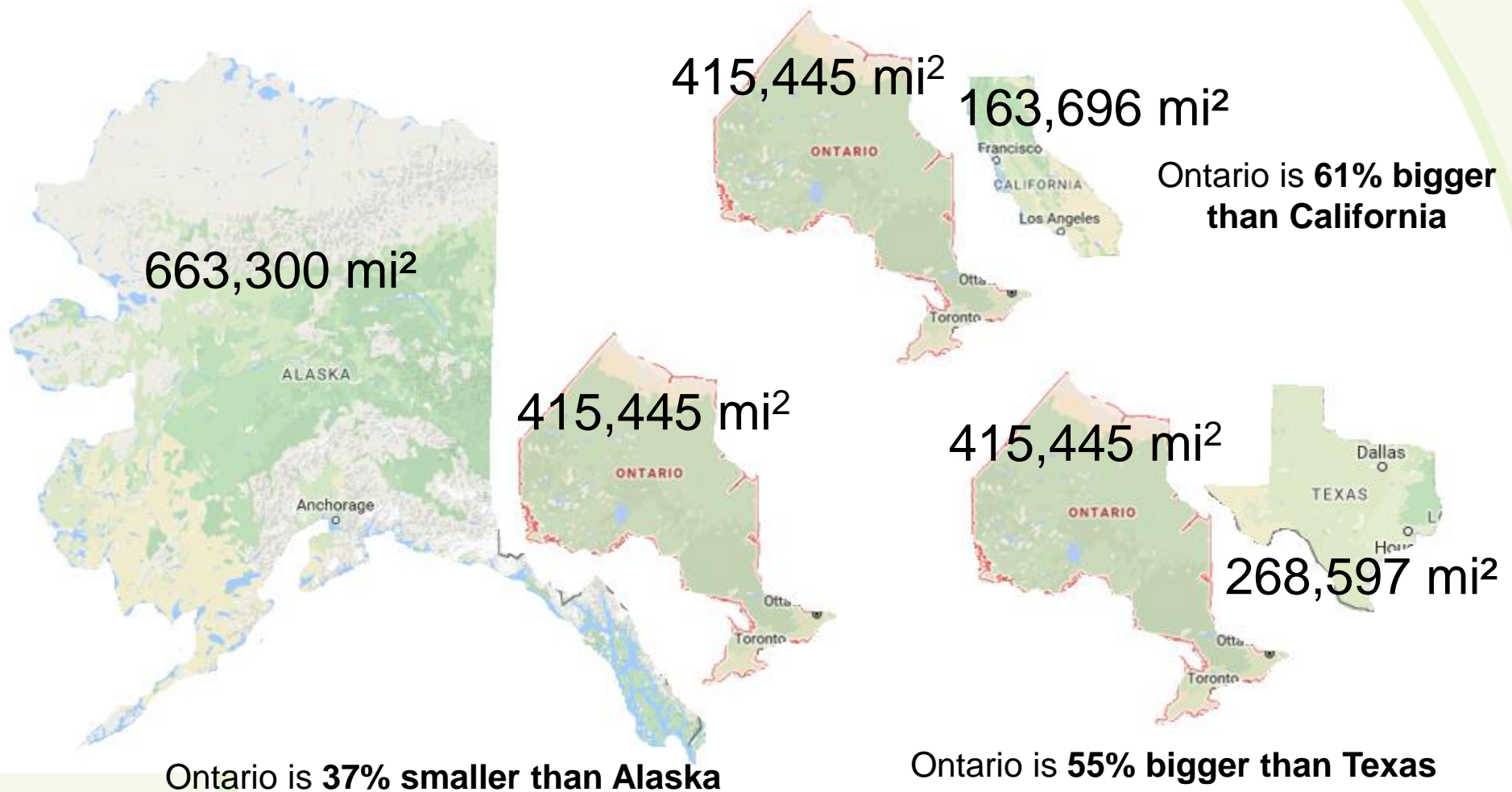


A Canadian Perspective: Implementing Tiered Licensing in the Province of Ontario

NARA Licensing Seminar
September 20, 2016

Ministry of Education
Province of Ontario, Canada

Ontario's Geography



Child Care in Ontario – Key Facts

- There are two options for regulated child care in Ontario:
 1. centre-based licensed child care
 2. home-based child care associated with a licensed home child care agency

- As of September, 2016, there are:
 - 5,348 licensed child care centres
 - 123 licensed home child care agencies

Child Care in Ontario – Key Facts

- In 2012, The Ontario Government's Ministry of Education became responsible for funding, licensing and developing policy to support the provision of licensed child care.
- The Ministry of Education inspects licensed child care programs at least once a year. Inspections are carried out to:
 - assess compliance with the relevant legislation and regulations
 - investigate complaints, issue licences and renew licences
 - monitor licensees who are having difficulty meeting licensing standards
- Ontario's child care sector is divided into 6 regions: vast north and urban south
 - Average inspector caseload size in the urban south regions: 108 programs
 - Average inspector caseload size in the northern region: 67 programs

Child Care Modernization

- The Child Care Licensing System (CCLS) was launched in December 2013.
- CCLS is a web-based system used by licensees and the ministry to conduct all licensing activities, such as:
 - Submit and process new licence applications and licence renewal applications
 - Upload and review supporting documentation (e.g. policies and procedures)
 - Report and follow up on serious occurrences
 - Receive and follow up on complaints
 - Manage staffing information
 - Request and process revisions to licences
 - Download their licences and ministry-issued letters
 - Run reports on licensing data

Child Care Modernization

- As of August 31, 2015, The *Child Care and Early Years Act, 2014* (CCEYA) is the legislation that governs licensed child care in Ontario. The CCEYA sets out requirements to protect the health, safety and well-being of children in care and has replaced the outdated *Day Nurseries Act*.
- The first phase of regulations came into effect on August 31, 2015 and the second phase came into effect on August 29, 2016.
- The Ontario Minister of Education required under the CCEYA that *How Does Learning Happen*, a statement on programming and pedagogy be implemented in child care programs.
- HDLH supports pedagogy and program development in early years settings that is shaped by views about children, the role of educators and families, and the relationships among them. It builds on foundational knowledge about children and is grounded in new research and leading-edge practice from around the world.

<http://www.edu.gov.on.ca/childcare/pedagogy.html>



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Drivers for Tiered Licensing

- Previous child care licensing checklist = 400 requirements, including many administrative items
- Limited time for program quality observations/conversations
- All centres licensed in the same way, regardless of compliance history
- Auditor General recommendation

Objectives

- Support the government's broader initiative to modernize child care;
- Reward centres with high levels of compliance;
- Incentivize improved regulatory compliance;
- Focus resources on centres that need support;
- Allow more time for program quality observations/conversations; and
- Maintain oversight of children's health, safety and well-being in care.



Tiered Licensing Overview

Tier 2: one year licence + abbreviated renewal inspection every year

Tier 1: two-year licence + abbreviated renewal inspection every other year + interim monitoring visit

Tier 3: one year licence + annual full inspection + compliance monitoring



Project Components

- ✓ A framework for conducting tier assessments;
- ✓ A methodology for developing the abbreviated (“core”) inspection checklist;
- ✓ A new licensing process to accommodate core inspections; and,
- ✓ An evaluation framework.

1. Tier Assessment Framework

Tier Assessments

- Tier assessments are automatically generated in the Child Care Licensing System (CCLS) and are transparent to licensees.
- Tier assessments are based on 3 years of licensing data (including all inspections during this time) and are comprised of:
 1. A **Non-Compliance Score** = Σ (# non-compliances X risk weight per non-compliance* X time weight per non-compliance)
 2. Any **enforcement actions** taken by the ministry (e.g. provisional licences, compliance orders, administrative penalties, licence suspensions)

*See Appendix A for risk level definitions

Weighting of Non-Compliances

	All Non-Compliances for the Past 3 Years			
Risk Weight	Low Risk	Moderate Risk	High Risk	Extreme Risk
	1	2	3	4
Time Weight	All Inspections Prior to the Last Renewal		Inspections since and including the Last Renewal	
	All previous renewal inspections	All previous Monitoring inspections	Last Renewal Inspection	Monitoring Inspection(s) Since Last Renewal
	0.5	0.5	1	1

Tier Levels

Tier	Eligibility Criteria	Non-Compliance Score
<p><u>Tier 1</u> ~10%</p>	<p>Over the past three years, the child care centre:</p> <ul style="list-style-type: none"> • has maintained a regular licence; • has not been subject to any enforcement actions; and • does not have any outstanding non-compliances from the last renewal inspection <p>Additionally, the centre:</p> <ul style="list-style-type: none"> • has had full compliance; or • has had no more than one low risk non-compliance at the last renewal inspection; or • has had no more than two low risk non-compliances or one moderate risk non-compliance prior to the last renewal 	<p>0 to 1</p>
<p><u>Tier 2</u> ~80%</p>	<p>Over the past three years, the child care centre:</p> <ul style="list-style-type: none"> • has maintained a regular licence; • has not been subject to any enforcement actions; • does not have any outstanding non-compliances from the last renewal inspection; and • is not among the bottom 10% of centres in terms of number and severity of non-compliances 	<p>1.01 to 50</p>
<p><u>Tier 3</u> ~10%</p>	<p>Over the past three years, the child care centre:</p> <ul style="list-style-type: none"> • has received a provisional licence; or • has been subject to an enforcement action; or • is among the bottom 10% of centres in terms of the number and severity of non-compliances 	<p>50.01 to ∞</p>

Pre-Inspection Tier Assessment – Internal View

Licensing >

▶ Search for a Licence

▶ Licence Renewal Details

▶ Supporting Documents

▶ Floor Plan Review

▶ Staffing Information

▶ Licensing History

▶ Tier Assessment

▶ Licence Inspection Overview

▶ Generate Licence

▶ Notes

▶ Activity History

▶ Search for a Licence Revision

▶ Search for a Licence Renewal

Staffing Information >

Child Care Centre: Jesse Ketchum Early Learning & Child Care Centre | **Licence #:** 00576 | **Licensee:** CITY OF TORONTO | **PA:** Natasha Kabani | **Licence Expiry Date:** Jul 30, 2016 |

Pre-Inspection Compliance Profile ▼

Non-Compliance Score	10.5
Provisional Licence / Enforcement Action	N/A
Pre-Inspection Tier	Tier 2
Tiered Inspection Type	Core

Post-Inspection Compliance Profile

List of Non-Compliances ▼

Legislative Reference	Observed Non-Compliance	Inspection Date▼	Inspection Type	Resolved Before Licence Issued?	Risk Weight	Time Weight	Score
ss. 40(1)(b)(iv)		02/23/2016	Renewal	Yes	Critical (4)	1	4
s.11(2)		02/17/2015	Renewal	Yes	High (3)	0.5	1.5
s.62(1)		02/17/2015	Renewal	Yes	Moderate (2)	0.5	1

Post-Inspection Tier Assessment – Internal View

- Licensing** >
- ▶ [Search for a Licence](#)
- ▶ [Licence Renewal Details](#)
- ▶ [Supporting Documents](#)
- ▶ [Floor Plan Review](#)
- ▶ [Staffing Information](#)
- ▶ [Licensing History](#)
- ▶ [Tier Assessment](#)
- ▶ [Licence Inspection Overview](#)
- ▶ [Generate Licence](#)
- ▶ [Notes](#)
- ▶ [Activity History](#)
- ▶ [Search for a Licence Revision](#)
- ▶ [Search for a Licence Renewal](#)
- Staffing Information** >
- Bring Forward** >
- Serious Occurrences** >
- Licensed Complaints** >

Child Care Centre: Flemington Early Learning & Child Care Centre | **Licence #:** 04429 | **Licensee:** CITY OF TORONTO | **PA:** Natasha Kabani | **Licence Expiry Date:** Aug 19, 2016 |

Pre-Inspection Compliance Profile ▶

Post-Inspection Compliance Profile ▼

Non-Compliance Score	3
Provisional Licence / Enforcement Action	N/A
Post-Inspection Tier	Tier 2
Recommended Licence Duration	Up to 1 year

List of Non-Compliances ▼

Legislative Reference	Observed Non-Compliance	Inspection Date▼	Inspection Type	Resolved Before Licence Issued?	Risk Weight	Time Weight	Score
ss. 43(2)	The licensee did not ensure that...	08/08/2016	Renewal	Yes	Low (1)	1	1
s.27(1)(e)	The licensee did not ensure that...	02/06/2015	Renewal	Yes	High (3)	0.5	1.5
s.4(1)(d)	The licensee did not ensure that...	02/06/2015	Renewal	Yes	Low (1)	0.5	0.5
Non-Compliance Score							3

Post-Inspection Tier Assessment – External View

- Profile** >
- New Licence Application** >
- Current Licences** >
 - ▶ Renew a Licence
 - ✓ Licence Renewal Details
 - ✓ Dates and Hours of Operation
 - ✓ Review Renewal Details
 - > Fee Payment
 - > Additional Licence Renewal Documents
 - > Staffing Information
 - > Tiered Licensing Information
 - ▶ View Active Licence Renewals
 - ▶ Request a Revised Licence
 - ▶ View Active Licence Revisions
 - ▶ View Your Licences
- Staff Director Approval** >

Child Care Centre: Flemington Early Learning & Child Care Centre | **Licence #:** 04429 | **PA:** Natasha Kabani |

As of licence issued on 08/18/2016

Post-Inspection Compliance Profile ▾

Non-Compliance Score	2.5
Provisional Licence / Enforcement Action	N/A
Post-Inspection Tier	Tier 2
Recommended Licence Duration	Up to 1 year

List of Non-Compliances ▾

Legislative Reference	Observed Non-Compliance	Inspection Date ▾	Inspection Type	Resolved Before Licence Issued?	Risk Weight	Time Weight	Score
ss. 43(2)	The licensee did not ensure that...	08/08/2016	Renewal	Yes	Low (1)	0.5	0.5
s.27(1)(e)	The licensee did not ensure that...	02/06/2015	Renewal	Yes	High (3)	0.5	1.5
s.4(1)(d)	The licensee did not ensure that...	02/06/2015	Renewal	Yes	Low (1)	0.5	0.5
Non-Compliance Score							2.5

2. The Abbreviated Inspection (“Core” Checklist)

The Abbreviated “Core” Inspection Checklist

- The following key methodologies were used to identify the requirements for the core checklist
 1. Key indicator methodology
 2. Risk assessment methodology – surveys with licensing staff and licensees/supervisors
 1. Identification of new requirements under the CCEYA
- The methodology was co-developed with Dr. Richard Fiene to produce a core checklist that is approximately **50% shorter** than the full checklist.
- The core checklist will be redeveloped each time that regulations are amended and after the first year of new/revised requirements coming into effect.

3. The Licensing Process

Tiered Licensing Process

Tier	Licensing Process
<u>Tier 1</u>	<ul style="list-style-type: none">• Two-year licence• Abbreviated renewal inspection every other year• Interim monitoring visit
<u>Tier 2</u>	<ul style="list-style-type: none">• One-year licence• Abbreviated renewal inspection
<u>Tier 3</u>	<ul style="list-style-type: none">• One-year licence• Annual full inspection• Additional compliance monitoring

Core Licence Renewal Inspection Checklist

- In addition to the “core” checklist questions, the abbreviated inspection is customized for each centre to include:
 - requirements that were not in compliance at the last inspection; and
 - a unique random sample of 5 extra questions.
- Where a non-compliance is observed using the abbreviated inspection checklist, the checklist automatically expands to include additional related requirements based on business rules in the inspection software.
- Inspectors have the flexibility to:
 - change from a core to a full inspection at any time by providing a rationale (e.g. change in supervisor/ownership, open serious occurrence/complaint); and
 - add non-core checklist items where a non-compliance with these requirements has been observed.
- Checklist expansions will be tracked and analyzed corporately to reduce variation and increase consistency.

Standardizing Monitoring Inspections for Tier 3 Centres

- A provincial requirement for compliance monitoring for Tier 3 centres to ensure additional oversight:
 - A compliance monitoring inspection is required after a licence renewal is issued to a Tier 3 centre.
 - After the monitoring inspection, the inspector consults with their manager to determine whether:
 - additional compliance monitoring inspections are needed during the licensing period and their frequency; and/or
 - enforcement actions are required.
- A standard monitoring inspection checklist is used during Tier 3 compliance monitoring inspections, comprised of:
 - The 24 Key Indicators;
 - A sample of 5 randomly selected questions;
 - Any checklist questions that were identified as non-compliances at the last renewal inspection and any subsequent monitoring inspections.
- Inspectors are able to add requirements from the full checklist to the monitoring checklist, as applicable.

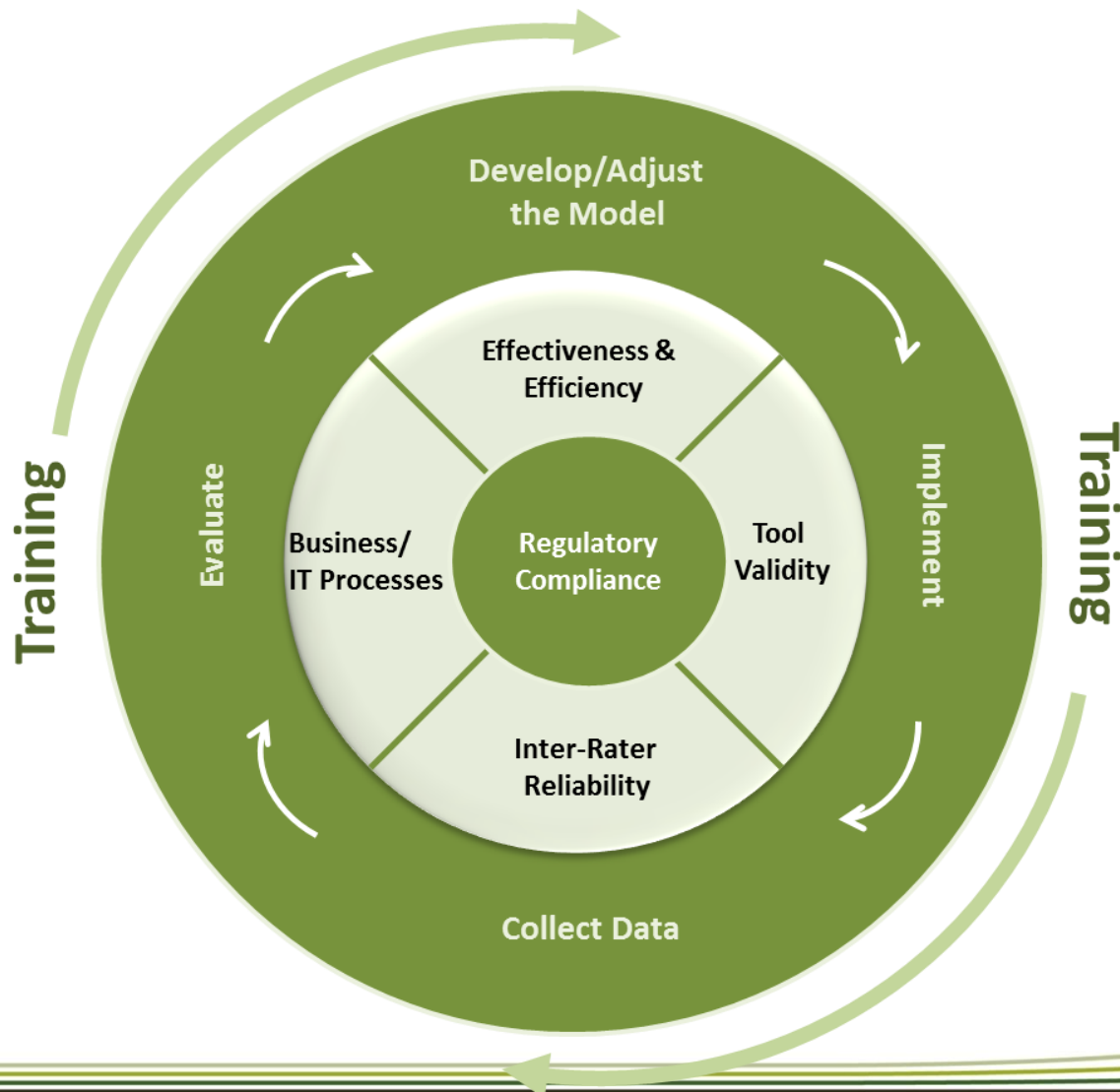


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3. Evaluation Framework

Tiered Licensing Evaluation Framework



Phase 1 Design

- 57 Tier 1 and Tier 2 centres received simultaneous renewal inspections:
 - An Inspector conducted the inspection using the regular checklist
 - A Senior Inspector conducted the inspection using the core checklist
- 18 Tier 3 centres received monitoring inspections:
 - An Inspector conducted the inspection using the blank monitoring checklist
 - A Senior Inspector conducted the inspection using the standardized monitoring checklist

Efficiency- Expansion of Core Checklist (Sr. Inspector Renewal Inspections)

Conclusions:

- 67% of core inspections expanded to full.
- The rate of expansions increased moving from Tier 1 to Tier 2C, indicating that compliance history is predictive of the likelihood of expansion and that the tiered licensing IT tool expansion rules successfully mitigate risks.
- Senior Inspectors were confident in the tiered licensing inspection tool as no Sr. Inspector manually expanded the checklist.

Effectiveness – Additional Time for Program Conversations

- Some Sr. Inspectors indicated anecdotally that inspections that remained core or had only slight expansions, more time could be spent in the program rooms observing and discussion program quality:

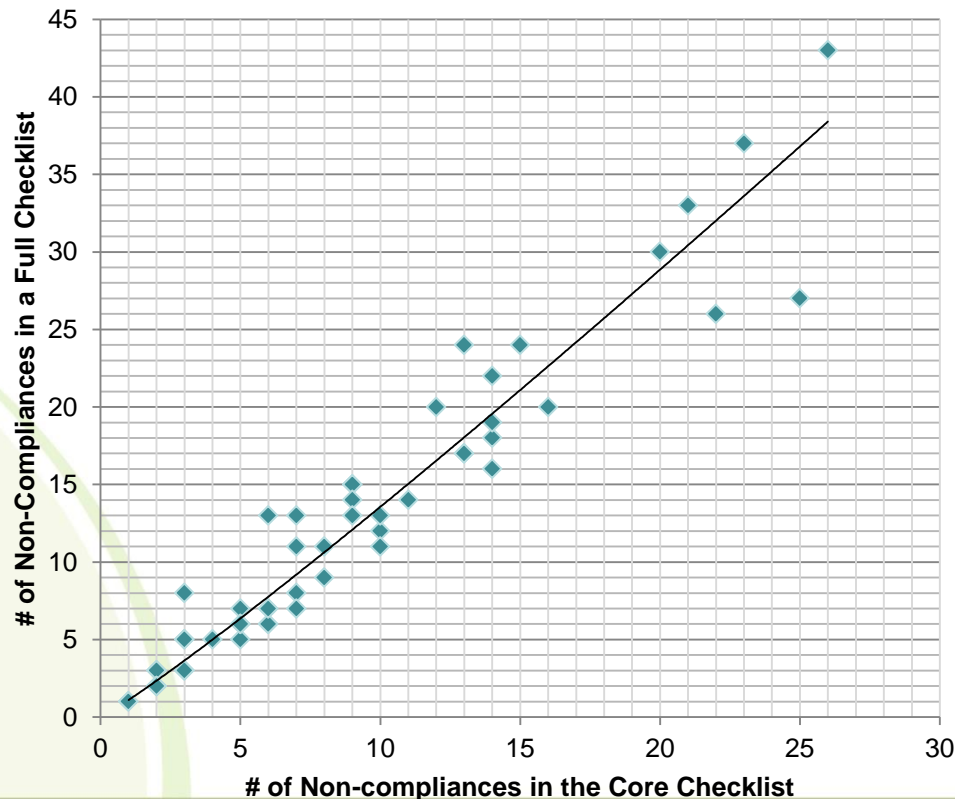
“I was able to have more detailed discussion with staff about their programming and documentation methods, and also review in greater length their documentation binders and past observations. I was able to spend time with staff to talk about why they do the things they do with the children and how their program evolves rather than focusing so much on the “admin” side of things.”

“I was able to have more enriching discussions about HDLH and the 4 foundations. I also feel it gave [the program] a chance to showcase what they do and steered the focus more on the “quality” aspects of their program and the relationship side of licensing rather than simply seeing it as a “checklist”.

“When using the core checklist, I had more time to observe the staff and children in the play activity rooms. You will note that where the checklist remained core, the length of inspection wasn’t much different from the assigned PAs and this is because I did in fact spend more time observing as well as interacting with the staff and children.”

Validity of Core Checklist

- The core checklist was validated against the full checklist using inspector inspection results. The correlation was calculated between the number of non-compliances captured in the Core checklist (a subset of the full checklist) and the total number of non-compliances found in the full checklist.
- The correlation was very high, $r = .96$

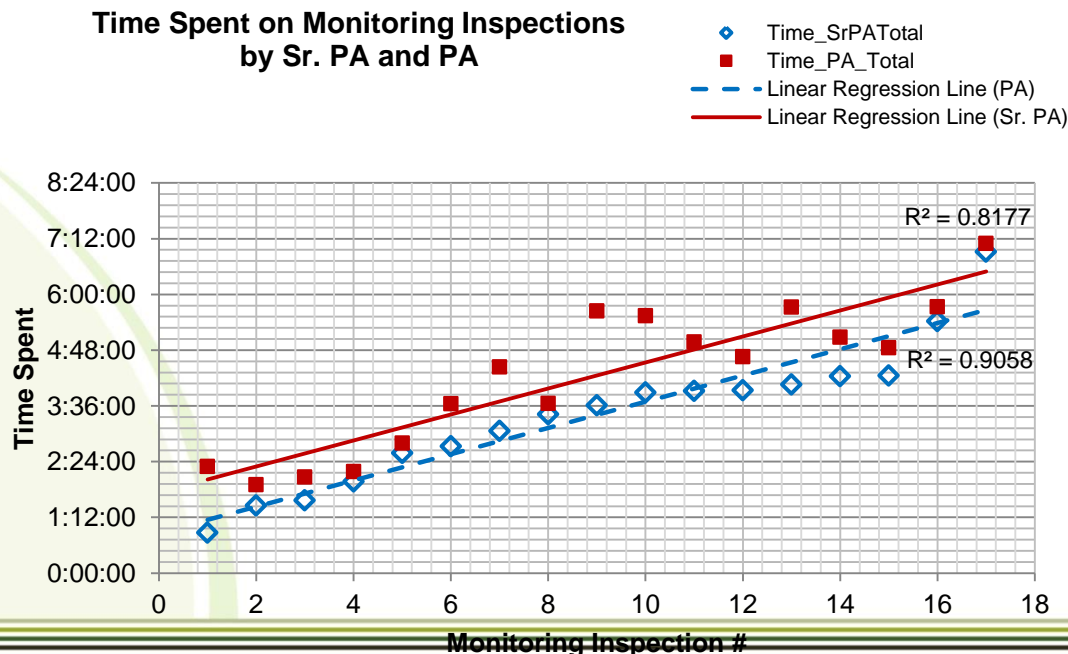


Conclusions:

- Compliance with the core checklist is highly predictive of compliance with the full checklist.
- The core checklist is statistically validated against the full checklist.

Monitoring Inspections

- Regular monitoring inspections were on average slightly longer than tiered monitoring inspections (4.5 hrs vs. 4 hrs, respectively).
- Sr. Inspectors indicated that the standard checklist provided structure and consistency to the inspections and uncovered issues that would not have been identified under the discretionary approach.



Conclusion:

- The standard monitoring tool is effective in guiding Tier 3 monitoring visits.

"I found that the [monitoring] inspection was a more fulsome inspection and provided more accurate information about the centre." (Senior PA)

Business Process

- Sr. Inspectors provided the following observations:
 - At the beginning of phase 1, checklist expansions often occurred near the end of the day. This resulted in the Sr. Inspector having to rush through the inspection to complete it or returning the following day. This somewhat reduced over time, as the Sr. Inspectors began to assess compliance with requirements that could expand the full checklist at the beginning of the inspection process.
 - At the beginning of phase 1, some Sr. Inspectors reported experiencing difficulties with focusing on core requirements only. However, over time, the Sr. Inspectors became more comfortable with adjusting their focus on the core checklist requirements.

Conclusions:

- It takes some time to get used to the tiered licensing process.
- Checklist expansions that occur late in the inspection can be difficult to manage.

Short and Long-Term Evaluation Plan

Areas of Evaluations	Measures	Reporting Timeline
Effectiveness	<ul style="list-style-type: none"> • Change in # of non-compliances by Tier • Change in # and % of centres in tiers • Ongoing feedback from Sr. Inspectors/Inspectors re: effectiveness of approach • Ongoing feedback from Sr. Inspectors/Inspectors re: time for program discussions • Feedback from licensees (e.g. survey) on new approach • % of Tier 1 inspections that remained with the core checklist • % of Tier 2 inspections that remained with the core checklist 	Throughout Year 1 Year 3 Year 5
Efficiency	<ul style="list-style-type: none"> • Time spent on the core vs. full renewal checklists • % and length of expired licences 	Frequency TBC during Year 1 Year 3 Year 5
Validity/Reliability of Inspection Tools	<ul style="list-style-type: none"> • Recalculating the Key Indicators and the core checklist using full renewal inspections for a 5% sample of centres across all three tiers and regions 	Post regulation finalization Every 3-5 years
Inter-Rater Reliability	<ul style="list-style-type: none"> • Kappa and % Agreement for Sr. Inspectors (target of 90% agreement) • Kappa and % Agreement for Inspectors (target of 85% agreement) • Focus group with multi-site licensees with programs in different regions re: consistency across Inspectors 	Sr. PAs: April-September 2016; Throughout Year 1; Year 3 and Year 5

Inter-Rater Reliability (IRR)

- To support the tiered licensing project, an IRR strategy has been developed to improve consistency in compliance assessments across inspectors / regional offices.
- Compliance indicators were developed for each regulatory provision in the licensing checklist to improve consistency in interpretation.
- A corporate clearinghouse was established in summer 2015 to respond to regional inquiries regarding interpretations of legislation/regulation.
- IRR testing was launched in Spring 2016:
 - IRR testing is being conducted among the “anchor group” of Senior Inspectors
 - Once the anchor group has met the IRR statistical target, IRR testing will occur between Senior Inspectors and Inspectors
 - Follow-up testing will occur where the IRR threshold has not been met
 - IRR testing will occur on an ongoing basis to ensure that consistency is preserved
- Testing results are being analyzed corporately to identify reasons for discrepancies and develop training for regional offices



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Appendix A: Risk Weight Definitions

Extreme Risk: Non-compliance poses a direct threat to a child which could result in/has resulted in death.

High Risk: Non-compliance poses a direct threat* to a child which could result in/has resulted in serious harm** to their health, safety and well-being (e.g. may require professional intervention such as medical treatment, CAS, public health).

Moderate Risk: Non-compliance poses an indirect threat*** to a child which could result in / has resulted in harm to the health, safety and well-being of a child.

Low Risk: Non-compliance is not as likely to pose a threat to the health, safety and well-being of children, but the possibility exists.

* A direct threat includes situations where there is a clear cause-and-effect relationship between the non-compliance and harm to the child.

** Harm can include: injury/illness requiring immediate or follow up medical treatment or hospitalization; deprivation of basic needs; and harsh/degrading treatment that would humiliate a child or undermine their self-respect.

*** An indirect threat includes situations where the non-compliance may not immediately impact children's health/safety; however, may result in harm with repeat non-compliance.

Appendix B: Summary of Phase 1 Evaluation Results

Areas of Evaluation	Measures	Phase 1 Findings
Efficiency & Effectiveness	<ol style="list-style-type: none"> 1. % of Tier 1 centres remained with a shortened checklist 2. % of Tier 2 centres remained with a shortened checklist 3. Time spent on the core vs. full renewal checklists 4. Time spent on the new vs. current monitoring checklists 5. Qualitative feedback re: time for program discussions 	<ol style="list-style-type: none"> 1. 61% 2. 24% 3. Inconclusive 4. 4.5 vs. 4 hrs 5. Positive feedback
Validity/Reliability of Inspection Tools	<ol style="list-style-type: none"> 1. Correlation between the full and core renewal checklists with respect to observed non-compliances 	<ol style="list-style-type: none"> 1. $r = .96$ ($p < .0001$)
Preliminary Inter-Rater Reliability	<ol style="list-style-type: none"> 1. Kappa between each pair of Inspector and Sr. Inspector on the Core checklist 2. % Agreement between each pair of Inspector and Sr. Inspector on the Core checklist 	<ol style="list-style-type: none"> 1. % Agreement = 84% 2. Kappa = .72
IT Functionality	<ol style="list-style-type: none"> 1. # of defects reported and resolved 2. # change requests reported and implemented 3. Reported ease of use by Sr. Inspectors (obtained via teleconference) 	<ol style="list-style-type: none"> 1. 8 defects 2. 6 change requests 3. Positive feedback
Business Process	<ol style="list-style-type: none"> 1. Qualitative feedback from Sr. Inspectors on what works well or does not work well with the business process 	<ol style="list-style-type: none"> 1. Mixed feedback