2022 Preliminary Read by Grade Three Retention Estimates

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Overview and Purpose

As the strategic research partner to the Michigan Department of Education (MDE), the Education Policy Innovation Collaborative (EPIC) provides technical research support to improve education outcomes for Michigan students. Since 2019, EPIC has been working closely with MDE and the Center for Educational Performance and Information (CEPI) to study the impacts of the Read by Grade Three Law in real-time as the policy takes effect. The Read by Grade Three Law aims to improve early literacy outcomes for students across the state through improved instruction, implementation of early monitoring and identification systems, required interventions for students identified as having a “reading deficiency” under the Law, and a requirement that districts retain students who do not meet a state standard for reading proficiency by the end of the 3rd grade.

In this report, we describe the proportion of students eligible for retention under the Read by Grade Three Law based on their scores on the 2021-22 3rd-grade M-STEP ELA assessment and estimate the proportion of Michigan public school students who could be retained. We have computed statewide retention-eligibility rates as well as retention-eligibility rates for subgroups of tested students by select student demographics, school and district types, and geographic locales. Because districts may still promote retention-eligible students to 4th grade if they receive a good cause exemption, we also provide estimated retention rates that consider student characteristics related to good cause exemptions.
Data and Methods

Only 3rd-grade students who take the ELA M-STEP are eligible for retention under the Read by Grade Three Law. In 2021-22, 95.4% of 3rd-grade students took the 3rd-grade M-STEP ELA assessment, an increase from 71.2% last year (2020-21) and similar to the test participation rates in 2018-19 (96.5%). Third-grade students who score a 1252 or below on the ELA M-STEP are eligible for retention under the Read by Grade Three Law. We use this cut-off to calculate an overall retention-eligibility rate as well as subgroup retention-eligibility rates by various student demographic characteristics, including gender, race/ethnicity, economically disadvantaged status, English learner status, and disability status. We also show separate estimates by school characteristics, including school locale, Partnership and non-partnership schools, and traditional public schools (TPSs) and charter schools (also known as public school academies [PSAs]). We additionally show separate rates by districts' average prior ELA achievement in 2018-19. We use 2018-19 scores for prior achievement quartiles because the M-STEP was not administered in 2019-20, and participation requirements were waived for 2020-21 due to the ongoing COVID-19 pandemic. Finally, we provide separate retention-eligibility rates by districts' primary instructional modality in 2020-21, defined as the monthly instructional modality they reported most frequently in 2020-21 (in-person [68% of districts], hybrid [16% of districts], and remote [16% of districts]).

In total, 5,680 Michigan 3rd-grade students are eligible for retention based on their 2021-22 ELA M-STEP scores. Of the 5,680 retention-eligible students, 17 attend specialized schools that are operated by an intermediate school district (ISD) rather than a TPS or charter school, and 35 did not have demographic information available in the Michigan Student Data System (MSDS) because they were not yet enrolled at the time of the spring 2022 data collection. The retention-eligibility rates and estimated retention rates that follow are based on the remaining 5,628 retention-eligible students (99% of the 5,680).

District superintendents may provide good cause exemptions in order to promote retention-eligible students in one of several categories. These categories include: English learners with fewer than three years of English language instruction, students with an Individualized Education Program or Section 504 Plan, students who were previously retained and received intensive reading interventions for two or more years, and students who have been enrolled in their current district for less than two years and were not provided with an appropriate individual reading improvement plan (IRIP). Students may also receive exemptions by demonstrating proficiency in other subject areas or upon parent/guardian request if the superintendent agrees that retention is not in the student’s best interest.

To better understand the proportion of students eligible for retention net of students who qualify for certain types of good cause exemptions, we report retention estimates. These retention estimates assume that districts will promote all retention-eligible students who are classified as English learners or students with disabilities; who have been enrolled in their
district for fewer than two years; who were previously retained; or who participated in a
planned two-year kindergarten program. These estimates do not account for students
receiving an exemption through a parent request or by demonstrating proficiency in other
subject areas as evidenced by scores on other 3rd-grade state assessments or a portfolio. We
stress that these are estimates as it is possible for every retention-eligible student to receive
a good cause exemption if their parents and superintendents agree that promotion to 4th
grade is in the student’s best interest. For instance, when the policy was implemented for
the first time in 2020-21, only 175 students (5.1% of retention-eligible students) were
retained in 3rd grade as a result of the Read by Grade Three Law. Parent requests made up
the majority of all good cause exemptions granted in 2020-21.2

Because this is the second year of retention under the Read by Grade Three Law, we also
provide comparisons to retention eligibility and retention estimates (accounting for good
cause exemption categories) from the 2020-21 school year, noting again that only 71.2% of
3rd-grade students participated in the ELA M-STEP that year, and the tested group was not
representative of the overall population of 3rd graders; they were more likely to be White,
less likely to be Black or Hispanic or Latino/a/x and economically disadvantaged, and more
likely to attend districts with higher 2018-19 ELA achievement and offering in-person
instruction during the 2020-21 M-STEP’s administration.3

Results

CHARACTERISTICS OF STUDENTS WHO ARE ELIGIBLE FOR 3RD-GRADE RETENTION

Figures 1 through 5 show the retention-eligibility rates for 3rd-grade students overall and by
subgroup based on the 2021-22 3rd-grade ELA M-STEP assessment compared to 2020-21
retention-eligibility rates. The full heights of the bars, shown in green, represent the
retention-eligibility rates (overall and by subgroup) and reflect the percent of tested 3rd
graders in each group who scored a 1252 or below on the 3rd-grade ELA M-STEP. The blue-
shaded region of the bars show the retention estimate, representing the percent of tested 3rd
graders who are retention eligible but meet the requirements for various good cause
exemptions and therefore should be promoted under the Law. There are two sets of bars
for each group; the darker shaded bars provide estimates from the 2021-22 school year and
the lighter shaded bars show figures from the 2020-21 school year for comparison.

Figure 1 shows that 5.8% of the tested population (5.6% of all 3rd-grade students, or 5,628 students)
are eligible for retention based on their 3rd-grade ELA M-STEP scores. This is one percentage point
higher than in 2020-21 (4.8%). While this is small in terms of percentage points, it signifies a
substantively large 20 percent increase in the proportion of retention-eligible students.

There are substantial disparities in retention eligibility by race and ethnicity. In particular, Black
3rd-grade students are more likely to be eligible for retention based on their 2021-22 ELA M-STEP
scores than their Asian, White, or Hispanic or Latino/a/x peers; Black students are 4.5 times as likely to be retention-eligible than are White students. The proportion of tested Black and Hispanic or Latino/a/x students eligible for retention increased relative to last year, while the proportion of White students remained the same and the proportion of Asian decreased.

After accounting for several factors that qualify students for good cause exemptions, the overall retention estimate is less than half the retention-eligibility rate (2.4% vs. 5.8%). This represents 2,341 students. The retention estimates fall by more than half for all races and ethnicities other than Black students. The retention estimate for Black students is 8.0%, nearly eight times that of White, Hispanic or Latino/a/x, or American Indian or Alaskan Native students. Almost no Asian students are estimated to be retained once accounting for good cause exemption characteristics.

Figure 2 shows that, across all student demographic subgroups, retention-eligibility rates are higher in 2021-22 than the previous year. Economically disadvantaged students are 4.5 times as likely to be eligible for retention as their wealthier peers, with retention-eligibility rates of 9.0% and 2.0%, respectively. This disparity is slightly larger than in 2020-21. Students with disabilities and English learners also remain substantially more likely to be retention-eligible than students without these classifications. Notably, more than one in ten students with disabilities (11.3%) are retention-eligible relative to 5.0% of students who are not. Male students are one percentage point more likely to be retention-eligible than female students.

Accounting for good cause exemption characteristics diminishes some of these disparities. Although fewer students are estimated to be retained, economically disadvantaged students are still around 4.5 times as likely to be retained as their wealthier peers. Retention estimates for male and female students are equal, at 2.4%. Under our broad definition of good cause exemptions, no English learners or students with disabilities would be retained under the Law.

Figure 3 highlights differences in retention-eligibility rates and retention estimates by school and district type. Third-grade students in Michigan's charter schools are more likely to be retention-eligible than students in TPSs. However, the gap between these groups is smaller than in 2020-21 as a larger proportion of students in TPSs are retention-eligible this year than last while the proportion of retention-eligible students in charter schools remained relatively constant. Students in Michigan's lowest-performing schools and districts are substantially more likely to be retention-eligible than are their peers in higher-performing districts. One-quarter of 3rd-grade students in the state's persistently lowest-performing schools (Partnership schools) are eligible for retention; they are nearly five times as likely to be retention-eligible as students who do not attend Partnership schools. Nearly 18% of 3rd-grade students who attend districts that were in the bottom quartile of ELA achievement in 2018-19 are eligible for retention—over nine times as likely as their peers in districts in the top quartile of ELA achievement. These disparities have increased since the 2020-21 school year.
Once we account for good cause exemption characteristics, estimated retention rates for students in the state’s lowest-performing schools decrease slightly but remain high; 15.2% of students in Partnership Schools and 9.1% of students in districts in the bottom quartile of 2019 ELA test performance may be retained as a result of their 2021-22 ELA M-STEP scores under the Law. Notably, less than one percent of students in Michigan’s highest-performing districts are estimated to be retained.

Figure 4 shows that differences in retention eligibility also persist across school urbanicity. In particular, 3rd-grade students in urban areas are over twice as likely to be eligible for retention than those in suburban, town, or rural districts. The retention-eligibility rate in rural districts decreased by 0.3 percentage points while increasing by two percentage points in urban districts relative to 2020-21. Moreover, this disparity is still present in the retention estimates after accounting for good cause exemption characteristics.

Finally, disparities in retention-eligibility rates also appear across the instructional modalities districts offered in in the 2020-21 school year. Figure 5 shows that far greater proportions of students in primarily remote districts were both retention-eligible and estimated to be retained after accounting for good cause exemptions than were students in other kinds of districts. In contrast, students in districts that offered primarily hybrid modalities were the least likely to be either retention-eligible or estimated to be retained. In particular, 10.6% of students who attend schools in districts that were primarily remote in 2020-21 are retention-eligible, compared to 5.0% of students in primarily in-person districts and 4.5% of students in primarily hybrid districts. However, it is important to note that the districts that were remote in 2020-21, on average, had lower ELA achievement scores before the pandemic. These districts had about twice the proportion of 3rd-grade students who scored a 1252 or below on the ELA M-STEP in 2018-19 compared to districts that were in-person or hybrid in 2020-21. In other words, gaps in retention-eligibility rates across instructional modalities are driven in part by differences in district-average achievement that pre-date the COVID-19 pandemic.

While Figure 5 shows retention-eligibility rates remained roughly stable from 2020-21 to 2021-22 in remote and hybrid districts and increased in in-person districts, 2020-21 M-STEP participation rates were particularly low in primarily remote districts (42% in 2020-21 compared to 94% in 2021-22). These differences in testing rates make comparing retention-eligibility rates between 2020-21 and 2021-22 challenging. For this reason, we also look at changes since 2018-19, the last M-STEP administration before the COVID-19 pandemic. Although not shown, retention-eligibility rates increased from 2018-19 to 2021-22 for districts in all three instructional modality categories, with districts that were primarily remote in 2020-21 experiencing the largest increases (from 6.5% to 10.6%). In comparison, the retention-eligibility rates increased from 3.1% to 4.5% for districts that were primarily hybrid and increased from 3.7% to 5.0% for districts that were primarily in-person.
FIGURE 1. RETENTION-ELIGIBILITY AND ESTIMATED RETENTION RATES BY RACE/ETHNICITY
FIGURE 2. RETENTION-ELIGIBILITY AND ESTIMATED RETENTION RATES BY STUDENT CHARACTERISTICS

Note: Econ. Dis. refers to economically disadvantaged students. SWD refers to student with disabilities. EL refers to English learners.
FIGURE 3. RETENTION-ELIGIBILITY AND ESTIMATED RETENTION RATES BY SCHOOL AND DISTRICT CHARACTERISTICS

Note: TPS refers to traditional public school, Partner school refers to Partnership school. Bottom (Top) 25% ELA indicates a student’s district was in the bottom (top) 25% of ELA achievement in 2018-19.
FIGURE 4. RETENTION-ELIGIBILITY AND ESTIMATED RETENTION RATES BY SCHOOL URBANICITY
FIGURE 5. RETENTION-ELIGIBILITY AND ESTIMATED RETENTION RATES BY PRIMARY DISTRICT MODALITY IN 2020-21

Note: In-person, Hybrid, and Remote refer to districts most frequently reporting that specific instructional modality during 2020-21.
Key Takeaways

There are several key takeaways that highlight differences in the types of 3rd-grade students who are retention-eligible under the Read by Grade Three Law and how retention-eligibility rates have changed over time.

- Overall, 5.8% of tested 3rd-grade students scored below the pre-determined test score cut-point on the 2021-22 ELA M-STEP assessment making them eligible for retention. This is substantially higher than the 4.8% of tested 3rd-grade students eligible for retention in 2020-21 and the 4.1% of tested 3rd-grade students who would have been retention-eligible in 2018-19, had the retention policy been in effect at that time.

- When we account for several factors that may qualify students for good cause exemptions, we estimate that 2.4% of tested 3rd-grade students could be retained under the Read by Grade Three Law. This is slightly higher than our 2.2% retention estimate from last year in 2020-21 and 2.0% retention estimate from 2018-19.

- There are notable disparities in retention eligibility rates across student demographic groups. Black students are 4.5 times as likely to be eligible for retention than their White peers. Economically disadvantaged students are also 4.5 times as likely to be retention-eligible in 2021-22 than their more advantaged peers. These gaps have increased slightly since 2020-21, when Black and economically disadvantaged students were about 4 and 4.3 times as likely to be retention eligible as their White and non-economically disadvantaged peers, respectively.

- There are also substantial disparities across school and district characteristics. For example, tested students whose districts were in the bottom quartile of ELA performance in 2018-19 were nearly 10 times as likely to be retention-eligible than students in the highest achieving districts. The gap between districts with the highest and lowest 2018-19 ELA performance increased since last year.

- Districts that primarily provided remote instruction in 2020-21 had approximately twice the retention-eligibility rates of districts providing in-person or hybrid modalities. However, these districts would have also had about twice the retention-eligibility rates of in-person and hybrid districts in 2018-19 if the retention policy was in effect at the time, suggesting these gaps are driven in part by differences in district-average achievement that pre-date the COVID-19 pandemic. Still, although retention-eligibility rates increased from 2018-19 to 2021-22 across districts in all three modality categories, districts that were primarily remote in 2020-21 experienced the largest increase in the share of students flagged for retention.
See EPIC's Extended COVID Learning [ECOL] Reports for full definitions here: https://epicedpolicy.org/ecol-reports/
