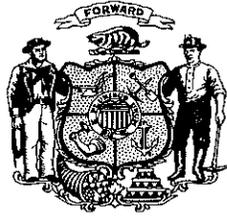


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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: February 7, 2017

Re: DCF Report to JFC

Attached is a report on the YoungStar program from the Department of Children and Families.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN:jm



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 Madison, WI 53708-8916
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Governor Scott Walker
 Secretary Eloise Anderson
 Secretary's Office

January 31, 2017

Honorable Alberta Darling, Senate Co-Chair
 Joint Committee on Finance
 Room 317 East, State Capitol
 Madison, WI 53707

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Honorable John Nygren, Assembly Co-Chair
 Joint Committee on Finance
 Room 309 East, State Capitol
 Madison, WI 53708

Dear Senator Darling and Representative Nygren:

This letter provides the Department of Children and Families' 4th Quarter 2016 report on the YoungStar program. The information below is a compilation of data requested by the Committee related to YoungStar implementation. The information is current through January 1, 2017.

Status of YoungStar

Supporting Families Together Association (the YoungStar contractor) continues to process applications, provide technical assistance, and conduct evaluations of programs. As of January 1, 2017, 3,659 programs are currently rated using the five-star rating system. Of these rated programs, 2,817 are currently serving children from families participating in the Wisconsin Shares child care subsidy program. Additionally, 170 providers have applied and are in the process of being rated. A breakout of rated programs by star level is included below:

	Licensed Group	Licensed Family	Certified Family	Public School	Licensed Camp	TOTAL
One Star	6	10	1	0	0	17
Two Stars	546	620	412	122	35	1735
Three Stars	800	338	49	73	17	1277
Four Stars	105	72	9	6	3	195
Five Stars	368	60	1	2	4	435
TOTAL	1825	1100	472	203	59	3659

Note: Programs that receive a 1 Star rating are not eligible to care for children in the Wisconsin Shares program.

During the fourth quarter, local YoungStar offices provided more than 6,800 hours of individualized onsite coaching and mentoring, professional development support, and/or rating services to more than 2,000 group, family, school-age, and day camp programs. These services

enhanced the quality of programs serving children birth to age twelve in 75 of Wisconsin's counties and tribes.

Move to Every Other Year Ratings

Beginning in 2017, programs participating in YoungStar will only need to be rated every two years. This will give programs more time to improve their quality between ratings. All currently participating program sites were divided between even year and odd year rating groups in July, 2016. Programs were divided through a computer generated system that took a variety of factors into consideration. Even year and odd year rating assignments were mailed to programs in August. The change to less frequent YoungStar ratings has been requested by multiple programs and early education associations in Wisconsin. It also allows YoungStar ratings to be more similar to accreditation rating timelines. Programs may, and will be encouraged to, receive onsite coaching support annually to continue their quality improvement efforts.

YoungStar Adjustments

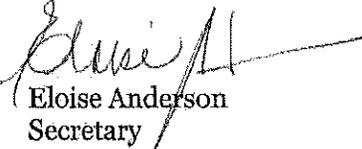
As indicated in our third quarter YoungStar report, the Department is in the process of implementing a new electronic benefits transfer (EBT) payment system for Wisconsin. Phase I began in eight counties on October 1, 2016 and Phase II will begin on February 1, 2017 for the remaining counties with the exception of Milwaukee County which will begin in April. Since October, the Department has begun paying the tiered reimbursement amount for 4 and 5 star providers directly to the provider in a payment separate from the EBT card. The intent is to ensure that 4 and 5 star providers are made whole during the transition to the EBT card. However, as previously mentioned in the third quarter report, the Department is in the process of finding a more permanent solution to financially reward high quality providers.

YoungStar Refinement Advisory Committee

This quarter, we successfully partnered with the University of Wisconsin – Madison, Institute for Research on Poverty (IRP) to help refine YoungStar's rating scale into one that better predicts and supports children's outcomes. We merged policy and research expertise into two broad, concrete recommendations for improving the rating criteria. With these recommendations in mind, YoungStar convened an advisory group, made up of key early education stakeholders, to provide feedback. With potential changes as early as 2019, the advisory group will continue to work together to make final recommendations to improve the rating scale.

I appreciate the opportunity to provide an update on the status of the YoungStar program and look forward to working with the Committee on strengthening these important services for Wisconsin families.

Sincerely,


Eloise Anderson
Secretary

cc: Scott Neitzel, Department of Administration
Bob Lang, Legislative Fiscal Bureau