

2018 Accountability Report

Early Childhood

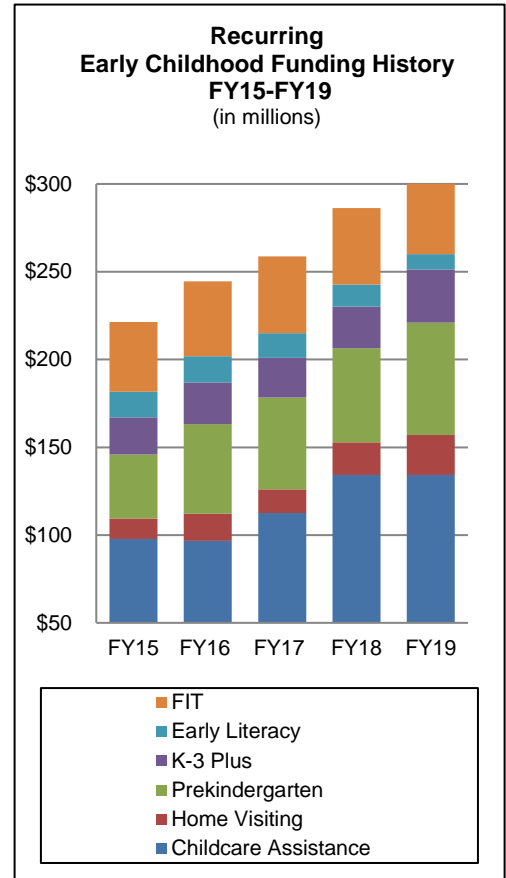


Quality services for at-risk children can greatly impact their future educational and economic success. Recognizing the importance of such services, early childhood initiatives have remained a priority even as the Legislature confronted difficult funding decisions in recent years.

New Mexico’s early childhood care and education system begins prenatally and extends through age 8. Services for improving the health, safety, stability, and education of New Mexico’s children span several state agencies, including the Children, Youth and Families Department (CYFD), the Department of Health (DOH), the Human Services Department (HSD), and the Public Education Department (PED). Concerns regarding low or declining performance in key indicators such as the rate of repeat child maltreatment, immunization, and reading proficiency of low-income children have been raised. With this knowledge, the Legislature invested in multiple prevention and intervention strategies over the last several years, such as home visiting and prekindergarten.

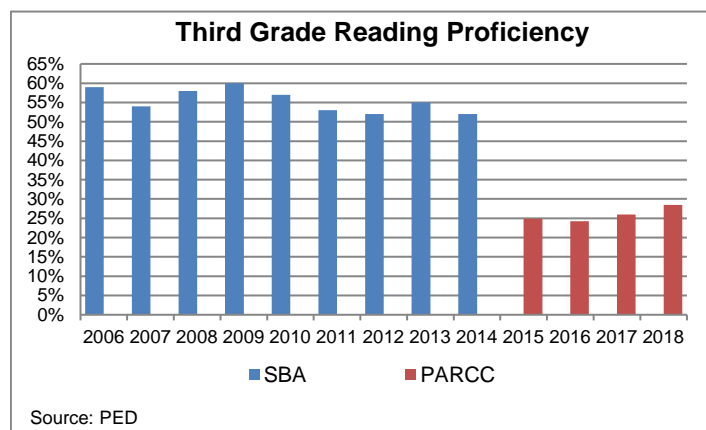
The Early Childhood Accountability Report is intended to provide a system-wide look at key early childhood indicators across state agencies and consolidate information regarding expenditures and outcomes. The report provides trend data indicating mixed performance results on measures reported last year.

State-wide early public education data shows mixed results. According to the PARCC assessment, approximately 30 percent of New Mexico third grade students demonstrate readiness for the next grade level in reading or math. Health and safety indicators continue to show low performance, however. Given the state’s significant investment in programs to improve early childhood health and educational outcomes, analysis of key indicators is vital to ensure investments are meeting their intended goals.

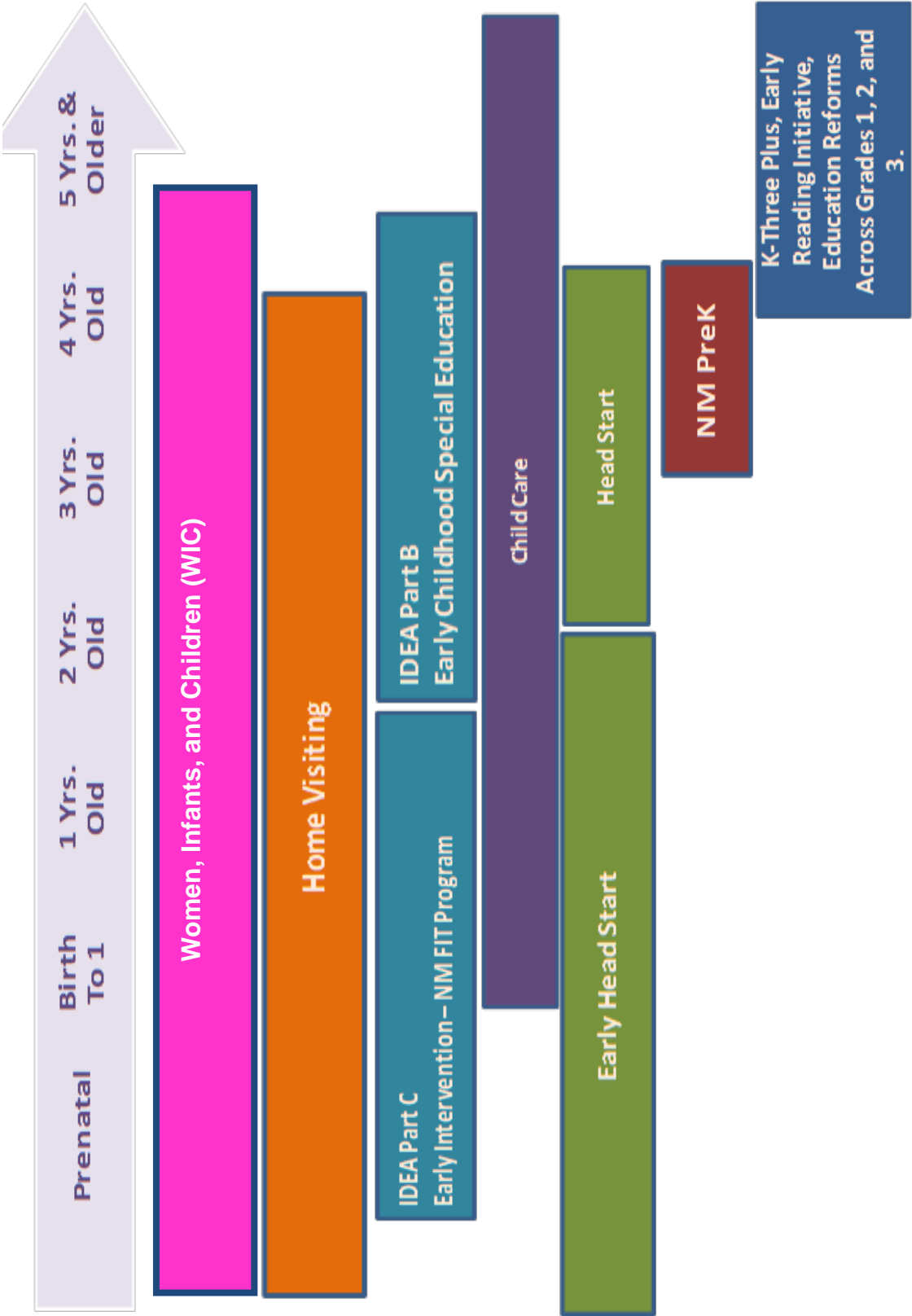


Early Childhood Program Issues and Impact

- **Home Visiting** expansion should be better targeted to high risk and high need areas. Current resources continue to go unused.
- **Childcare** cost per child has increased by 76 percent since FY12 without evidence improved quality standards lead to better long-term educational outcomes.
- **Prekindergarten** participation corresponds with improved performance on PARCC through 11th grade.
- **K-3 Plus** improves kindergarten literacy, however, only serves one-third of eligible students.
- **Head Start** enrollment continues to fall and performance on key measures of teacher quality and service delivery is deteriorating.



New Mexico's Early Childhood Care and Education System



Early Childhood Accountability Report-2018 Update

HEALTHY	Infant Mortality	Low Birth Weight	Immunization Rate	Early Access to Prenatal Care			
	2016	2016	2016	2016			
	6.2	9%	68.5%	63%			
	Per 1,000 children U.S. – 5.9 (2016)	2,331 children U.S. – 8.2% (2016)	U.S. – 71% (2016)	24,503 children U.S. – 77% (2016)			
	Worse	Worse	Worse	Worse			
2015	5.1	2015	8.7%	2015	70%	2015	66%
Source:	CDC	DOH	DOH	DOH			

SAFE	Child Death Rate: Abuse or Neglect	Rate of Child Maltreatment	Rate of Foster Care Placement	Repeat Maltreatment			
	2016	2016	2016	2018			
	2.24	15.4	3.8	11%			
	Per 100,000 children U.S. Range 0-5.96	Per 1,000 children U.S. – 8.8 (2016)	Per 1,000 children	U.S. Std- 5.4%			
	Better	Better	Same	Better			
2015	2.82	2015	17.5	2015	3.8	2017	11.7%
Source:	ACF	ACF	ACF	CYFD/NCANDS			

READY TO LEARN BY KINDERGARTEN	Kindergarten Students Taking Istation Beginning of Year Test	Rate of Children Under 5 in Poverty	Kids Funded to Participate in Early Childhood Programs	Low Income 4-Year-Olds in Day Services	
	FY18	2016	FY19	FY17/FY18	
	98%	34%	73,871	73%	
	Baseline	Same	children	20,788 children	
	2015	34%	FY18	65,298	FY16
Source:	PED	Census	LFC Vol. 3	CYFD, ACF, & LFC	

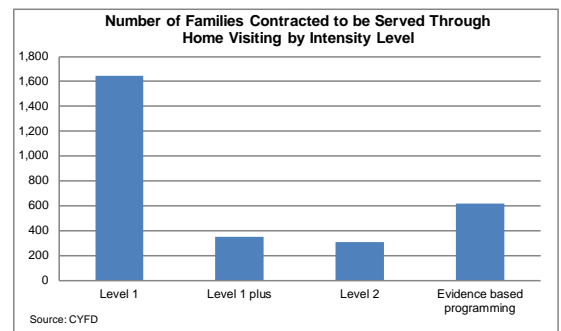
EDUCATED 3rd Grade	Reading – All Kids	Reading – Low-Income Kids	Math – All Kids	Math – Low-Income Kids			
	2018	2018	2018	2018			
	28.5%	25%	32%	27%			
	Better	Better	Better	Better			
	2017	25%	2017	22%	2017	30%	2017
Source:	PED	PED	PED	PED			

HOME VISITING		Average Percent of Family Goals Met	Parents Progressing in Positive Interactions	Average Yearly Number of Home Visits	Well - Child Exams
FY18	FY19	FY18	FY18	FY18	FY18
\$18.7	\$20.1	26%	45.7%	13	96%
4,452	5,300	(N= 2,983 families)		(N=3,416 families)	(N= 201)
		Better	Better	Worse	Better
		FY17 23%	FY17 44%	FY17 14	FY17 95%
		CYFD	CYFD	CYFD	CYFD

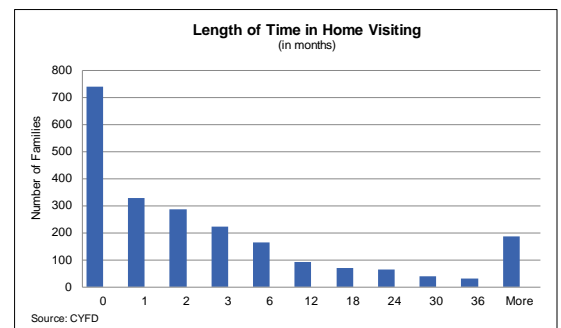
Source:

Home Visiting. Home visiting is an intensive parent education program shown to effectively reduce child abuse and improve health. This voluntary program provides family support and basic parenting skills critical to improving childhood outcomes during pregnancy and through the first few years of a child’s life. Research shows some home visiting models are an effective and cost beneficial system of intervention for at-risk families.

Impact. Previous home visiting reports by CYFD show a higher percentage of children in home visiting receive well-child visits compared to children on Medicaid who do not participate in this program. This is particularly relevant as half the individuals participating in home visiting services are on Medicaid and earn only about \$20 thousand a year. Evidence based home visiting programs in New Mexico continue to show a positive return on investment and positive child outcomes.

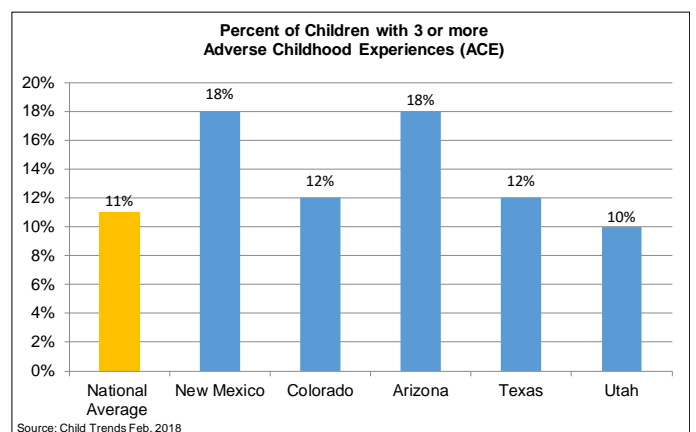


First Born, a homegrown program, shown by a RAND Corporation study to decrease child emergency room visits and increase positive parenting behaviors, is currently under review by the federal Maternal Infant and Early Childhood Home Visiting program to be recognized as an evidence-based program. Furthermore, CYFD implemented multiple levels of home visiting to serve children with varying levels of need. Importantly, in New Mexico most home visiting programs are not tied to evidence-based programming, leading to uncertain outcomes and return on investment.



Issues. Strategically, policymakers continue to incrementally increase funding of home visiting services to allow communities time to develop quality infrastructure for programming. Continued attention is needed to ensure family engagement and improved performance of funded programs under the standards-based accountability system.

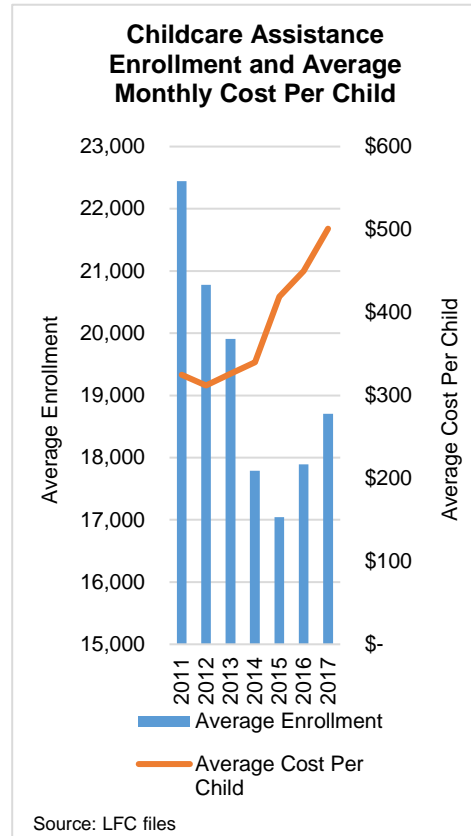
The national return on investment for early childhood programming is up to seven dollars for every one dollar invested. However, the state is still working to build up infrastructure and providers to serve high numbers of at-risk children. A screening tool to target services to the most at-risk families is the Adverse Childhood Experiences (ACE) score. The U.S. Center for Disease Control reports children with high ACE scores are linked to risky behaviors, chronic health conditions, and early death. The state’s early childhood and health systems should consider using the ACE score to target services to families most at-risk. Starting in early 2019, HSD will roll out a Medicaid Home Visiting program using evidence-based models.



CHILDCARE ASSISTANCE		Kids Attending 4 or 5 Star Center	4-Year-Olds Attending Childcare	Enrolled 9 or More Months	Low Income Childcare Participants Proficient in Reading by 3 rd Grade
FY18	FY19	FY18	June FY18	FY18	FY18
\$116	\$134	43%	2,371	47%	18%
20,488	21,300	Better	Lower	Worse	Better
		FY17 36%	FY17 2,463	FY17 49%	FY17 17%
					All low income students- 22%
Source:		CYFD	CYFD	CYFD	CYFD

Childcare Assistance. The Childcare Assistance program is a subsidy program for families with children between the ages of 3 weeks and 13 years whose families make less than 200 percent of the federal poverty level and who work or attend training and education programs. Childcare is not an entitlement program and is funded through a combination of federal block grants (Childcare and Development Fund, and Temporary Assistance for Needy Families) and state appropriations (general fund). Historically, the largest source of funding for childcare assistance was from the federal Childcare and Development Fund (CCDF), however, in FY19, the general fund has become the largest source of funding.

Impact. Since FY12, enrollment in childcare has fallen by 7 percent while cost per child has risen by 76 percent. Administered by the Children, Youth and Families Department (CYFD), in FY18 childcare assistance average monthly enrollment was 20,488, an increase of 9.5 percent over FY17. The average monthly cost per child was \$550, \$53 more per child per month than FY17. At \$550 per child per month, it will cost an additional \$6 million for every one thousand additional children served. Total direct spending for childcare assistance in FY18 reached \$135.2 million, nearly \$19 million above anticipated spending in CYFD’s FY18 operating budget. In FY19, childcare assistance received an additional \$22 million from the general fund and \$3 million from TANF.



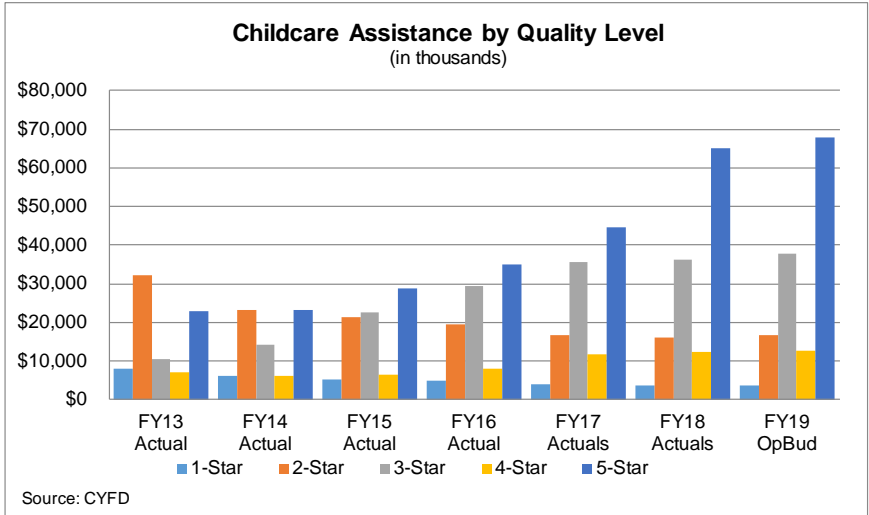
Increased provider rates for the highest levels of quality care contributed to increased spending as more providers qualify for 5-STAR reimbursements. Childcare providers can qualify as a 5-STAR provider by either meeting quality standards in the state’s tiered rating quality improvement system, Focus, or through an approved national accrediting body. Periodically, the state recertifies childcare providers to ensure they are meeting Focus standards, while accredited providers

Qualifying Activity for Parent		
	FY17	FY18
Employment and Training	8.5%	8.5%
Employment	75.7%	78.9%
Training/Education	15.7%	12.6%

Source: CYFD ACF Files
 Note: Point in time data from June of each fiscal year.

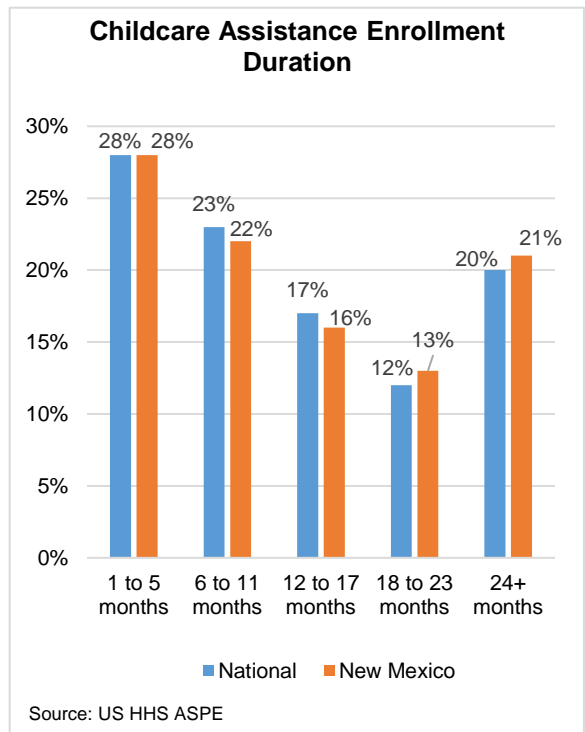
are endorsed by their accrediting body. The newest childcare block grant funding framework released in early 2018 will provide the state an estimated additional \$18 million in discretionary funds, helping with projected increased costs in FY20. Aside from income eligibility requirements, parents must also work or go to school. The vast majority of qualified parents use childcare assistance to support their employment.

Issues. CYFD projects continued growth in enrollment and costs. CYFD continues moving forward in its implementation of Focus, New Mexico’s third-generation tiered quality rating system. CYFD reported in FY18 more childcare providers are moving into the highest levels of quality rating, but nonetheless fell slightly below performance targets for the fiscal year. In FY18, 60 percent of children attended “high quality,” 3-, 4-, and 5-STAR programs. The agency also reported rural providers are struggling to move into the state’s newest quality rating system, Focus, and there is no timeline for transition of providers remaining in the legacy system (Aim High). Additional technical assistance may be needed to assist providers remaining in the legacy system to increase quality standards and to transition from Aim High to Focus.



Four-year-old childcare enrollment increased from FY16 to FY17 from 1,972 to just fewer than 2,500, and remained relatively stable in FY18. Additionally, the number of children enrolled nine or more months increased from 34 percent in FY14 to 49 percent in FY17, however there was a drop in FY18 to 47 percent. The Legislature has implemented new reporting requirements. In the 2018 legislative session, House Bill 193 enacted the Early Childhood Care Accountability Act (ECCAA) in the Children’s Code, establishing standards for licensure and registration and putting a number of data collection and reporting requirements into place, including requiring a report of these data to the Legislature beginning in December of 2019.

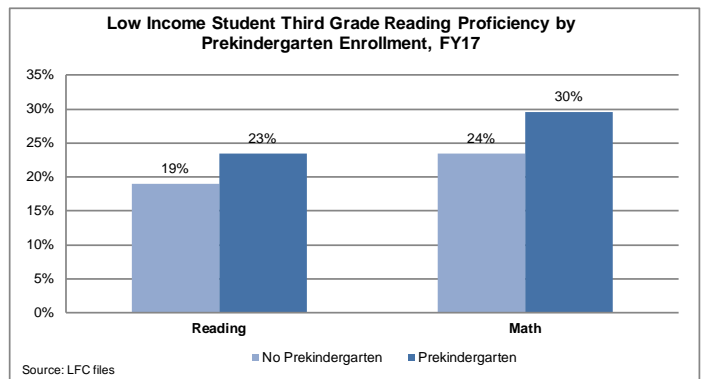
Policymakers should use caution in increasing childcare resources as a tool to improve long-term educational outcomes or to reduce child maltreatment. Despite significant increased investments in quality initiatives, evidence linking participation in childcare with long-term impacts on educational outcomes is lacking. There is some evidence that select childcare facilities perform on par with high performing prekindergarten facilities. There is also some evidence that childcare assistance has a short-term impact on improving school readiness. LFC staff have found small, short-term effects for Aim High (the legacy tiered quality rating improvement system), and UNM’s Cradle to Career Policy Institute (CCPI) found similar short-term impacts. However, several LFC studies, along with the recent CCPI study, found no impact of childcare participation on 3rd grade scores, which is consistent with national research on fade out effects of some early childhood programs. While some studies show promising short-term educational gains, there is no evidence to conclude participation in New Mexico childcare has a long-term positive impact on educational outcomes. However, childcare may have other benefits for kids and parents, such as contributing to economic stability.



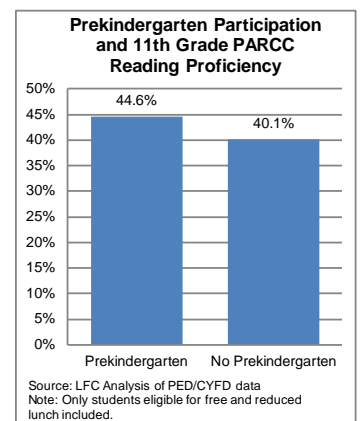
NEW MEXICO PreK		PreK Kids Proficient in Reading at Beginning of K	PreK Kids Proficient by 3 rd Grade - Reading	PreK Kids Proficient by 3 rd Grade - Math	4-Year Olds in NM PreK
FY18	FY19	FY17	FY17	FY17	FY17
\$53.5	\$64.0	40%	27%	33%	34%
9,377	11,300	No PreK: 36%	(N=3,646) No PreK: 26%	(N=3,639) No PreK: 30%	(N=9,269)
		Low Income: 23%	Low Income: 23%	Low Income: 30%	
		Baseline	Better	Better	Better
			FY16: 26%	FY16: 32%	FY16: 32%
Source:		PED/Istation	PED/PARCC	PED/PARCC	PED/CYFD

Prekindergarten (PreK). New Mexico prekindergarten is an early education program for 3- and 4-year-olds implemented by the Children, Youth, and Families Department (CYFD) and the Public Education Department (PED). The program is available to families for half-day or extended-day services. In FY18, over 9,000 children received prekindergarten services, including extended day services. Prior to FY16, prekindergarten was only available to 4-year-olds but policymakers expanded services for 3-year-olds to support continued gains in student achievement outcomes, and authorized extended day services. Over 950 children participated in 3-year-old prekindergarten programs in FY18.

Impact. The LFC has consistently found prekindergarten programs improve math and reading proficiencies for low income 4-year-olds, lower special education and retention rates, and lessen negative effects of mobility. LFC has also found prekindergarten programs deliver a positive return on investment for New Mexico taxpayers based on improvement in test scores through the 11th grade. Low income students who participated in prekindergarten performed better on third grade PARCC than peers not participating. New Mexico continues to compare favorably to other states for funding of prekindergarten. According to the National Institute of Early Education Research (NIEER), 33 percent of 4-year-olds in the U.S. were enrolled in prekindergarten programs in 2017 and the average state spending was \$5,008 per child enrolled. NIEER reports at 35 percent, New Mexico ranked 15th in the nation for 4-year-olds enrolled in prekindergarten programs in 2017 and ranked 20th for state spending at \$5,040 per child. The NIEER report also noted New Mexico prekindergarten enrollment grew 6 percent in 2017 above the previous year.



Issues. Publicly delivered prekindergarten services face facility and workforce gaps. PED delivers services by school districts, further strained by teacher shortages and classroom availability. In November 2017, school districts and charter schools reported 637 educator vacancies, of which 476 were teacher vacancies and 158 were education assistant vacancies.

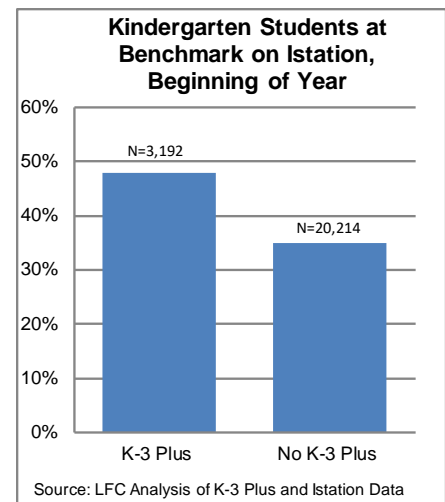


Despite significant barriers to expansion, New Mexico is close to providing sufficient funding to ensure all low income 4-year-olds receive at least some type of early education through childcare assistance, prekindergarten, or Head Start. Enrollment in federally funded Head Start has experienced a significant enrollment decline and New Mexico is losing federal revenues. The state needs to better coordinate programs to prevent oversaturation for one age group while other age groups are underserved. New Mexico could consider shifting more prekindergarten funding to 3-year-olds or encouraging Head Start programs to shift more services to Early Head Start.

K-3 PLUS EXTENDED SCHOOL YEAR		Percentage of Students in 20 Day Programs vs. 25 Day Programs	Average Days between End of K-3 Plus and Beginning of School Year	Eligible Students Enrolled	Kindergarten Students at Benchmark on Istation
FY18	FY19	FY17	FY17	FY18	FY18
\$23.7	\$30.2	25 Day: 85%	15	32%	48%
Summer 2018	Summer 2019	20 Day: 15%	High: 31 Low: 5		No K-3 Plus: 35%
22,121	28,000 (Projected)	Lower	Lower	Better	Baseline
		FY16	FY16	FY17	
		25 Day: 75%	18	22%	
		20 Day: 25%	High: 39 Low: 0		
Source:		PED	PED	LFC files	LFC Analysis of Istation

K-3 Plus. Research identified “time-on-task,” the time students spend in the classroom actively engaged in learning, as a practice that greatly impacts student learning. The state implemented the K-3 Plus program – an extended school year program for kindergarten through third grade students – in 2007. The program extends the school year for a minimum of 25 instructional days beginning before students start kindergarten at high-poverty or low-performing elementary schools for students who choose to participate. Almost 71 thousand students are eligible to participate in the program. Since 2007, enrollment and funding for K-3 Plus have generally risen. However, in those years where funding decreased, there was a corresponding drop in enrollment.

Impact. K-3 Plus is scientifically shown to improve student performance relative to peers when programs are executed correctly. Students who participated in K-3 Plus in FY18 before entering kindergarten the same year were more likely to be at benchmark on the Istation assessment than students who did not attend K-3 Plus. Almost half, or 48 percent, of K-3 Plus students were proficient or above on Istation in the beginning of kindergarten, compared to 35 percent of students who were not in a K-3 Plus program. The kindergarten readiness findings are similar to the Utah State University independent, scientific evaluation of the K-3 Plus program, published in 2015. The evaluation assessed students over four years and found students enrolled in K-3 Plus the summer prior to kindergarten were more ready for school and outperformed their peers. Furthermore, those enrolled in K-3 Plus continued to have higher levels of achievement four years later; however, the difference between those enrolled in K-3 Plus and those not, was smaller prior to third grade than it was prior to kindergarten.



Expanding K-3 Plus and providing incentives for local school districts and schools to significantly increase learning time could help close achievement gaps. Expanding K-3 Plus programs to reach more students can significantly extend learning time for those who need it most, but programs must be implemented correctly. In 2018, 26 local education agencies piloted K-5 Plus programs, where students attend additional instructional days prior to all elementary school grades. The total number of students funded for summer 2018 K-3 Plus was over 22 thousand, a significant increase from summer 2017 enrollment of 15.1 thousand students, when the number of slots was reduced statewide.

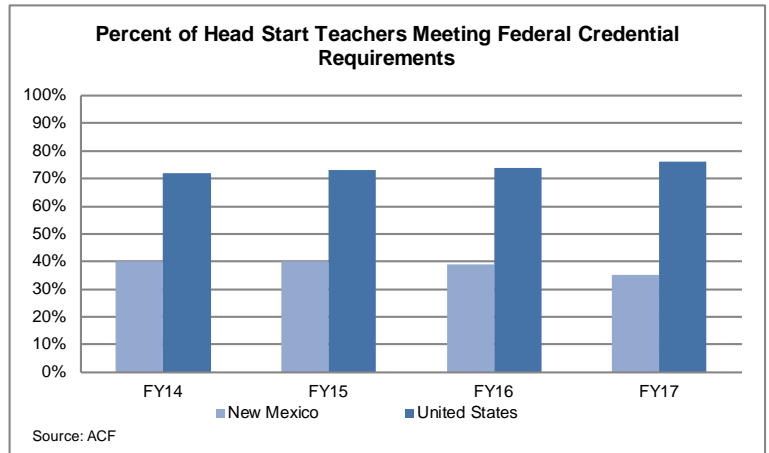
Issues. There is concern the K-3 Plus program may not be implemented correctly at all schools. For increased gains from K-3 Plus throughout the school year:

- Programs must be no less than 25 days long, regardless of the length of the instructional day;
- Programs must end no earlier than two weeks prior to the first day of the regular school year; and
- Programs must keep students with the same teachers they have for the regular school year.

NEW MEXICO HEAD START	4-Year-Old Enrollment	Teachers with Bachelor's Degree	Families Receiving Parenting Services	Well-Child Exams
Federal Funds FY18 \$68.8	FY17 3,486 Lower	FY17 35.1% Worse	FY17 37% Lower	FY17 88% Same
Source:	FY16 3,491 ACF	FY16 38.6% ACF	FY16 42% ACF	FY16 88% ACF

Head Start. Head Start and Early Head Start are federal programs to promote school readiness of children under age 5 from low income families by enhancing their cognitive, social, and emotional development. Head Start programs also provide health, nutrition, social, and other services for qualifying children and their families. The services may be provided in a center, school, family childcare home, or a child's own home. Head Start funding is provided directly to providers, bypassing state agencies. CYFD has no administrative role in Head Start but houses one federally-funded staff member to act as the state's Head Start collaboration director. If New Mexico Head Start was at the national averages and standards, we may see higher enrollment and increased benefits.

Impact. A 2016 report from the Brookings Institute associated Head Start programs with long-term improvements in educational outcomes for students. Federal standards define high-quality Head Start programs partially by teacher qualifications. Unfortunately, New Mexico continues to lag behind the national average on Head Start teacher qualifications. Federal standards require 50 percent of Head Start teachers have a bachelor's degree or higher in early childhood education or a related field and is increasing the requirement for other Head Start related workers. To date, New Mexico has 35 percent of its Head Start teachers meeting this requirement, a decrease for the third straight year. This decrease is coupled with a teacher shortage as many qualified teachers prefer to enter into the K-12 system because of higher pay and better benefits.



Issues. Head Start enrollment continues to fall. A 2013 LFC evaluation of early childhood programs noted a lack of coordination among Head Start programs and other early childhood services hurt access to programming in some counties. In some counties Head Start is losing funding due to the market being flooded with learning opportunities for 4-year-olds, with the number of 4-year-olds in Head Start dropping 31 percent from 5,046 in 2012 to 3,486 in 2017. This led a number of providers to increase Early Head Start slots while decreasing Head Start slots. Head Start capacity dropped for the fifth consecutive year, while Early Head Start capacity is the highest it has been since 2012. Head Start funding, however, increased in recent years, even as the number of children contracted to be served has declined. In FY18, Head Start was funded to serve about the same number of children it did in FY17, but revenues increased \$1.8 million, raising the annual average cost per child to \$9,258. Since this program serves around 7,500 children each year, and does not use a large amount of state money, the state should focus on improving the quality and outcomes of the program using its licensing and oversight powers.

