality early learning system in Michigan.

### **A Summary of Challenges and Progress**

While Michigan has a history of public, private and bipartisan support for innovative early childhood programs, the state's economic and budget woes have placed more young children at

risk, and threatened efforts to create the early childhood education and care programs that have proven to help children learn and ultimately create a more competitive workforce and economy.

### **How young children are faring:**

- **Childhood poverty is increasing:** More than one-quarter (27%) of all young children in Michigan live in poverty. Sadly, recent Kids Count data show a 64 percent increase in childhood poverty between 2000 and 2009 in Michigan, compared to only 18 percent nationwide.<sup>i</sup> And, some young children and their families face even greater barriers, as more than half of all African American and American Indian children under the age of five live in poverty.<sup>ii</sup> Recent legislative actions, including those to limit access to the state's Family Independence program through a retroactive 48-month cap and reduce the state's Early Income Tax Credit for low income working families will have the greatest impact on children, forcing more into even deeper poverty.
- **Young children remain heavily reliant on public services:** Approximately 380,000 Michigan children under the age of 6 rely on some type of public assistance to meet their basic needs.<sup>iii</sup> More than half of all Michigan births are now paid for by the Medicaid program—up from 35 percent in 2003.<sup>iv</sup>
- **Many young children and their parents do not have access to mental health services.** While an estimated 10 to 14 percent of all young children birth through age five experience social, emotional and behavioral problems, most do not receive mental health services—even when their mental health conditions have been identified.<sup>v</sup> In 2009, 2,046 children under the age of four received public mental health services in Michigan, representing less than one percent of children in that age group, and well below estimated need.
- **Not all young children have the opportunity to benefit from the high quality early learning programs that are proven to reduce educational disparities and increase achievement.** Michigan has a range of early learning programs, including the Great Start Readiness Program, Head Start and Early Head Start, subsidized child care, and Title I and IDEA program services. Unfortunately, not all eligible children, especially children of color, have been able to access services, and early learning programs have varied in quality.

### **The building blocks of Michigan's early childhood system:**

**Great Start Initiative:** In 2005, Governor Granholm provided leadership to her Great Start initiative by forming the Early Childhood Investment Corporation (ECIC), a public, non-profit corporation charged with restructuring Michigan investments in early education and care, and building community and public support for needed reforms and investments. Among the early successes of Great Start are the following:

- The establishment of an interdepartmental governance structure to coordinate early childhood services—the Great Start Systems Team (GSST). The GSST is co-convened by the ECIC and the Michigan Department of Community Health (MDCH), and includes early childhood program leaders from across state departments
- The establishment of 54 local Great Start Collaboratives that bring together community and parent leaders to create and implement school readiness plans, as well as local Great Start Parent Coalitions that provide a parent voice and educate community and state

leaders about the importance of investing in young children. Together these local bodies have involved over 20,000 community leaders and parents, and have leveraged approximately \$10 million in investments from local businesses and foundations.

- Multiple initiatives to improve the quality of early learning settings, including:
  - a statewide network of regional resource centers that provide information and resources to improve early childhood program quality;
  - the establishment of *Great Start Connect*, a web-based, searchable resource and referral source for licensed early learning and development programs, which also houses the professional development registry for early childhood educators;
  - the launching of the statewide, tiered quality rating and improvement system (TQRIS), known as *Great Start to Quality*, that is intended to improve quality in all early learning settings in Michigan; and
  - new training requirements for unlicensed friend, family and neighbor child care providers who receive a state subsidy, with 18,000 providers trained in eight months time in 2010.

***The Office of Great Start:*** In 2011, the momentum toward reform in early learning and care services gained momentum when Governor Snyder prioritized early childhood systems reform as part of his administration’s “prenatal to age 20” educational system. As a first step, Governor Snyder signed Executive Order No. 2011-8 creating the Office of Great Start (OGS) in the Michigan Department of Education.

- The new OGS is charged with aligning the state’s early learning and development investments to achieve a single set of shared outcomes, including: (1) children are born healthy; (2) children are healthy, thriving and developmentally on track from birth to third grade; (3) children are developmentally ready to succeed in school at the time of school entry; and (4) children are prepared to succeed in fourth grade and beyond by reading proficiently at the end of third grade.
- The OGS brings together in a single department a range of programs for young children, including the state preschool program (Great Start Readiness program), child care subsidies (Child Care and Development Fund), early intervention programs (Part C and Part B of the Individuals with Disabilities Education Act), and the Head Start Collaboration office.

***Early Childhood Block Grant:*** The fiscal year 2012 School Aid budget increased funding for the Great Start Readiness program (GSRP) by \$6 million to a total of \$104.3 million (\$95.4 million School Aid and \$8.9 million for competitive programs). The budget also transferred responsibility for the administration and distribution of GSRP funds to Intermediate School Districts (ISDs) or consortia of ISDs. Budget language was added indicating legislative intent to transfer GSRP funding to an early childhood block grant in fiscal year 2013—along with funds for Great Start Collaboratives and Great Parents/Great Start—to be administered by ISDs. The new OGS in the MDE will be reviewing the potential block grant for opportunities to rethink how funding can be targeted to children with the highest needs. A report by MDE with recommendations related to funding formulas, application procedures, program criteria and reporting requirements is due to the Legislature no later than January 1, 2012.

***The Michigan Maternal, Infant and Early Childhood Home Visiting Program:***<sup>vi</sup> The Michigan Department of Community Health is the lead agency for the Maternal, Infant and Early Childhood Home Visiting (MIECHV) program, which is authorized under the national Affordable Care Act. Michigan was recently awarded a 2011 formula grant for MIECHV services of \$3 million, as well as a \$5.4 million competitive grant. With Medicaid matching funds, federal and state investments in three critical home visiting programs—Early Head Start, Nurse Family Partnership, and Healthy Families—have increased to \$12.7 million.

- The goal of the MIECHV is to build a home visiting system in Michigan that is integrated with the comprehensive Great Start early childhood system. Outcomes for the MIECHV include: (1) reductions in child injuries, child abuse and neglect and emergency room visits; (2) improvements in school readiness and achievement; (3) reductions in domestic violence; and (4) improved maternal and child health, and greater family economic self-sufficiency.
- In its grant application, Michigan chose to focus on four of the federally recommended evidence-based models for home visitation:
  - Healthy Families America (HFA)
  - Nurse Family Partnerships (NFP)
  - Parents as Teachers (PAT)
  - Early Head Start – Home-based models (EHS)
- Michigan’s initial home visitation work has been focused in ten counties in the state with the highest needs. After a statewide assessment of need, follow-up work was done with local partners to assess county readiness to implement evidence-based practices and develop a county-level home visiting system.
- In the first year of funding (fiscal year 2010), Michigan focused on only two models (HFA and EHS). In fiscal year 2011, formula funds were provided for EHS in 3 communities (Genesee, Saginaw, and Ingham), HFA in 3 communities (Wayne, Muskegon, and Kent) and NFP in 2 communities (Berrien and Kalamazoo).
- Michigan recently received a competitive grant of \$5.4 million to further expand the MIECHV. Those funds will be used to expand the NFP in Michigan, in part to address the Governor’s dashboard priority of reducing infant mortality disparities. With the new federal funds, the MDCH will fund pilot projects in three counties with existing or new NFP programs to develop centralized/coordinated outreach, intake, referral and follow-up for home visiting programs. In addition, NFP services will be expanded in 6 counties, including Genesee, Wayne, Saginaw, Ingham, Berrien, and Kent.

Michigan first funded NFP programs in 2004 in four counties, with services targeted to first-time African American mothers; funding for a fifth site, Kalamazoo, was added in 2007. In 2009, state funding for these five programs was eliminated, and while some programs patched together funds from a variety of sources, others were terminated or reduced. The fiscal year 2012 state budget includes \$1.5 million in new state funds for the NFP. In addition, budget boilerplate language was added requiring the MDCH to use at least 50 percent of funds for home visiting for evidence-based models, or for models that conform to a promising approach that are in the process of being evaluated, with a goal of being evidence-based by January 1, 2013; and (2) establish an integrated benefit for Medicaid evidence-based home visiting services to be provided by Medicaid health plans for eligible families. The Maternal and Infant Health program (MIHP), Michigan’s

largest, statewide home visiting program, is currently being evaluated to see if it can meet the evidence-based criteria set out in the budget.

***Michigan's Race to the Top – Early Learning Challenge Grant Application:*** Michigan's most exciting opportunity to move its early childhood agenda forward is its recent application for \$70 million in federal Race to the Top – Early Learning Challenge (RTT-ELC) grant funds. The Michigan Department of Education, through the OGS, will be the agency with primary responsibility for implementing the work if Michigan's proposal is funded.

Michigan's plan includes the following major elements:

1. *Statewide implementation of a tiered quality rating and improvement system (TORIS) for all child care providers.* Michigan's TORIS, known as *Great Start to Quality*, will include all licensed early learning and development programs; as well as unlicensed, subsidized family, friend and neighbor providers (FFN providers).<sup>vii</sup> Michigan chose this approach because of the large percentage of the state's subsidized children who are in FFN care—in part driven by low provider reimbursement rates and the limited supply of licensed care in some areas of the state. The state's goal by the end of the four-year grant period is to have 50 percent of early learning and development programs serving children with high needs at the highest levels of quality (levels 4 and 5).

*Great Start to Quality* will have 3 tiers of quality improvements for subsidized FFN providers, and 5 levels for licensed early learning and development programs. Participation in level one (for both FFN providers and licensed providers) is not optional.

- *Unlicensed, subsidized, family, friend and neighbor providers:* Level one for FFN providers consists of 6 hours of basic First Aid, CPR and health and safety training prior to receiving state subsidy. FFN providers who choose to proceed to Tier 2 training receive a small increase in their reimbursement rate, while those moving to Tier 3 receive additional supports that might help interested FFN providers move to licensure. Quality improvement specialists from the regional resource centers verify the quality improvements needed for Tier 3 through a home visit.
- *Licensed early learning and development programs:* All licensed programs enter *Great Start to Quality* at level one, after child care licensing confirms that they are in compliance with licensing rules. Licensed programs in Michigan include Head Start centers, Early Head Start Centers and licensed family programs, the Great Start Readiness program, Title I program sites, child care centers and community-based preschool programs, and family child care homes (including those licensed for up to 6 and 12 children).

The *Great Start to Quality* standards are drawn from the state's early learning standards for pre-kindergarten and for infant and toddler programs. One element of Michigan's plan is to align the Great Start to Quality standards to the National Association for the Education of Young Children (NAEYC) early childhood program standards and accreditation criteria, providing assurance that efforts to become accredited lead to *Great Start to Quality* ratings at a level four or five. Michigan also plans to refine the *Great*

*Start to Quality* standards to have a stronger focus on the developmental needs of children with special needs, as well as infants and toddlers.

Michigan will have five levels of quality, referred to as stars, for licensed programs. Level 1, which is licensing, is mandatory. Programs can move to level two or three by completing self-assessments, with a sample verified each year by quality improvement specialists. Programs will be offered quality improvement supports, T.E.A.C.H. scholarships, and eventually higher reimbursements to help them improve quality.

2. *Child care scholarship pilot project*: Michigan's proposal also includes a pilot project to test child care scholarships as a way to increase access to high quality early learning programs for the children with highest needs. The pilot projects will be in areas with concentrations of children with high levels of need, and will prioritize infants and toddlers. Child Care Development Fund (CCDF) subsidy dollars will be used to purchase slots in level three through five programs, with services available full-year and full-day. Scholarships will be at higher reimbursement rates than currently provided, and will not be computed on an hourly rate (as is current Michigan practice). The goals are to get young children with high needs into better quality care, and encourage continuity of care by allowing subsidies to follow eligible children until kindergarten entry. It is estimated that 780 infants and toddlers, and 550 preschool age children will have access to full-day, full-year programs as a result of the scholarship program.

3. *Kindergarten entry assessment*: In a survey commissioned by the ECIC, Michigan kindergarten teachers said that on average, only 65 percent of children entering their classrooms are ready to learn, and that the lack of opportunity to attend a preschool program is a primary factor for children starting school already trailing behind their peers. In 2010, the Michigan Association of Intermediate School Administrators (MAISA) Early Childhood Committee, the ECIC and the MDE joined forces to prepare a plan for implementation of a statewide kindergarten entry assessment. The goals of the assessment are to: (1) provide the data needed to close the achievement gap for children with high needs; (2) provide accountability measures for investments in the Great Start system, including informing policy, programs and investments; and (3) improve instructional and educational support services in early elementary school grades.

When implemented, the assessment tools will document children's skills, knowledge, behaviors and accomplishments across a wide range of educational domains. With grant funds, Michigan is planning to field test the kindergarten assessment with 1,000 students in 2012, pilot the assessment with 10,000 students in 2013, and implement statewide in 2014 with approximately 125,000 kindergarten students.

4. *Refined early learning standards that are used by providers, teachers and parents*: Michigan was an early leader in adopting early learning and development expectations for preschool age children, and in connecting those expectations to the program standards that are needed to ensure that children succeed. In 1992, the state Board of Education adopted Early Childhood Standards of Quality for Prekindergarten through Second Grade. The 1992 standards have since been expanded and revised into two documents: *Early Childhood Standards of Quality for Infant and Toddler Programs* (ECSQ-IT) for children birth to age 3, and *Early Childhood Standards of Quality for Prekindergarten* (ECSQ-PK) for children from age 3 to kindergarten entry. The MDE is currently working to create common early learning standards from infancy through third

grade (P-3). Michigan will use grant funds to finalize the P-3 early learning standards, encourage better understanding and use of the standards through user-friendly materials for early education and care providers and parents, and create web-based training materials.

5. Expanded developmental screenings in physician's offices, and improved referrals for young children suspected of developmental delay: Developmental screenings are provided in many early learning and development programs, including the GSRP, Head Start and Early Head Start, home visiting programs, and in a variety of health care settings. With funding from the RTT-ELC, Michigan would: (1) enhance its standards, training and consultation to address healthy physical activity, nutrition and safety; (2) deploy child health consultants through local public health agencies working in concert with the local regional resource centers; (3) review standards related to behavioral health and train and coach early learning providers; and (4) expand training to support physicians in integrating preventive screenings into the daily work flow of their offices.

6. Investments in early childhood educators: Michigan is working to develop the skills of early childhood educators in a number of ways. First, in 2005, state leaders adopted standards for a set of core competencies that early childhood educators need to provide high quality education and care to young children, and these workforce development standards are used by regional resource centers as the foundation for professional development offerings. Michigan is also working with universities and community colleges to develop degree programs that meet the quality expectations, and offers T.E.A.C.H. scholarships and financial supports for licensed early learning and development programs. Michigan will use grant funds to refine and promote the core competencies, including work with the state's postsecondary institutions; further align professional development with the competencies; create needed credentials, starting with an infant/toddler credential; and launch its web-based professional development registry.

7. An early childhood data system: Michigan's current data systems for early education and care are fragmented, and data access and sharing is limited. Michigan will use grant funds to analyze the data gaps; design and create an early learning data system; and use the data to improve services and inform policy, funding and quality improvements.

8. Strengthened parent engagement: While Michigan has strong mechanisms for community and parent engagement through program policies and through the statewide network of Great Start Collaboratives and Great Start Parent Coalitions, state leaders strongly value parent engagement, and will be expanding that work with the RTT-ELC. Michigan will use grant funds to pilot "Parent Cafes" to engage families with children with high needs.

***Early Childhood Supplemental Appropriations Bill***: Both the Michigan House of Representatives and the Michigan Senate have approved School Aid supplemental appropriations bills (H.B. 4445). The Senate version provides a total of \$12.5 million in state spending for implementation of Michigan's RTT-ELC plan, including \$3.25 for the kindergarten entry assessment, and \$9.25 million for the TQRIS. The Senate bill also appropriates to the MDE the \$70 million in federal funds that the state hopes to receive if its application is successful.

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<sup>i</sup> Promoting Opportunity for the Next Generation, 2011 Kids Count Data Book, Annie E. Casey Foundation (August 2011).

<sup>ii</sup> 2009 American Community Survey.

<sup>iii</sup> *Distribution of Children by Age Reports*, Green Book Report of Key Programs Statistics, Michigan Department of Human Services (June 2010).

<sup>iv</sup> *Overview of the Michigan Department of Community Health*, presentation by Olga Dazzo, Director, MDC to the House Appropriations Subcommittee on Community Health (February 8, 2011).

<sup>v</sup> *Unclaimed Children Revisited*, National Center for Children in Poverty.

<sup>vi</sup> Michigan Maternal, Infant and Early Childhood Home Visiting Development Grant, Michigan Department of Community Health, and Project Abstract, Michigan Maternal, Infant and Early Childhood Home Visiting Program, Michigan Department of Community Health.

<sup>vii</sup> Programs funded by the Individuals with Disabilities Education Act (IDEA) are not currently licensed in Michigan, but the state plans to implement rules to integrate these programs into the licensing system, and ultimately into *Great Start to Quality*.