

# Quality Rating and Improvement System (QRIS) Cost Implementation Study

Marshall University  
Center for Business and Economic Research

# What is a QRIS?

Quality initiative for significant enhancement in the state's early care and education system.

A comprehensive QRIS is built over time and is most often seen as “...a dynamic system that requires regular review and revision based on experience and evolving knowledge.” (Mitchell, 2005)

# Why is QRIS needed

- Very few child care facilities have obtained the higher quality rankings.
- Many areas of the state have few if any facilities available.
- Inadequate incentive program for centers
- The costs of quality child care are higher than many WV families can afford
- Extremely high turnover in child care staff.
- Lack of appropriate training and education of those working in child care.
- Insufficient coordination and supervision of center activities exists in West Virginia to insure quality throughout the entire child care system.

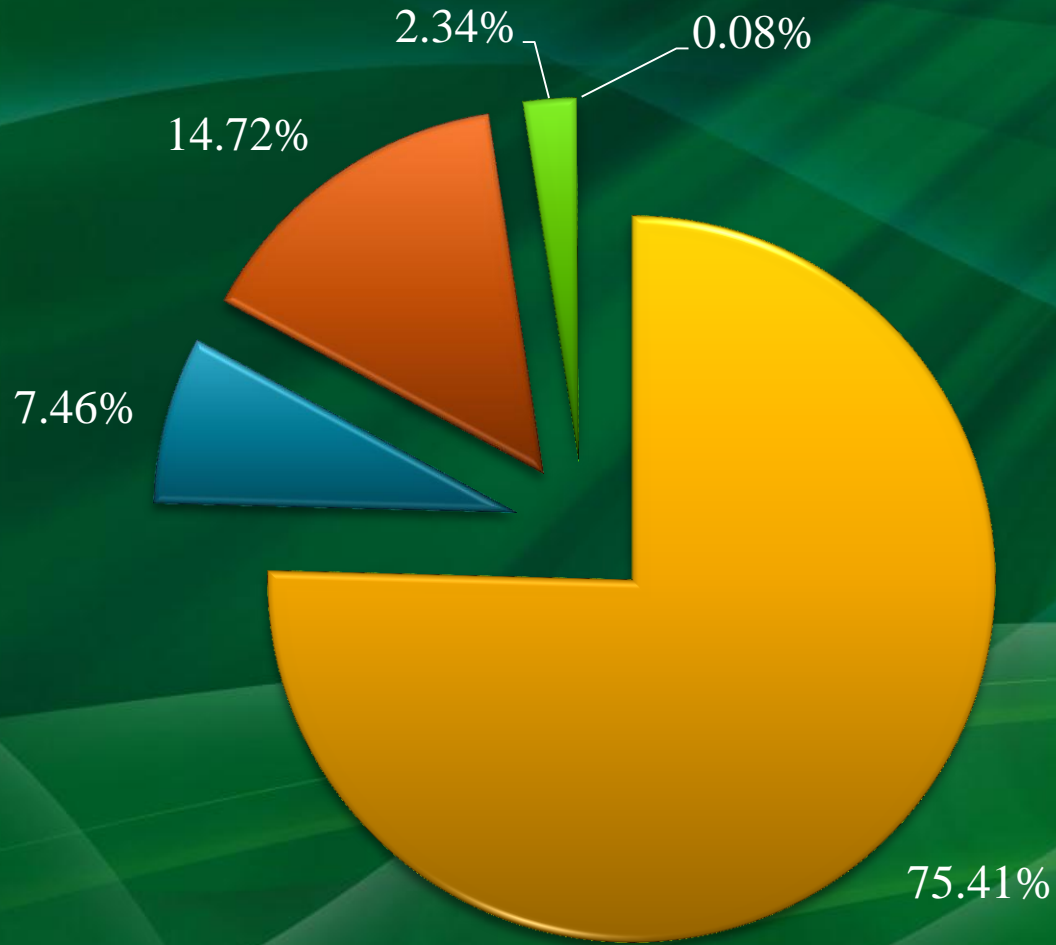
# Justification



# Average Wage by Education & Training for Child Care Workers in West Virginia



# WV Child Care Staff Education Levels



■ No advanced degree

■ Associate

■ Bachelors

■ Masters

■ Doctoral

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Substantial investments in planning, infrastructure, data collection and analysis are required.



One of the first steps in preparing a financial plan involved identification of the functions already being performed in the state which support quality initiatives.

Strategically linking these functions to the new system saves considerable time and monetary investment.

A successful QRIS must  
begin with an adequate  
infrastructure system

# Legislation

- Chapter 49 Section 2-E Quality Rating and Improvement System
- Legislative Rules
- Financial Plan

# QRIS System Components:

- planning and coordination functions,
- evaluation capabilities,
- management information systems,
- technical assistance and training,
- public education activities,
- resource and referral functions,
- licensing systems, and
- professional development services.

# Existing Efforts Related to QRIS

- Financial plan developed by CBER
- Identification of existing functions
- Strategically linking existing functions to the new system
- Saves considerable time and monetary investment.



# Management Information System

- Investment in a new, highly integrated and user friendly MIS of approximately \$5 million is necessary at implementation.
- Similar investments by the WV State Tax Department in information technology systems have paid for themselves in even less time than anticipated.

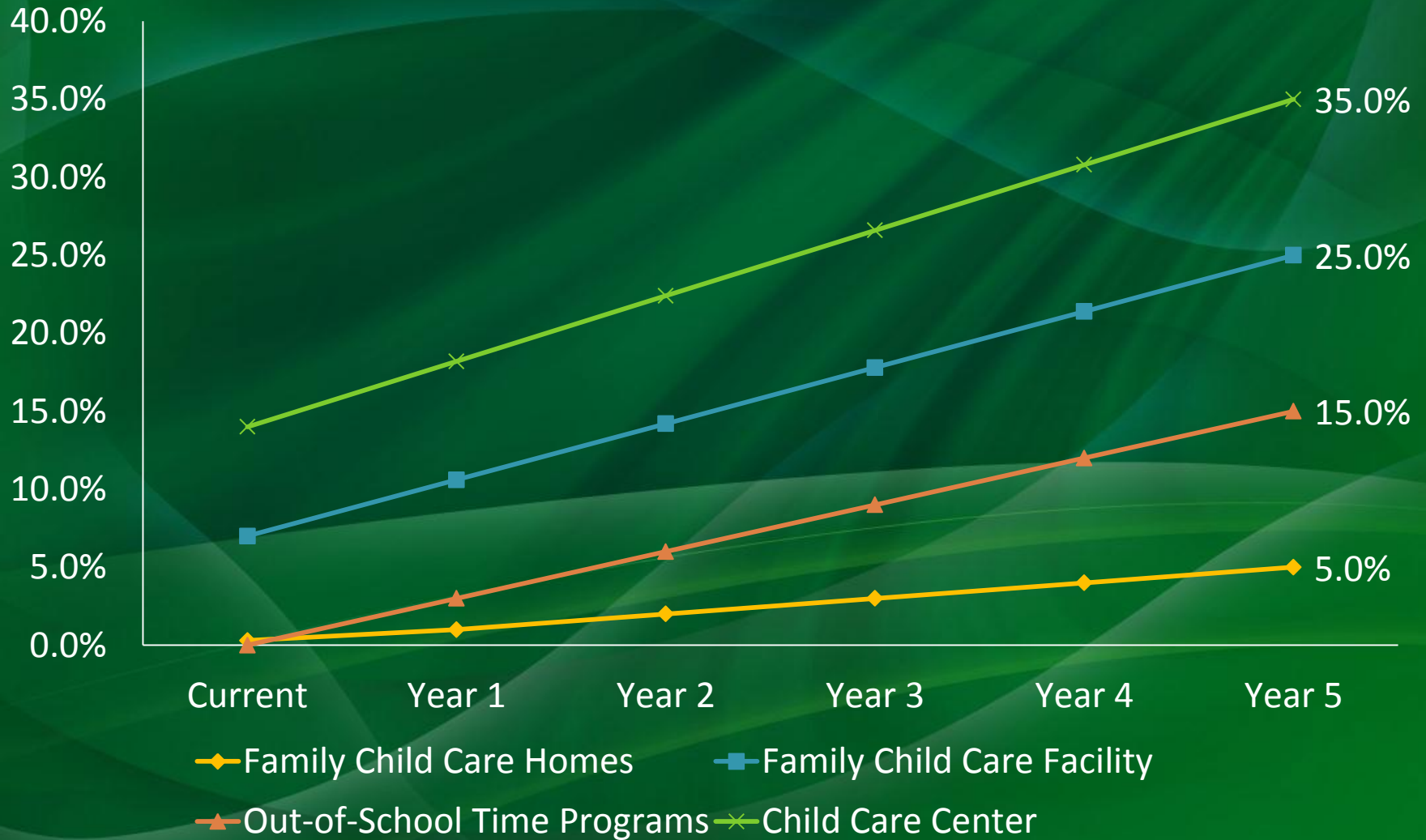
# Next Stage

- Implement staffing for the administration and evaluation of the system.
- Current providers must be assigned a rating in the new system and plans for improvement established.
- New staff must be trained and equipped to evaluate programs as the numbers of participants increase.

# Current Child Care in West Virginia

Type of Care	Number of Programs as of August 2010	Current Participation in Tiered Reimbursement	Annual Increased Rate of Participation	Projected Participation Rate After Five Years
Family Child Care Home	1,855	.3%	<1%	5%
Family Child Care Facility	106	7%	<4%	25%
Child Care Center	361	14%	<5%	35%
Out- of-School-Time Programs	80	NA	3%	15%

# Projected Participation Rates



# Staffing

- State Level – DHHR
  - Evaluation Anchors
- Resource and Referral Agencies
  
- Training Connections



# Main Funding Mechanisms in Other States

- Federal Child Care and Development Fund (CCDF)
- Temporary Assistance for Needy Families (TANF)
- American Recovery and Reinvestment Act (ARRA)

# Potential Funding Mechanisms in WV

- General Fund
- Budget Surplus
- Tax Credits
- Public-private partnerships

# Cost Estimate Assumptions

- Gradual implementation
- Initial five year plan
- National research
- Models in place from 26 states

# Major Areas of Expenditure

- Building Infrastructure
- Technology
- Staffing
- Subsidy and Market Rate Increases
- Workforce Training
- Public Awareness
- Evaluation

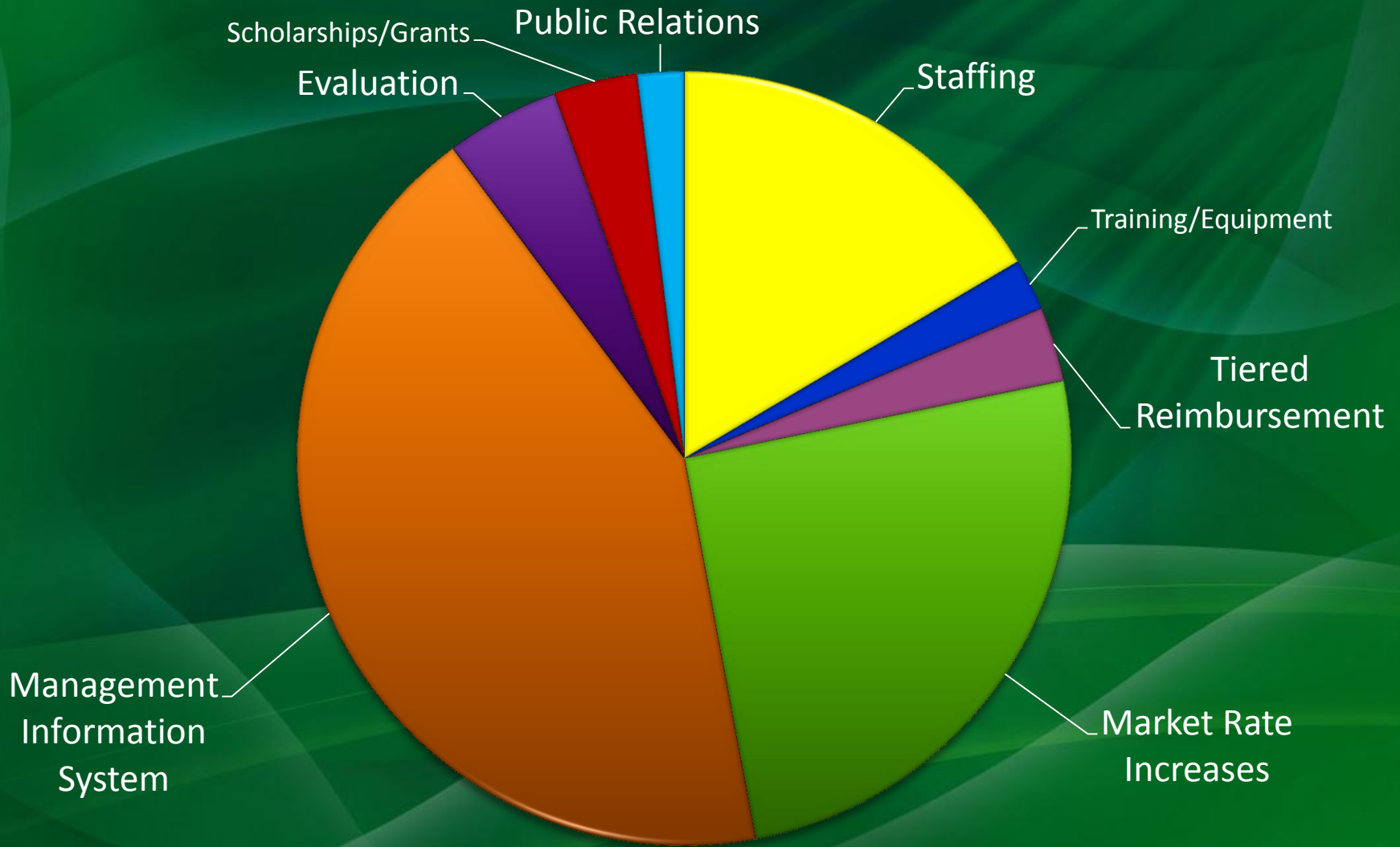
# The First Five Year Plan

Millions of \$





# Year One \$12.8 million



# Cost/Benefit

- The return on investment for public funding of quality child care varies by geographic area, type of program, and level of implementation.
- Prior research in West Virginia shows a conservative estimated return of \$5.20 for every \$1 invested.