Missouri Fiscal Analysis of Early Childhood Resources: *Final Report*

State of Missouri
Department of Social Services
Coordinating Board for Early Childhood
June 2013

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Acknowledgements

Public Consulting Group, Inc. (PCG) would like to thank the many individuals and organizations that contributed to this report. In particular, we greatly appreciate the time and effort that leadership from the Department of Social Services (DSS), Department of Elementary and Secondary Education (DESE), Department of Mental Health (DMH), Department of Health and Senior Services (DHSS), Missouri HealthNet, Child Care Aware, and the Missouri Coordinating Board for Early Childhood (CBEC) for their investment towards this project. We also appreciate the dedication and candor shown by members of the key stakeholders who participated in information-sharing interviews.

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EXECUTIVE SUMMARY

The publication of this report signifies the importance of early childhood services and programs to the state of Missouri. The Missouri Department of Social Services (DSS), with direction from the Coordinating Board for Early Childhood (CBEC), contracted with Public Consulting Group (PCG) to conduct a fiscal analysis of federal, state and local resources that can be used to support the early childhood programs that serve children age birth to five across the state. The overarching goal of this report was to develop an account of state, federal and local resources allocated to support early education programs for children ages birth to five years across Missouri.

This report is intended to provide information about the current fiscal status of Missouri's early childhood programs. This report can also serve as a foundation to guide future planning of resources allocated to early childhood programs to increase quality, service opportunities across the state, particularly in underserved areas/populations; support cross-agency planning and implementation to ensure efficient and effective service delivery and funding structures are in place; expand the existing planning structures to ensure long term support for a comprehensive system of services for early care and education, including partnership opportunities at the state, local and regional level; and maximize all funding resources.

The challenge

Research has demonstrated, and most people concur, that the early years of a child's life are critical to overall development of academic, social, and cognitive skills. The evidence and justification to support early childhood programs is the easy part. The challenge is in funding early childhood programs and determining which programs and services produce the best results for children. Program and service evaluation are key to identifying the best early child care options, but evaluation can be costly and requires significant resources to monitor and track performance to ascertain outcomes. This report highlights specific challenges as well as pointing to new opportunities that could result in solutions.

The Charge

As the responsible entity for developing cohesive delivery of early childhood programs the CBEC led the charge for an in-depth and widespread review of all services for children age birth to five that are funded by the Department of Social Services (DSS), Department of Health and Senior Services (DHSS), Department of Elementary and Secondary Education (DESE), and the Department of Mental Health (DMH). To conduct a thorough review the PCG reviewed fiscal spending records, researched funding strategies for early childhood across the nation, collaborated with the state departments responsible for funding early childhood programs and conducted stakeholder interviews.

Organization of the Report

The report begins with a brief introduction and further explanation on the origin and mission of the CBEC. The report then describes the methodology PCG utilized for conducting the fiscal analysis, and follows with an extensive discussion on the specific programs and services offered by each of the four state departments and how each individual program or service is funded. The report concludes with recommendations for action.

Summary of Recommendations

The findings of the fiscal analysis, interviews with state department staff and other key stakeholders, and a review of national trends several recommendations are suggested. Major themes of the recommendations include the passage of the Affordable Care Act, the shift in payment models, and opportunities to leverage state resources. There are seven central recommendations for action. They are:

1) *Expand Opportunities for Children's Health Care*
Research on health care strongly indicates that increased provision of preventive health services drastically reduces the cost of acute and chronic care. Nationally there is an increasing emphasis on customer centered care, decentralization of services and transforming payment models. It is recommended that Missouri review current accessibility of preventive care for children, particularly children that are uninsured or underinsured.

2) *Maximize Medicaid Claiming*
The current method of claiming Targeted Case Management (TCM) services for early intervention clients captures allowable cases that are served and reviewed each month. However, other methods of handling claims would use a different unit base to capture claimable services. This is a potential opportunity for Missouri to ensure that the state is maximizing federal reimbursements. It is recommended that Missouri examines the potential revenue of using a cost settlement process, which reconciles the reimbursement paid to the actual cost of provided services.

3) *Increase Collaboration between Local Head Start Programs and other Early Childhood Programs*
Both Head Start and Early Head Start have proven to be effective early childhood programs. Missouri would benefit from leveraging Head Start programs and services to target children and families that are most at risk. This would help Missouri address family issues quicker and potentially mitigate problems before intensive and long-term services are needed.

4) *Implement Increased Levels of Provider Management*
Missouri contracts with a wide network of provider agencies for services to children and families across the state. There are currently contracts and reimbursement procedures

with the various departments for a variety of services. To ensure that this network of service providers is managed appropriately, it is recommended that specific outcomes to be achieved by providers are determined, tools are developed to measure these outcomes in a reliable manner and that the evaluation tool selected measures the contractors progress during the contract period, and lastly, that a direct impact of service provision and the outcomes be evident through evaluation.

5) *Research and Implement Preschool Expansion*
Missouri has a significant opportunity to expand opportunities for 4 year olds through a proposed federal/state partnership. The current federal administration has proposed a major initiative to expand preschool opportunities for 4-year-olds. The proposal is to provide all low- and moderate-income 4-year-old children with high-quality preschool, while also expanding these programs to reach hundreds of thousands of additional middle class children, while also incentivizing full-day kindergarten policies, so that all children enter kindergarten prepared for academic success. This could be a key opportunity for Missouri to leverage resources.

6) *Implement Expansion of TANF Funds for Child Care Assistance*
The considerable flexibility of the TANF block grant has allowed states to make greatly divergent policy decisions with different implications for each state's low income families. Missouri's TANF Expenditure Summary Report for FY2011 indicates 10% of TANF expenditures in Missouri were directed to the Work Support strategy of Child Care Assistance. It is suggested that Missouri evaluate its TANF spending priorities and consider increasing the amount of TANF expenditures focused on Child Care Assistance.

7) *Increase Preventative/Early Intervening Services for At-Risk Children*
Missouri lacks a comprehensive system which provides preventative and rap intervention services for young children at-risk. Due to limited preventative and early intervening services, there is an unmet need relative to supporting emerging mental behavioral health needs. The few programs that do provide this service are allocated limited funds, thus the number of children that can be served is limited. *It is recommended that community based Mental Health/Behavioral health options be increased to reduce intensive service needs and the unnecessary use of more restrictive and costly systems of care.*

Conclusion

The contributions given by various entities to develop this report reveal that Missouri has a strong desire to deliver a superior system of coordinated early childhood programs. The recommendations can be viewed as a call to action. Missouri has a unique opportunity to be proactive in revamping early childhood program systems in alignment with emerging federal priorities and funding. These recommendations are strategic investments that will increase fiscal solvency and provide a template to fabricate stronger systems of early childhood programs and services. The recommendations in this report are business practices developed to enhance efficiency; however, the long-term outcomes are improving early childhood programs.

Improving the quality and opportunities for young children has a lasting impact over the lifespan and will benefit Missouri for generations forward.

INTRODUCTION

The CBEC was established in August 2004, within the Missouri Children's Services Commission under the authority of Section 210.102.2 of the Revised Statutes of Missouri (RSMo). The mission of the CBEC is to ensure that Missouri's early childhood education programs and services are comprehensive, coordinated, accessible, adequately funded and of the highest quality to meet the needs, as well as support the well-being of all young children and their families[1].

In an effort to enhance the board's goals of a coordinated system, the Public Consulting Group (PCG) project team conducted a fiscal analysis of all funding streams that contribute to the early childhood state system. The analysis of the state's current financial system is vital to identify the distribution of financial resources to reduce redundancy in services across agencies and programs, to identify new opportunities for funding and to maximize those sources in an effort to promote coordination of services to reach the most children and families possible. The primary funding contributors of early childhood systems, and those focused on in this analysis can be categorized into three areas: Federal dollars (block grants, CMS, other grants, etc.), state general revenue dollars, and private donations.

The goals of this analysis were to provide CBEC with a comprehensive picture of the state's fiscal resources in early childhood in order to help increase high quality, service opportunities across the state, particularly in underserved areas/populations; support cross-agency planning and implementation to ensure efficient and effective service delivery and funding structures are in place; expand the existing planning structures to ensure long term support for a comprehensive system of services for early care and education, including partnership opportunities at the state, local and regional level; and maximize all funding resources.

This final report includes the following key outcomes of the analysis:

1) An "as-is" resource map depicting the current fiscal structure of early childhood programs
2) Research and analysis of Missouri's early childhood system, through fiscal data collection and analysis, literature review, and interviews that contributed to the resource map
3) Recommendations regarding current funding streams;
4) Identification of mechanisms currently not available or used in Missouri that could be accessed to support the early childhood education system

[1]State of Missouri Coordinating Board for Early Childhood. Retrieved June 11, 2013 from http://dss.mo.gov/cbec/pdf/about-cbec.pdf. Retrieved June 11, 2013

An array of services for children age birth to five is provided within four state departments including the Department of Social Services (DSS), Department of Health and Senior Services (DHSS), Department of Elementary and Secondary Education (DESE), and the Department of Mental Health (DMH). The early childhood educational services provided by the aforementioned state departments are outlined in sections that follow. Child Care Aware, a resource and referral agency was also included in the analysis due the program's large presence across the state.

The Need for a Fiscal Analysis

The CBEC has identified a need for a fiscal analysis of early childhood resources available to children age birth to five. The CBEC is committed to coordinating all early childhood systems across the state with a collaborative effort amongst the Missouri state departments (as well as programs contracted with these departments when appropriate) to properly serve the early childhood population. Each of Missouri's four departments that provide early childhood services has its own set of funding sources, deliverables, and guidelines for early childhood services. Early childhood programs, as with many state programs, are funded by a mix of general revenue and federal dollars. Thus the programs are continuously faced with funding cuts due to budget constraints that are reflective of political and economic changes from year-to-year. In the past fiscal year (FY2013), early childhood programs faced significant budget reductions in general revenue and mandatory sequestration reduction or complete elimination. Significant funding changes include the elimination of $9.8 million of Early Childhood Development, Education and Care Funds (ECDEC), $1 million of general revenue reduction to Parents-As-Teachers, and a reduction of Early Head Start funds that resulted in non-enrollment of approximately 360 children living at or below the poverty line[2]. These reductions also resulted in the elimination of funding for child care providers in accreditation facilitation and awards for new preschool programs.[3] The reduction of funding causes significant limitations to Missouri's system of early childhood programs. The fiscal analysis identifies recommended program areas that decision makers can reallocate funding to enhance services with minimal interruption to the child/family, as well as assist the state in fully leveraging existing and identifying untapped funding sources for services to early childhood families. Additionally, the analysis identifies instances in which a duplication of services exists and provides recommendations for maximizing funding.

[2] [2] Missouri Department of Health and Senior Services. Coordinating Board for Early Education. Fact Sheet. The Impact of the FY 2013 state operating budget on Early Childhood in Missouri. http://dss.mo.gov/cbec/pdf/cbec-fact-sheet-2013.pdf

[3] Missouri Department of Health and Senior Services. Coordinating Board for Early Education. Fact Sheet. The Impact of the FY 2013 state operating budget on Early Childhood in Missouri. http://dss.mo.gov/cbec/pdf/cbec-fact-sheet-2013.pdf

METHODOLOGY

To provide Missouri with a fiscal analysis of early childhood resources, PCG worked closely with CBEC to contact key agencies or programs in the state that provide early childhood services to families, children, and early childhood education providers. PCG worked to understand what services are available and the current structure of the funding for these services. The project team completed the following five-step process:

1) Identify early childhood service agencies and programs
2) Conducted mapping of resources and fiscal analysis preparation
3) Conducted interviews and data collection
4) Analyzed services to determine which are the most effective services
5) Develop final report and submit recommendations

Data collection

The project team and CBEC kicked-off the project with an exercise to develop a comprehensive listing of all services provided within Missouri's early childhood system and the program relationships through funding agreements and contracting. The project team then initiated a data request from all agencies and divisions to map program services, population(s) served, and fiscal resources. Early childhood program service descriptions including a listing of services by agency and program were mapped by service type into six categories: coordination, direct service, funding, applied research, program evaluation, and professional development/training. Figure 1 provides a description of service types used in this final report for the purposes of mapping services in the state.

Figure 1. Early Childhood Program Service Types and Definitions

Service Type	Description
Coordination	Coordinated Systems agencies and programs are classified as providing administrative services to parents, children, and providers such as referral services
Direct Service	Direct service agencies and programs are classified as providing direct services to children or parents such as direct early childhood education care, health or mental health. Programs that use funds to subcontract out for direct services are also considered direct service, for example, the Department of Social Services contracts out to providers to provide Early Head Start Services (even though DSS does not conduct the actual service, Early Head Start is considered a direct service to children). In addition, DSS monitors the funding and contracts.
Funding	Funding programs are classified as providing direct subsidy, cash assistance to parents, children, and/or competitive grants for

Service Type	Description
	providers. For example, the Department of Elementary and Secondary Education provided grants to school districts to support the preschools through the Missouri Preschool Project (MPP), since the MPP's purpose is to provide funds to the organizations it is categorized as "funding" (as opposed to "direct service").
Professional Development/Training	Programs that provide professional development and/or training for early childhood providers are classified as such, this classification includes certifications and licensures

For each of the early childhood programs identified the numbers of population(s) served for fiscal year 2012 were collected for the respective population served by program types (by number of children, parents, or providers). Numbers served data was then used to assess the impact of the programs on the early childhood need in the state. In addition to the assessment of the population served data, fiscal data from the prior fiscal year, the current fiscal year, as well as the upcoming fiscal year was used when available. Three years of fiscal data were requested to analyze budget trends. In addition, legislative changes in funding were tracked to understand the effects of budget decreases or increases on each of the program's service delivery and its total effect on the early childhood state system.

Site Visits/Interviews

The PCG project team conducted individual interviews with key stakeholders to identify and discuss early childhood services and information regarding the program operations and financial state to aid in the final recommendations. The team specifically targeted stakeholders that were involved in the provision or financing of services to children, families and providers. The group of stakeholders interviewed for this analysis represented the state agencies and programs identified by CBEC as key players in the state's early childhood system. Figure 2 below, lists the persons included in the stakeholder interviews:

Figure 2. Stakeholder Interview Agency and Programs

Agency/Program	Division (if applicable)
Coordinating Board for Early Education	n/a
Department of Health & Senior Services	Licensure & Regulation
Department of Health & Senior Services	Division of Community & Public Health
Department of Mental Health	Office of Chief Clinical Officer
Department of Social Services	Missouri HealthNet and Children's Division
Department of Elementary and Secondary Education	Office of Early and Extended Learning

Each interview included focused dialogue regarding the current offering of early childhood services, and future developments that could improve outcomes for young children across the state. The interviewees were asked separate but related questions. Each interview was structured around the types of services provided and questions drew from the following set of programmatic and fiscal questions and topics:

- **Programmatic:** Define the current service offerings to children, parents, and/or providers. Identify other programs in the early childhood state system that provides complementary or similar services to the population served by the program. Identify which programs in the system collaborate? Are there other opportunities for collaboration or system coordination that can improve services to young children?

- **Fiscal:** How does the early childhood state system funding structure impact the agency's capacity to provide services? What type of funding does the agency utilize in financing the services to children and families or providers? What solutions would stakeholders recommend to address and move past the fiscal hurdles faced by the department? How have previous funding cuts affected the agency or program's ability to provide services and are their potential funding sources that the agency or program feel are not being effectively utilized?

Data Reviews

During the interviews, the PCG project team recorded participant feedback and utilized this information to develop the recommendations. PCG focused on conducting open and flexible interview sessions, using an adaptable questioning method to ensure that discussions were free-flowing and extracted as much interviewee feedback as possible.

In addition to the information collected during each interview, PCG also collected materials detailing program offerings, fiscal statistics, mapping of service availability, historical early childhood state system circumstances, legislative appropriations, and other data related to the analysis. This information was also utilized in developing the recommendations in this report.

EARLY CHILDHOOD SERVICES IN MISSOURI

The following section contains an overview of the state's early childhood system. It begins with a profile of the role of the Coordinating Board for Early Childhood. An overview of the early childhood services system of funding is then presented, followed by profiles of the key agency, their associated early childhood programs, and the funding for each program. The agency profiles as well as the funding information are for programs directly related to children birth to age five. The agency profiles and funding charts represent the core early childhood services offered in the state. Figure 3 displays the key agencies or organizations of Missouri's state system of early childhood services.

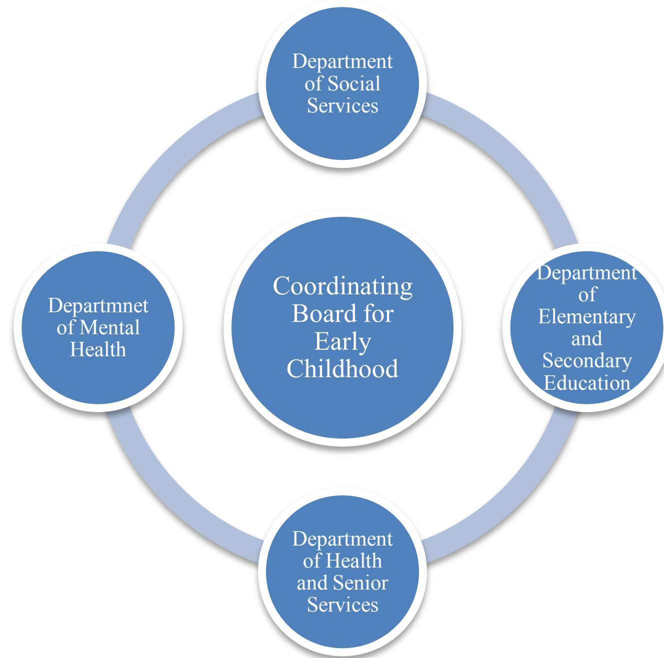

Figure 3. Missouri State System of Early Childhood Programs and Services

Coordinating Board for Early Childhood

As described in the introduction the CBEC, established in August 2004, is a public-private entity charged with coordinating a state system of early childhood programs and services in Missouri. The CBEC was established within the Missouri Children's Services Commission under the authority of Section 210.102.2 of the Revised Statutes of Missouri (RSMo), with membership made up of agency and community leaders[4]. The board's activities and priorities are also informed by the National Governors Association (Early Childhood Advisory Council Guidance). CBEC activities include but are not limited to the following objectives:

- Developing a cohesive early childhood system through legislative recommendations to improve services;
- Promote coordination and research-based approaches to services;
- Identify services gaps, develop an early childhood data system and kindergarten entry assessment;
- Establish guidelines for early learning
- Carry out objectives related to parent/family leadership, health, mental health.

[4] Missouri Revised Statutes. Chapter 210. Child Protection and Reformation. Section 210.102. Retrieved June 17 from http://www.moga.mo.gov/STATUTES/C200-299/2100000102.htm

To carry out its priorities, the board consists of workgroups that include four issue-focused workgroups comprised of stakeholders and board members. These four issue-focused groups include Early Care and Education (ECE) Programs, Healthcare, Early Childhood Mental Health (ECMH), and Home Visitation (HV).[5] This report, a fiscal analysis, was recommended by the ECMH workgroup. .

Additionally, in accordance with the federal Improving Head Start for School Readiness Act of 2007, Public Law 110-134, and Section 642 B (b)(1)(A)(i) of the Head Start Act, the CBEC serves as the Missouri State Advisory Council on Early Childhood Care and Education as an extension of its work in the coordination of early childhood services across the state. As the advisory council, the board is charged with similar responsibilities including: conducting periodic needs assessments, identify opportunities for collaboration, develop recommendations on increasing participation, develop recommendations on a unified data collection system and statewide professional development center, assess the capacity and effectiveness of institutes of higher education supporting early childhood educators, recommend improvements to the state's early learning standards, and develop or enhance a high-quality early childhood system.

The CBEC membership draws from the following organizations in the state's early childhood system:

- State agency responsible for child care
- State educational agency
- Local educational agency
- Institutions of higher education
- Local providers of early childhood education/development services
- Head start agency
- State director of Head Start collaboration
- State agency responsible for programs under Part C of IDEA
- State agency responsible for health or mental health
- Representative from governor's office
- Business representative
- Statewide and community organizations
- Judiciary
- Family and Community Trust Board
- Home visiting programs

In order to achieve its mission, the CBEC implemented the following core set of values:

1. Early childhood is the life period of most intensive development where both positive and negative factors have the greatest impact.

[5] Missouri Department of Social Services. Missouri Coordinating Board for Early Childhood (CBEC. Retrieved June 17, 2013 from http://dss.mo.gov/cbec/pdf/about-cbec.pdf

2. Effective programs for young children respond to the totality of a child's development, not just one aspect.
3. Children with disabilities or other special needs are best served in natural environments and inclusive programs, rather than separate, clinical, or disability-focused settings.
4. Family involvement and engagement is essential to meeting the needs of young children; effective early childhood programs invite and support parents as fully engaged partners in the design and delivery of services.

The Missouri CBEC was one of five states awarded, and was recently involved on a national forum concerning the important issue of Early Childhood Mental Health. The CBEC also engages the business community by facilitating regular meetings that focus on the business community supporting early childhood. Other items in CBEC's work include: Head Start Data Pilot, which contracted with the University of Missouri to support Head Start Program participation in the early childhood and P20 Longitudinal Data Systems; providing funding and support of the Missouri Early Learning Standards; participating in developing a strategic plan that serves as a blueprint for implementing a cohesive and effective early childhood state system; partnering with key entities and leaders in the state's early childhood community; and providing work groups to carry out the mission of the board.[6]

[6] *State of Missouri Coordinating Board of Early Childhood*. (n.d.). Retrieved May 16, 2013, from http://dss.mo.gov/cbec/

Missouri's Early Childhood Services System Funding

Missouri's early childhood services are funded through a myriad of funding streams including state and federal sources. Please see Appendix B for a detailed overview of the major sources of funding for Missouri's early childhood services system. The goal of the document is to capture the funding sources that draw the largest amount of revenue and not to be an exhaustive list of all sources of funding. The major state funding sources include:

- Early Childhood Development, Education, and Care Fund
- Children's Trust Fund
- Missouri Public Health Services Fund

While the major federal funding sources include:

- Temporary Child Care Subsidy Child Care Assistance Funding
- Head Start, Early Head Start
- Title 1
- Title 1 – Preschool Funding
- Substance Abuse and Mental Health Services Administration
- Substance Abuse & Mental Health Services Administration (SAMSHA) Grant
- Child Care Development Fund
- Child Care Development Block Grant
- Maternal Infant and Early Childhood Home Visiting Program
- Maternal Child Health Grant (Title V)
- Affordable Care Act (ACA) – Home Visiting
- Medicaid (for early childhood populations)
- Early Intervention – IDEA Part C

The tables on the following pages break out early childhood funding in Missouri by service type and provide a display of the distribution of state and federal funding by service type. Full definitions of early childhood service types used in this report can be found in Figure 1.

Table 1. Early Childhood Services Funding by Service Type for Fiscal Year 2014

Coordination				
Agency	**Program Name**	**Federal Funding Source**	**Federal Funding**	**State or Other Funding**
DSS	Missouri Head Start Collaboration Office*	Head Start	$300,000	$0
DHSS	Newborn Health	US Department of Health and Human Services	$156,581	$0
DHSS	TEL-LINK	WIC & Maternal Child Health Bock Grant	$115,764	$0
DHSS	Licensing Inspection software	CCDGB	n/a	$0
DHSS	Healthy Children and Youth (HCY)	Medicaid & General Revenue	$641,739	$0
Total*			$1,214,084	$0
**Healthy Children and Youth (HCY) is not included in this table, the programs is a combination of state and federal funding. The breakdown of funds was not collected. Please refer to table 4 for HCY funding.*				

n/a = funding for this fiscal year did not apply

Direct Service				
Agency	**Program Name**	**Federal Funding Source**	**Federal Funding**	**State or Other Funding**
DMH	Alcohol and Drug Abuse (Division of Behavioral Health)	Medicaid	$86,085,319	$57,390,212
DHSS	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Women, Infant, and Children Food and Nutrition Service (WIC)	$136,095,307	$0
DHSS	Newborn Hearing Screening	US Department of Health and Human Services	$507,806	$0
DHSS	Home Visiting	Maternal Infant and Early Childhood Home Visiting Program	$1,651,823	$0
DHSS	ACA Home visiting	Affordable Care Act	$2,120,142	$0
DHSS	Genetic Services-Newborn Screening Program	US Department of Health and Human Services	$543,424	$0
DHSS	Child Care Health and Safety Consultation	Child Care Development Block Grant (CCDBG)	$310,430	$0
DHSS	Child Care Sanitation Inspections	CCDGB	$685,000	$0
DHSS	Section for Child Care Regulation	CCDGB	$2,284,439	$0
DESE	First Steps	Medicaid**	$4,000,000	$0
DESE	First Steps	IDEA Part C	$7,200,000	$0
DESE	Early Childhood Special Education	Federal IDEA 619	$5,400,000	$0
DHSS	Inclusion Services and Training contract	Maternal Block Child Health Grant (Title V)	$315,673	$0
DHSS	Genetic Services-Newborn Screening Program	n/a	$0	$752,708

**Early Head Start Funding and Head Start, Comprehensive Psychiatric Services (Division of Behavioral Health) and Division of Developmental Disabilities are not included in this table. The programs are a combination of state and federal funding. The breakdown of funds was not collected for this report. Please refer to tables 3 and 7 respectively, for program funding information.*

Direct Service				
Agency	**Program Name**	**Federal Funding Source**	**Federal Funding**	**State or Other Funding**
DHSS	Newborn Screening (MSPHL)	n/a	$0	$3,700,174
DHSS	Childhood Lead Testing (MSPHL)	n/a	$0	$71,060
DHSS	Sickle Cell Anemia Program (MSCAP)	n/a	$0	$392,055
DHSS	Sickle Cell Anemia Program (MSCAP)	n/a	$0	$105,020
DHSS	Newborn Hearing Screening	n/a	$0	$123,188
DHSS	Genetic Services-Newborn Screening Program	n/a	$0	0
DHSS	Childhood Lead Testing (MSPHL)	n/a	$0	$41,001
DESE	First Steps	n/a	$0	$20,000,000
DESE	Early Childhood Special Education	n/a	$0	$144,660,000
Total*			$247,199,363	$227,235,418

**Early Head Start Funding and Head Start, Comprehensive Psychiatric Services (Division of Behavioral Health) and Division of Developmental Disabilities are not included in this table. The programs are a combination of state and federal funding. The breakdown of funds was not collected for this report. Please refer to tables 3 and 7 respectively, for program funding information.*

Funding				
Agency	**Program Name**	**Federal Funding Source**	**Federal Funding**	**State or Other Funding**
DSS	TANF Child Care Subsidy	Temporary Asisstance for Needy Families	$8,071,331	$0
DHSS	Childhood Lead Poisoning Prevention	US Department of Health and Human Services	$0	$0
DHSS	Breastfeeding	US Department of Health and Human Services	$198,828	$0
DHSS	Cribs 4 Kids	US Department of Health and Human Services	$25,000	$0
DHSS	Children and Youth with Special Health Care Needs (CYSHCN)	US Department of Health and Human Services	$101,671	$0
DSS	Title 1 Preschools	Title 1	$40,048,058	$0
DESE	Child Care Development Fund (CCDF)	CCDF	$338,415	$0
DMH	Project Launch	Substance Abuse & Mental Health Services Administration (SAMHSA) Grant	$839,000	$0
DHSS	Cribs 4 Kids	n/a	n/a	$25,000
DHSS	Children and Youth with Special Health Care Needs (CYSHCN)	n/a	n/a	7,595
DSS	Start-up Expansion Program	n/a	n/a	n/a
DHSS	SAFE Care	n/a	n/a	$380,882
DHSS	Children and Youth with Special Health Care Needs (CYSHCN)	n/a	n/a	$165,893
DESE	Parents as Teachers (PAT)	n/a	n/a	$15,000,000
DESE	Missouri Preschool Program (MPP)	n/a	n/a	$11,401,796
Total			$49,622,303	$26,981,166

Professional Development/ Training				
Agency	**Program Name**	**Federal Funding Source**	**Federal Funding**	**State or Other Funding**
DSS	Child Care Accreditation/Licensure	n/a	$0	$3,500,000
DSS	Educare**	n/a	$0	n/a
Total			$0	$3,500,000

Early Childhood Programs and Funding by Agency

Department of Social Services

The Department of Social Services (DSS) is responsible for the coordination of programs to provide public assistance to children and their parents, access health care, provide child support enforcement assistance, and to deliver specialized assistance to troubled youth throughout the state of Missouri. The total budget for DSS in fiscal year 2013 was $8.8 billion, and there are 7,158 employees included in budgeted amount. DSS has oversight of the following programs for children birth to age five: Early Head Start, Missouri Head Start Collaboration Office, Start-up Expansion Program, Child Care Accreditation/Licensure, Child Care Assistance, TANF Child Care Subsidy, Educare, OPEN, Crisis Nursery, and the Stay at Home Parenting Program, also known as the Home Visitation Services. The department's mission is to "*Maintain or improve the quality of life for Missouri citizens*."[7] The MO HealthNet Division, which is responsible for the administration of services provided in accordance with Title XIX, Public Law 89-97, 1965 amendments to the federal Social Security Act, 42 U.S.C. Section 301is also located within DSS [8].

The Early Head Start program directly serves families with incomes under 135% of the Federal poverty level. The goal of the Early Head Start program is to promote quality early childhood services for children birth to age 3. Parents must be working, in school or training, or in need of child care in order to be eligible to receive child care through Early Head Start. The program also provides services to pregnant women and focuses on home base services and the teenage population. Currently, there is a waiting list in Missouri to receive Early Head Start services. In the fiscal year 2013 state budget, Early Head Start had a budget reduction from $5.67 million to $2.65 million. The direct impact of the budget reduction resulted in approximately 360 income eligible children losing services, which challenged parents to find alternate care in order to remain in the workforce. It also caused a reduction in staff.[9]

The Missouri Head Start Collaboration Office was established in 1997 for the purpose of consulting among early care and education systems at the federal, state, and local level. The purpose of this program is to help build early childhood systems and provide access to broad

[7] *Missouri Department of Social Services*. (2012, October 18). Retrieved May 16, 2013, from http://dss.mo.gov/ddo/

[8] *Missouri Department of Social Services MO HealthNet Division*. (2012, March 1). Retrieved May 23, 2013, from http://dss.mo.gov/mhd/

[9] *State of Missouri Coordinating Board of Early Childhood*. (n.d.). Retrieved May 16, 2013, from http://dss.mo.gov/cbec/pdf/cbec-fact-sheet-2013.pdf

services and support for children living below the poverty level. The Missouri Head Start Collaboration Office is responsible for encouraging partnership between Head Start and other programs. Prior to the upcoming fiscal year of 2014, the budget appropriation fell under the auspices of the Department of Elementary and Secondary Education.

In fiscal year 2013, the Start-up Expansion program was eliminated due to budget cuts in the state. This program provided grants to community based agencies, organizations or individuals wishing to start-up quality child care and early learning programs or expand existing programs. Recently, the Missouri Department of Economic Development has issued a request for proposals for child care and preschool applicants to apply for funding through a $10 million similar start-up and expansion program. DSS will help to notify agencies of this new funding opportunity.

The Child Care Accreditation/Licensure program coached child care centers, family child care homes, and preschools throughout the state on how to become an accredited institution. This accreditation is a nationally recognized indicator of quality in an early childhood program. In order to receive accreditation facilities must exceed the minimum licensing requirements. Accreditation activities supported by this funding included a 20% increase in subsidy rates paid to child care and early learning programs for children that meet low income qualifications.[10] Funding for this program was not appropriated in fiscal year 2013, which resulted in child care providers being solely responsible for achieving this accreditation.

Child Care Assistance funding includes the Temporary Child Care Subsidy, Educare, and "OPEN" programs. The subsidy program provides assistance with payment for child care and supports families in their effort to gain and keep employment or attain the skills necessary to gain employment. The assistance amount is based on the reason child care is needed, the family's gross monthly income, and family size.[11] The Educare program provides resources; technical assistance and support opportunities targeted to unlicensed family home care providers. The Educare program is the only program authorized to provide training for billing issues. Currently, Educare has 17 sites around the state and serves 74 counties. OPEN funding is also included in the Child Care Assistance funding. The OPEN initiative is an umbrella under which many career development efforts occur. This program's primary focus is the implementation of a

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[10] *Missouri Child Care Provider Reference Guide*. (2012, October). Retrieved May 21, 2013, from Missouri Department of Social Services: http://dss.mo.gov/cd/childcare/pdf/ccp_reference_sheet.pdf

[11] Missouri Department of Social Services Pamphlet IM-4CC. (2013, May 21). *Information about the Child Care Assistance Program* . Jefferson City, MO, USA: Missouri Department of Social Services Childrens Division.

career development system for staff in early childhood and school age/after school and youth development programs. The program houses the professional development registry and is responsible for documenting any clock hour trainings earned by licensed providers. Licensed providers are required to have 12 clock hours of training per year to meet licensing requirements. The OPEN registry also maintains an additional 2,000 child care programs that are unlicensed.

The Crisis Nursery program provides temporary care for children whose parents/guardians are experiencing an unexpected and unstable/serious circumstance that requires immediate action resulting in short term care. Typically this is due to an immediate emergency where the parent has no other support systems to care for younger children. The goal of the Crisis Nursery program is to prevent children from being unnecessarily placed into foster care. Of the children served at Crisis Nurseries 99% were not abused and the family was able to remain intact. This funding also includes Teen Crisis Care.

There is one Therapeutic Preschool and it is located in St. Louis. The Therapeutic Preschool serves children ages three to five years old who are experiencing emotional and/or behavioral problems. This program provides structure, stability, nurturance and behavior management in a therapeutic environment to support children in making a successful transition to kindergarten.

The Stay at Home Parenting Program, also known as the Home Visitation Services program, is also funded through DSS. Services are provided to families with a child less than three years of age and a household income under 185% of the federal poverty level. The parent must also meet one of the following requirements:

1. Unemployed but may be receiving Temporary Assistance or other income;
2. Employed 20 hours or less per week;
3. Participating in an education or job training program;
4. Living in a shelter or temporary housing;
5. A teen parent;
6. Referred by the state agency as being "at risk" for physical, emotional, social, or educational abuse/neglect.

These services are provided by home visits through parent educators or in group sessions where topics such as learning about child development, creating healthy families and/or networking opportunities for families are provided.

MO HealthNet Division is accountable for the fiscal maximum and appropriate utilization of Medicaid resources. The MO HealthNet division is tasked with purchasing and monitoring health care services for low income and vulnerable citizens in the state, which includes children

ages birth to five. MO HealthNet's vision is that these citizens will have access to excellent health care and to purchase services that are cost effective and appropriate. The MO HealthNet division assures quality health care through the development of service delivery systems, provider and participant education, and by establishing and enforcing standards.[12]

Table 2 below depicts the ages of children aged birth to age five, the total number of claims filed for each age group and the total amount of claims paid. It is important to note that 3,742 procedure codes were listed in the data file received; with one being "description unknown" therefore the procedure code data could not be analyzed. As the data indicated the majority of claims, 20%, were for children age zero.

Table 2. MO HealthNet (Medicaid) Claims in FY2012

Age	Claim Amount	Total Number of Claims
0	$69,159,599.73	107,207
1	$38,021,972.98	90,007
2	$34,329,636.40	75,383
3	$37,121,841.75	76,827
4	$37,511,771.84	77,679
5	$35,766,725.57	75,598
Grand Total	**$251,911,548.27**	**502,701**

The following table provides a breakdown of budget appropriations by state, federal, and other sources for each of DSS's programs and subprograms that specifically serve children birth to age five, as well as the numbers served.

[12] *Missouri Department of Social Services MO HealthNet Division*. (2012, March 1). Retrieved May 23, 2013, from http://dss.mo.gov/mhd/

Table 3. Department of Social Services Funding and Number Served for Early Childhood Services

Service Type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Expenditures	% Change Between 2012 & 2014	# Served (2012)
Direct Service	Early Head Start	Federal & State	Early Head Start & ECDEC	$6,049,070	$2,654,070	$5,674,506	-6.6%	20,503
Coordination	Missouri Head Start Collaboration Office*	Federal	Head Start	$300,000	Appropriated in DESE's budget	Appropriated in DESE's budget	n/a	No Direct Services to Children/Families
Funding	Start-up Expansion Program	State	ECDEC Funding	n/a	n/a	$3,588,718	n/a	492
Professional Development	Child Care Accreditation/Licensure	State	ECDEC Funding	$3,500,000	n/a	$3,074,500	-13.8%	13,690 subsidy ECDEC funding, 6,929 served w/Accreditation accredited Facilitation (2,887 subsidy programs children)
Funding	TANF Child Care Subsidy**	Federal	Temporary Asisstance for Needy Families	$8,071,331	$8,071,331	$8,071,331	0.0%	*Included in Child Care Assistance
Professional Development	Educare**	State	General Revenue	n/a	$2,654,070	$2,504,637	n/a	366 registered family home providers were served statewide.

*Grant moved to DSS for FFY2014. State match still comes from DESE, DSS, and DHSS
**Included as part of the Child Care Assistance
***Budgeted amount includes Teen Crisis Care
Head Start funding is not included in this table, it was not collected in this report

Service Type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Expenditures	% Change Between 2012 & 2014	# Served (2012)
Coordination	OPEN**	State	General Revenue	n/a	$250,000	$250,000	n/a	3,249 Center-based providers 2,973 Family Home providers 343 Group home providers 2,000 unlicensed providers
Direct Service	Crisis Nursery***	State	General Revenue	$2,050,000	$1,988,500	$1,250,000	-64.0%	2,570 children ages 0-5
Direct Service	Stay at Home Parenting Program	State	General Revenue	$3,074,500	$3,074,500	$3,074,500	0.0%	1,606 children and 1,478 families were served.
Direct Service	Therapeutic Preschool Day Treatment	Federal	Medicaid	$630,000	$630,000	$630,000	0.0%	191
Direct Service	MO HealthNet (Medicaid)	Federal	Medicaid	n/a	n/a	$251,911,548	n/a	502,701

*Grant moved to DSS for FFY2014. State match still comes from DESE, DSS, and DHSS
**Included as part of the Child Care Assistance
***Budgeted amount includes Teen Crisis Care
Head Start funding is not included in this table, it was not collected in this report

Department of Health and Senior Services

The Missouri Department of Health and Senior Services (DHSS), was formed in 2001 through Executive Order 01-02. The DHSS is charged with supervising and managing public health functions/programs and focuses on prevention and quality of life for all Missourians. The mission of DHSS is "To be the leader in promoting, protecting and partnering for health[13]."

The Division of Regulation and Licensure (DRL) is responsible for a wide variety of services that range from child care all the way to elder issues. The Section for Child Care Regulation (SCCR) within DRL provides services in the field of early childhood. SCCR conducts state inspections and investigates complaints at licensed family child care homes, group child care homes, and child care centers. DRL's SCCR also conducts health and safety inspections at license-exempt child care facilities.

The Division of Community and Public Health (DCPH) supports and operates programs and offices that address public health issues. The Section for Healthy Families and Youth promotes optimal health by providing leadership to both the public and private sectors in assessing health care needs of families and communities and assuring that the health system responds appropriately. DCPH is also responsible for developing policy, planning and designing systems of care, implementing and evaluating programs to assure the health care needs of families in the state of Missouri are met. The primary units located within DCPH are the bureaus of Genetics and Healthy Childhood and Special Health Care Needs.

For this report, DHSS includes the following early childhood programs of interest: Childhood Lead Poisoning Prevention; Special Supplemental Nutrition Program for Women, Infants and Children (WIC); Newborn Health; Breastfeeding; TEL-LINK; Newborn Hearing Screening; Home-Visiting/ACA Home-Visiting; SAFE Care; Cribs 4 Kids; Genetic Services-Newborn Screening Program; Newborn Screening (MSPHL); Childhood Lead Testing (MSPHL); Genetics Sickle Cell/Hemo; Child and Adult Care Food Program; Summer Food Service Program; Children and Youth with Special Health Care Needs (CYSHCN); Healthy Children and Youth (HCY); and the Maternal Child Health Grant.

The Childhood Lead Poisoning Prevention program was funded by a grant to further build the state infrastructure for continued assessment, policy development and assurance. Additionally, this program contracted with local partners to assure lead testing and follow-up availability to children residing in high risk areas of Missouri. The grant ended in February 2013 and carryover funding is being used to administer the program.

The Childhood Lead Testing program serves children ages 6 months-6 years old. Lead poisoning is one of the most common environmental child health problems in the U.S. and is caused by too much lead in the body. Lead is especially harmful to children younger than 6, due to their developing brain and nervous system. Large amounts of lead in a child's blood can cause brain

[13] http://health.mo.gov/about/index.php

damage, intellectual and/or developmental disabilities, behavior problems, anemia, liver and kidney damage, hearing loss, hyperactivity, other physical and mental problems, and in extreme cases, death.

The Supplemental Nutrition Program for Women, Infants and Children (WIC) is a supplemental nutrition program. The WIC program provides nutritious foods to supplement the diets of pregnant women, mothers who breastfeed for 1 year, mothers who formula feed for 6 months and infants and children up to their 5th birthday who qualify as "nutritionally at risk" and meet federal poverty guidelines. The WIC program also provides nutrition education, breastfeeding promotion and support, conducts immunization screenings and appropriate referrals to address WIC participant's need.

The Newborn Health program promotes healthy birth outcomes, healthy infants; and healthy and safe families by increasing awareness of recommended maternal child health practices through statewide education outreach that targets all women of childbearing age, their partners, families, and communities. This is a population-based program and is inclusive of all women and families of a reproductive age. The Newborn Health program experienced a reduction in funding related to the loss of the First time Motherhood grant during fiscal year 2013.

The Breastfeeding program's purpose is to promote, protect and support breastfeeding for the mother, infant, family and community; ultimately establishing breastfeeding as the infant/child feeding norm. Breastfeeding is the first nutritional and immunological step in reaching optimal health and wellness in our families and communities. Breastfeeding is a population-based program. Targeted support and interventions for the breastfeeding are conducted at 84 birthing hospitals in the state.

The TEL-LINK program is Missouri's toll-free information and referral line for maternal and child health care. It is a state and federal mandate to provide a wide range of health information and referrals to residents of Missouri, especially women of childbearing age and children. Callers are provided referrals and can be linked immediately with the appropriate agencies. The toll-free number is operated from 8:00 a.m. to 5:00 p.m. CST, Monday through Friday. Recorded messages are taken after 5:00 p.m. on weekdays and throughout the day and night on weekends and state holidays.

The Newborn Hearing Screening Program (MNHSP) assures all babies born in Missouri receive a hearing screening. Early identification, diagnosis, and intervention services increase the likelihood that children with hearing loss achieve communication skills. Additionally, the MNHSP gathers data through a comprehensive reporting, tracking, and follow-up system to address issues important to early hearing detection and intervention (EHDI) in Missouri, and guides activities and evaluation of the program. The program has been cut 31% due to sequestration. Hospitals initially pay for this service and are permitted to bill Medicaid, the state insurance plan.

The Home-Visiting/Affordable Care Act (ACA) Home-Visiting encompasses three home visitation programs, Building Block (evidence-based), Maternal Infant and Early Childhood (MIECHV-Evidence-based) and the Community Based Home visiting program (not evidence-based) to provide quality voluntary services to pregnant women and children from 0-5 years, depending on the program.

The goal of the SAFE-CARE program is to improve outcomes for children who are victims of, or at risk for, child maltreatment by enhancing the skills and role of the medical provider in a multidisciplinary context. Funds are used to train SAFE-CARE clinicians or other disciplines to provide state of the art Sexual Assault medical evaluations. The actual number of children served is unknown. For State Fiscal Year 2012 35 SAFE-CARE providers were trained.

The goal of the Safe Cribs for Missouri (Cribs 4 Kids) program is to decrease the racial and ethnic disparities in infant crib related deaths. The program enhances risk reduction efforts related to infant mortality from unsafe sleep practices and the unavailability of safe cribs for low income families. Parent and caregiver education is provided to individuals receiving a safe crib through the Safe Cribs for Missouri program. This helps promote appropriate/safe attitudes, beliefs, and practices when placing their infant for sleep including providing a safe sleep environment for their infant(s).

The Genetic Services Missouri Newborn Screening (MNBS) Program identifies newborns with preventable disabilities and other non-reversible consequences of selected genetic, metabolic, and endocrine disorders as early as possible during the newborn period and assures conformation and management.

The Missouri Sickle Cell Anemia Program (MSCAP – Genetics Sickle Cell/Hemo) promotes and provides education, screening, referral, counseling, and follow-up services for individuals with sickle cell disease and sickle cell trait and is conducted as part of the newborn screening process.

The Child and Adult Care Food Program (CACFP) aims to improve the nutritional health of children and adults in child care centers, family child care homes, adult day care facilities, emergency/homeless shelters, and after-school programs by providing reimbursement for meals. In order for meals to be reimbursed they must meet minimum federal nutritional standards. The CACFP assures that children and adults in care settings receive the proper nutrition for a long and healthy life.

The Summer Food Service Program (SFSP) improves the nutrient intake of children living at or below the poverty line when school is not in session, thereby reducing their risk for health problems so that they may enjoy a long, healthy life. The SFSP improves the quality of the summer programs offered in low-income areas and provides summer employment opportunities in local communities.

The Children and Youth with Special Health Care Needs (CYSHCN) Program provides assistance statewide for individuals from birth to age 21 who have, or are at increased risk for a

disease, defect or medical condition that may hinder their normal physical growth and development and who require more medical services than children and youth generally. The Program focuses on early identification and service coordination for individuals who meet medical eligibility guidelines. As payer of last resort, the CYSHCN Program provides limited funding for medically necessary diagnostic and treatment services for individuals whose families also meet financial eligibility guidelines. Funded services may include but are not limited to: doctor's visits, emergency care, inpatient hospitalization, outpatient surgery, prescription medication, and diagnostic testing. The CYSHCN Program served 809 children in SFY12, of those served approximately 15% were ages 0-5.

The Healthy Children and Youth (HCY) Program provides service coordination and authorization of medically necessary services for children with serious and complex medical needs from birth to age 21. Service coordination includes assessment through quarterly home visits and links to services and resources that enable participants to remain safely in their homes with their families. Authorized services may include in-home personal care, in-home nursing care and skilled-nursing visits. The HCY Program served 2,384 children in SFY12, of those served approximately 12% were ages 0-5.

The Child Care Health and Safety Consultation program include local public health agencies' health professionals provide consultation and/or education to all child care providers related to health issues in child care settings, and health promotion activities to children in child care. Outreach efforts are made to provide consultation services to child care providers who serve child care subsidy children.

The consultation program also assists families with children in child care to access the services of MO HealthNet, developmental screenings; special needs service providers, WIC, immunization education, lead and other programs available for children and families at risk.

The Child Care Sanitation Inspections program is conducted by the Bureau of Environmental Health Services provides for the completion of appropriate, timely, and consistent health and sanitation inspections of child care facilities throughout the state. This is accomplished through fee-for-service participation agreements with local public health agencies (LPHAs). DHSS, Division of Community and Public Health, Bureau of Environmental Health Services staff costs to provide training, consultation, and technical assistance to LPHAs and child care facilities.

The DHHS Section for Child Care Regulation (SCCR) conducts inspections and complaint investigations for all licensed and license-exempt child care facilities, and monitors all grant funded contracts associated with Child Care Development Block Grant (CCDBG). SCCR also funds these activities through General Revenue funding and funding provided through the Early Childhood Development, Education and Care (ECDEC) Fund.

In an effort to provide Missouri families with readily available information about child care facilities, SCCR funds software upgrades used to document the licensure of Child Care Facilities. The Missouri Health Strategic Architecture and Information Cooperative

(MOHSAIC) software is in the process of being updated and transferred to an environment that will ensure the stability of current and future licensing data.

The following chart provides a breakdown of budget appropriations by state, federal, and other funding sources for each of DHSS's early childhood programs and subprograms that specifically serve children birth to age five, as well as the numbers served.

Table 4. DHSS Funding and Number Served

Service type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Expenditures	% Change Between 2012 & 2014	# Served (2012)
Funding	Childhood Lead Poisoning Prevention	Federal	US Department of Health and Human Services	0	$294,564	$383,701	100.0%	623
Direct Service	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Federal	Women, Infant, and Children Food and Nutrition Service (WIC)	$136,095,307	$134,116,99*	$125,002,207	-8.9%	1,328,644
Coordination	Newborn Health	Federal	US Department of Health and Human Services	$156,581	$156,581	$827,447	81.1%	UNK
Funding	Breastfeeding	Federal	US Department of Health and Human Services	$198,828	$110,264	$111,158	-78.9%	n/a or difficult to quantify population
Coordination	TEL-LINK	Federal	WIC & Maternal Child Health Bock Grant	$115,764	$115,764	$115,764	0.0%	4,094 Calls answered, 4,980 Resource referrals provided to callers, 852 Website hits
Direct Service	Newborn Hearing Screening	State	General Revenue	$123,188	$123,188	$120,096	-2.6%	76,000
		Federal	US Department of Health and Human Services	$507,806	$557,694	$580,361	12.5%	
Direct Service	Home Visiting	Federal	Maternal Infant and Early Childhood Home Visiting Program	$1,651,823	$1,868,387	$1,566,262	-5.5%	1,079
Direct Service	ACA Home visiting	Federal	Affordable Care Act	$2,120,142	$2,120,142	$2,120,142	0.0%	304

*Estimate
**2103 data

Service type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Expenditures	% Change Between 2012 & 2014	# Served (2012)
Funding	SAFE Care	State	General Revenue	$380,882	$380,882	$388,785	2.0%	UNK
		Federal	US Department of Health and Human Services	$25,000	$25,000	$22,939	-9.0%	SFY 12 served 340 families
Funding	Cribs 4 Kids	Other	Children's Trust Fund	$25,000	$25,000	$25,000	0.0%	n/a or difficult to quantify population
		Federal	US Department of Health and Human Services	$543,424	$543,424	$416,437	-30.5%	76,000 screened and followed-up
	Genetic Services-Newborn Screening Program	Other	MO Public Health Services Fund	$752,708	$752,708	$717,013	-5.0%	SFY 12 76000 screened and 314 received additional follow-up
Direct Service		State	MO Public Health Services Fund	0	$93,728	$90,955	100.0%	n/a or difficult to quantify population
Direct Service	Newborn Screening (MSPHL)	Other	MO Public Health Services Fund	$3,700,174	$3,607,713	$3,799,959	2.6%	n/a or difficult to quantify population
		State	General Revenue	$41,001	$77,330	$95,935	57.3%	6,358
Direct Service	Childhood Lead Testing (MSPHL)	Other		$71,060	$67,522	$73,617	3.5%	n/a or difficult to quantify population
		Other	MO Public Health Services Fund	$392,055	$388,950	$305,066	-28.5%	SFY 12, 76000 screened 1,616 received further follow-up
Direct Service	Sickle Cell Anemia Program (MSCAP)	General Revenue	MO Public Health Services Fund	$105,020	$185,400	$184,099	43.0%	n/a or difficult to quantify population

*Estimate
**2103 data

Service type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Expenditures	% Change Between 2012 & 2014	# Served (2012)
Funding	Children and Youth with Special Health Care Needs (CYSHCN)	Federal	US Department of Health and Human Services	$101,671	$206,369	$205,648	50.6%	Approximately 121
		State	General Revenue	$165,893	$76,253	$80,799	-105.3%	
		Other	Other	7,595	$124,420	$119,523	93.6%	
Coordination	Healthy Children and Youth (HCY)	Federal & State	Medicaid & General Revenue	$641,739	$310,519	$321,216	-99.8%	Approximately 286
Direct Service	Child Care Health and Safety Consultation	Federal	Child Care Development Block Grant (CCDBG)	$310,430	$310,430	$227,000	-36.8%	13,549 providers
Direct Service	Child Care Sanitation Inspections	Federal	CCDGB	$685,000	$685,000	$685,000	0.0%	6,747 child care sanitation inspections
Direct Service	Section for Child Care Regulation	Federal	CCDGB	$2,284,439	$2,525,439	$2,317,343	1.4%	3,974 inspections were conducted at 1,973 providers
Coordination	Licensing Inspection software	Federal	CCDGB	n/a	n/a	$133,455	n/a	n/a not fully implemented
DS	Inclusion Services and Training contract	Federal	Maternal Block Child Health Grant (Title V)	$315,673	$300,092	$315,673	0.0%	specific technical assistance contacts Conducted 71 general technical assistance visits Provided publications on inclusion topics to 387 families of children with special needs Trained 845 child care providers on inclusion topics**
*Estimate **2103 data								

Department of Elementary and Secondary Education

The Missouri Department of Elementary and Secondary Education (DESE) serves as the administrative arm of the State Board of Education. The Department employs about 1,700 people throughout the state and has a total budget of nearly $5.4 billion. About 96 percent of the budget consists of state and federal funds that are distributed directly to local school districts and other agencies. The Mission of DESE is to guarantee the superior preparation and performance of every child in school and in life. The Department's responsibilities range from early childhood to adult education services. The early childhood services operate out of the Division of Learning Services and include the following programs for children age birth to five and their families: Missouri Preschool Program (MPP), Title I Pre-K, First Steps, Early Childhood Special Education, Parents as Teachers (PAT), and the Child Care Development Fund Grant—CCDF (Early Childhood).

The Missouri Preschool Program (MPP) was created through the Early Childhood Development Education and Care Fund, pursuant to section 161.215 RSMo. The program's goals are to give parents meaningful choices and assistance in choosing the child care and education arrangements that are appropriate for their family: "The fund shall be used to support programs that prepare children prior to the age in which they are eligible to enroll in kindergarten, pursuant to section 160.053 RSMo, to enter school ready to learn. All moneys deposited in the early childhood development, education, and care fund shall be annually appropriated for voluntary, early childhood development, education and care programs…" DESE has designated its portion of the fund to promote high quality early care and education programs for children one or two years from kindergarten eligibility. To be eligible for kindergarten a child must be five years old before August 1 of the upcoming school year. The MPP funds are currently distributed through a renewal process funding 151 contracts with school districts, colleges/universities, and private providers.

Title I is a supplemental program for children Pre-K through grade 12 who are at risk of failing.

- District-wide: An LEA may reserve a portion of funds off the top of its Title I allocation to operate a preschool program for eligible children. The LEA may serve all eligible children in the district as a whole or those in just a portion of the district. An LEA may implement a district wide preschool program to benefit all preschool students in the LEA as long as all the schools in the LEA are Title I schools operating school wide programs.
  - The district as a whole—An LEA may serve preschool children who reside throughout the LEA and whom the LEA identified as eligible because they are at risk of failing to meet the state's standards.
  - A portion of the district—An LEA may serve preschool children who reside in specific Title I school attendance areas.
- School wide: A Title I school may operate a school wide program if a minimum of 40 percent of the students enrolled in the school, or residing in the attendance area served by the school, are from low-income families. If a school wide program school operates a

preschool program, all preschool children who reside in its attendance area and whom the school identifies as at risk of failing to meet the state's standards are eligible to receive service in a school wide preschool
- Targeted Assistance: A Title I school that is ineligible to operate, or has chosen not to operate, a school wide program may operate a targeted assistance program in which the school provides supplemental educational services to students with the greatest need for assistance. Only children who reside in the attendance area and whom the school identifies as at risk or failing to meet the state's standards are eligible to receive services through a targeted assistance preschool
- Cooperative: An LEA may use Title I funds to support an existing preschool program, such as Head Start or other comparable publicly funded preschool programs. If Title I funds are used to expand or enhance an existing public preschool program, that program is then considered to be a Title I program, and all Title I requirements apply.

Title I funds are generated by census poverty; distribution to school buildings is ranked based on poverty/free and reduced lunch counts. School districts are given the flexibility to use funds for Title I eligible preschool services described below:

- Serve children from birth through school entry, as long as they are serving the K-12 population
- Serve educational disadvantage 3-4 year old children
- Provide comprehensive services
- Fund teacher professional development

First Steps is Missouri's early intervention program governed by Part C of the IDEA and 160.900 – 160.925 RSMo. It provides coordinated services to young children, birth to age 3, with special needs and their families. Program services include those that assist children with delayed development or diagnosed conditions associated with developmental disabilities. The goal of First Steps is to ensure Missouri families of children age birth to age 3 have coordinated services with the necessary support and resources provided. Participation in First Steps is voluntary and is intended to help families of children with disabilities:

- Understand their child's special needs
- Obtain the help they desire to deal with situations that could interfere with their child's growth and development
- Provide the best conditions for their child's growth and development

First Steps services are funded through the federal Individuals with Disabilities Education Act (IDEA), general revenue funds, federal Medicaid, private insurance and family cost participation funds.

The Early Childhood Special Education (ECSE) program and related services for preschool aged children in Missouri is the state's plan pursuant to the Free and Appropriate Education (FAPE)

requirements of school districts and other public agencies responsible for providing special education and related services. Services are provided to eligible children, as outlined in

The Missouri State Plan for Special Education for children who are three years or older. Parents of children, who are three to five years old or approaching age three who suspect their child may have a developmental delay or disabling condition that may affect them educationally, may contact their local school district to make a referral for evaluation to determine eligibility for special education services. ECSE services are primarily funded through the federal Individuals with Disabilities Education Act (IDEA) and general revenue funds; however, some school districts in the state also use federal Medicaid funding where appropriate.

The Parents as Teachers (PAT) program is relationship-based and parenting-focused. PAT is not a preschool program, but rather is a parenting education program. PAT is brought to parents in their homes by trained parent educators whose goal is to help them build on their own strengths—using the most up-to-date research on brain science, child development, and early learning—as they interact with their children. In this way, parents become teachers in the normal course of interacting, playing with, and enjoying their children and their children stand a better chance of beginning school fully ready to learn and succeed. The Parents as Teachers (PAT) model includes these components of parent education and family support: personal visits, resource network, group connections, and screenings.

Child Care Development Fund Grant (CCDF) is available to increase quality early childhood program availability in public schools and colleges/universities, and to provide a safe environment that meets the individual, developmental, social, emotional, and physical needs of children, ages 6 weeks to kindergarten entry. The funds may include innovative or creative approaches or services beyond the normal child care program including enhancements such as: parent involvement, parent education, inclusion of children with special needs, care for infants and toddlers, and teen parent programs.

The following chart provides a breakdown of appropriations by state, federal, and other for DESE's programs that serve children birth to 5:

Table 5. Department of Elementary and Secondary Education

Service type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Budget	% Change Between 2012 & 2014	# Served (2012)
Funding	Title 1 Preschools	Federal	Title 1	$40,048,058	$40,048,058	$38,525,902	-4.0%	18,951*
Funding	Parents as Teachers (PAT)	State	General Revenue	$15,000,000	$15,000,000	$13,910,000	-7.8%	78,527
Funding	Missouri Preschool Program (MPP)	State	ECDEC Funding	$11,401,796	$8,312,848	$11,404,872	0.0%	4,103
Direct Service	First Steps	State	General Revenue	$20,000,000	$18,178,000	$16,238,000	-23.2%	4,999
		Federal	IDEA Part C	$7,200,000	$7,909,000	$7,839,000	8.2%	
		Federal	Medicaid**	$4,000,000	$3,243,000	$4,341,000	7.9%	
Direct Service	Early Childhood Special Education	State	General Revenue	$144,660,000	$144,660,000	$144,660,000	0.0%	11,411
		Federal	Federal IDEA 619	$5,400,000	$5,875,000	$5,887,000	8.3%	
Funding	Child Care Development Fund (CCDF)	Federal	CCDF	$338,415	$338,415	$338,415	0.0%	1,260

*CSPR 11-12 (ages 3-5 not kindergarten)
**First Steps Medicaid data included are estimates. Fiscal year 2013 data is fiscal year to date as of June 19, 2013.

Department of Mental Health

The Department of Mental Health (DMH) is comprised of two operational divisions, with three focus areas and budgets. The mission of DMH as provided by state law is "(1) the prevention of mental disorders, developmental disabilities, substance abuse, and compulsive gambling; (2) the treatment, habilitation, and rehabilitation of Missourians who have those conditions; and (3) the improvement of public understanding and attitudes about mental disorders, developmental disabilities, substance abuse, and compulsive gambling."[14] Approximately 150,000 Missourians are served annually through these two divisions. DMH focus areas include: Alcohol and Drug Abuse, Comprehensive Psychiatric Services, and the Division of Developmental Disabilities. The Division of Behavioral Health was created recently and combines the Alcohol and Drug Abuse and Comprehensive Psychiatric Services into one division. The Division of Behavioral Health has areas of combined leadership and staff however budgets and types of services provided currently remains separate for the two populations. There is not a dedicated budget for children birth to age five through either division. The budgeted amount for each focus area is provided in Table X. The amounts listed are predominantly direct service dollars and do not account for administrative cost, nor are these funds available for training and professional development. Also included under the auspices of DMH is ProjectLAUNCH, which is a federal grant that began in October 2012.

Project LAUNCH is a federal grant from SAMHSA that focuses on promoting social, emotional, and physical health of children birth to age eight and their families. This is a five year grant that is designed to build an infrastructure and enhance services through professional workforce development, not a grant that provides services to children. The grant amount is distributed as 65 percent of the funds are dispersed to the pilot site which is two zip codes in North St. Louis, 20 percent is distributed to evaluation, and the remainder 15 percent goes to the state.

The Division of Behavioral Health includes Alcohol and Drug Abuse and Comprehensive Psychiatric Services. Women are affected both physically and psychologically by substance abuse. Services are provided through the Women and Children's CSTAR program for the focus area of Alcohol and Drug Abuse to women who are receiving substance abuse services and their young children. Women who are pregnant, postpartum, or have children in their physical care and custody are given first priority. Based on the assessment, children that accompany their mother into treatment may receive daycare, housing support or other community support. One item to note when reviewing the budget for this program is that children under six years old

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[14] *Missouri Department of Mental Health*. (n.d.). Retrieved May 22, 2013, from http://dmh.mo.gov/about/

make up 1.4 percent of the population served through this program, while only .58 percent of the budget is spent on services for children in this population.

The Division of Behavioral Health is also responsible for the provision of Comprehensive Psychiatric Services and has a dedicated budget for children under the age of 18. Services are predominantly provided through the rehab option under Medicaid, resulting in the federal government paying about 62 % of the costs for eligible clients. This program provides an array of services to persons with severe, disabling mental illnesses. These services include evaluations, crisis intervention, community support, medication management, and psychosocial rehabilitation. Targeted Case Management (TCM) services are included and they are used to assist individuals in finding and getting psychiatric, medical, social, and educational services and supports. When reviewing the budget for this program, it is important to note that children under six years old make up 4.77 percent of the population of those under 18 years of age that are served through this program, while only 2.91 percent of the budget is spent on services for those under six.

The Division of Developmental Disabilities offers five waivers which provide services for individuals with developmental disabilities, including children. The following table represents the five waivers and the services provided through each waiver:

Table 6. Division of Developmental Disabilities Waivers

Waiver	Services Provided
Comprehensive Waiver	Assistive Technology Behavior Analysis Service Communication Skills Instruction Community Specialist Counseling Crisis Intervention Environmental Accessibility Adaptations/Vehicle Modifications Host Home (Shared Living) In Home Respite Individualized Supported Living Occupational Therapy Out of Home Respite Physical Therapy Personal Assistance Person Centered Strategies Consultation Professional Assessment and Monitoring Specialized Medical Equipment and Supplies Speech Therapy Support Broker

Waiver	Services Provided
	Transportation
Community Support Waiver	Assistive Technology Behavior Analysis Service Communication Skills Instruction Community Specialist Counseling Crisis Intervention Environmental Accessibility Adaptations/Vehicle Modifications In Home Respite Occupational Therapy Out of Home Respite Physical Therapy Personal Assistance Person Centered Strategies Consultation Professional Assessment and Monitoring Specialized Medical Equipment and Supplies Speech Therapy Support Broker Transportation
Missouri Children with Developmental Disabilities Waiver (aka Sarah Lopez Waiver)	Behavior Therapy Community Specialist Crisis Intervention Day Service Environmental Accessibility Adaptations/Vehicle Modifications In Home Respite Out of Home Respite Personal Assistance Specialized Medical Equipment and Supplies Support Broker Transportation
Autism Waiver	Assistive Technology Behavior Analysis Service Community Specialist Environmental Accessibility Adaptations/Vehicle Modifications In Home Respite Out of Home Respite Physical Therapy Personal Assistance Person Centered Strategies Consultation Professional Assessment and Monitoring

Waiver	Services Provided
	Specialized Medical Equipment and Supplies Support Broker Transportation
Partnership for Hope Waiver (aka Prevention Waiver)	Assistive Technology Behavior Analysis Service Community Specialist Day Services Dental Environmental Accessibility Adaptations/Vehicle Modifications Occupational Therapy Personal Assistant Physical Therapy Positive Behavior Support Professional Assessment and Monitoring Specialized Medical Equipment and Supplies Speech Therapy Support Broker Temporary Residential Transportation

The following chart provides a breakdown of budget appropriations by state, federal, and other for each of DMH's divisions and focus areas that specifically serve children birth to under six, as well as the numbers served.

Table 7. Department of Mental Health Funding and Number Served for Children Under Six Years of Age

Service type	Program Name	Funding	Funding Source	SFY 14 Budget	SFY 13 Budget	SFY 12 Budget	% Change Between 2012 & 2014	# Served (2012)
Direct Service	Alcohol and Drug Abuse (Division of Behavioral Health)	(60%) Federal	Medicaid	$86,085,319	$63,168,273	$97,239,991	13%	864
		(40%) State	General Revenue	$57,390,212	$63,168,273	$565,808	-99%	
Direct Service	Comprehensive Psychiatric Services (Division of Behavioral Health)	Federal	Medicaid	$84,620,134	$77,669,791	$73,630,000	-13%	803
		State	General Revenue					
Funding	Division of Developmental Disabilities	Federal	Medicaid	$638,262,785	$601,557,984	$526,993,173	-17%	333
		State	General Revenue					
Funding	Project LAUNCH	Federal	Substance Abuse & Mental Health Services Administration (SAMHSA) Grant	$839,000	$839,000	n/a	n/a	n/a

RECOMMENDED ACTIONS

Recommendations and Findings

Based on key informant interviews with stakeholders representing the previously described programs the following recommendations are proffered. The goal of the recommendations is to recognize program areas that are successful and to build upon the practices and efforts. The recommendations also highlight areas of missed opportunity for collaborative efforts, funding, or program implementation.

The newly authorized Patient Protection and Affordable Care Act (ACA) appropriated by Congress expand resources that states can dedicate to home visiting programs during the next five years.

Notwithstanding the promise of early childhood programs, most states lack a coordinated strategy to maximize the impact of such public investments. Many states support home visiting and other early childhood initiatives through multiple agencies, often without a comprehensive action oriented plan to use resources efficiently or detailing a common vision of the outcomes these programs want to achieve. States often do not have research-based strategies to promote program effectiveness or program data to guide future funding decisions. As a result, states currently fund programs that vary in quality and that may provide some families with duplicative services and others with none.

As the ACA funds boost existing states resources, all state governors have an opportunity to better integrate early childhood programs into an effective and comprehensive early childhood system. Specifically, if desired, governors can:

- Promote coordinated planning and shared accountability across the agencies that fund home visiting and other early childhood programs;
- Develop research-based quality standards and support ongoing program improvement; and
- Improve data linkages to track outcomes and better target services.

States continue to experience historic shortfalls, but implementing these three steps can help ensure that governors maximize new and existing resources to meet the needs of their state's youngest and most vulnerable children.

Although outcomes vary, early childhood programs have demonstrated measurable gains in reducing cases of abuse and neglect, improving school readiness and success in school,

enhancing prenatal and child health, encouraging good parenting behaviors and attitudes, promoting parental self-sufficiency, and reducing youth crime and delinquency. Key examples of outcomes include the following:

- Reducing cases of abuse and neglect, as measured by emergency room visits, data on child injuries, and child protective services reports. For example, the Nurse-Family Partnership, a program model that employs nurses to provide home visits from pregnancy through a child's second birthday, demonstrated a 48 percent reduction in officially verified cases of child abuse and neglect at one program site. Improving school readiness and success in school, including gains in early literacy, school performance and behaviors through sixth grade, and lower high school dropout rates.
- Enhancing prenatal and child health, as demonstrated by lower rates of low-birth weight births, increased immunizations, and improved child nutrition.
- Encouraging healthy parenting behaviors and attitudes, such as reliance on nonviolent discipline techniques and parental involvement when children enter kindergarten. For example, parents participating in Early Head Start programs provided significantly more support to their children's language development and learning and exhibited fewer negative parenting behaviors than a control group.
- Promoting parental self-sufficiency, including reduced use of welfare or other public benefits, less substance abuse, and fewer or better-spaced pregnancies. For example, according to a study in Elmira, New York, mothers participating in Nurse-Family Partnership spent 20 percent less time on welfare than a control group by the time their children were age 15.
- Reducing youth crime and delinquency, as measured by fewer arrests, convictions, and probation violations in the decades following a home visiting intervention. The study of Nurse-Family Partnership in Elmira, New York, found that children receiving home visits were 43 percent less likely to have been arrested and 58 percent less likely to have been convicted by age 19.

In achieving these outcomes, early childhood programs can reduce long-term costs in different state systems, including education, health care, human services, and criminal justice. A cost-benefit study of Nurse-Family Partnership found that each dollar invested in the program yielded $5.70 in long-term societal benefits when serving a high-risk population and $1.26 when serving a lower-risk population. The Home Instruction for Parents of Preschool Youngsters program model, which supports parents of 3- to 5-year-olds in becoming involved in their children's early learning, demonstrated a return of $1.80 for every dollar invested. Specific benefits measured included reduced welfare, special education, and criminal justice costs and increased state revenues when participants earn higher future wages.

The ultimate goal of the PCG analysis was to identify state general funds being used for current services to better utilize federal funds, specifically for improving and expanding early childhood service offerings in Missouri. As such, PCG recommends that Missouri implement the following actions to address the goal of expanding the funding base for services to young children and their families:

1. Expand Opportunities in Children's Health Care

Increased provision of health services for children in Missouri can be used to address medical issues at a preventative level. To expand on this concept, PCG has identified three major trends taking place nationally that Missouri should note:

1) The growing emphasis on customer-centric care
2) The decentralization of services and associated rise of coordinating bodies
3) The changing face of payment models in the field.

The recommendations regarding opportunities in Children's Health Care are consistent with these national trends and will potentially enhance Missouri's coordinated care efforts for children. It is recommended that the following steps be taken in effort improve children and families access to quality health care in Missouri:

Table 8. Recommended Steps to Improve Children and Family Access to Quality Health Care

Title	Brief Description
Implement Health Homes Initiative(s)	Section 2703 of the Affordable Care Act (ACA) provides enhanced federal match for health home initiatives focusing on beneficiaries with chronic illnesses.
Consider 1915i State Plan Amendment or Medicaid 1915(b) Waiver(s)	The Federal government provides two vehicles through which to provide home and community based services – through the 1915i state plan amendment or through 1915(b) waivers. These options can be utilized to target specific community-based services to specific populations. Many states are focusing on care provided to children with mental health needs, as well as children affected by Autism Spectrum Disorders.

Implement Health Home Initiative(s)

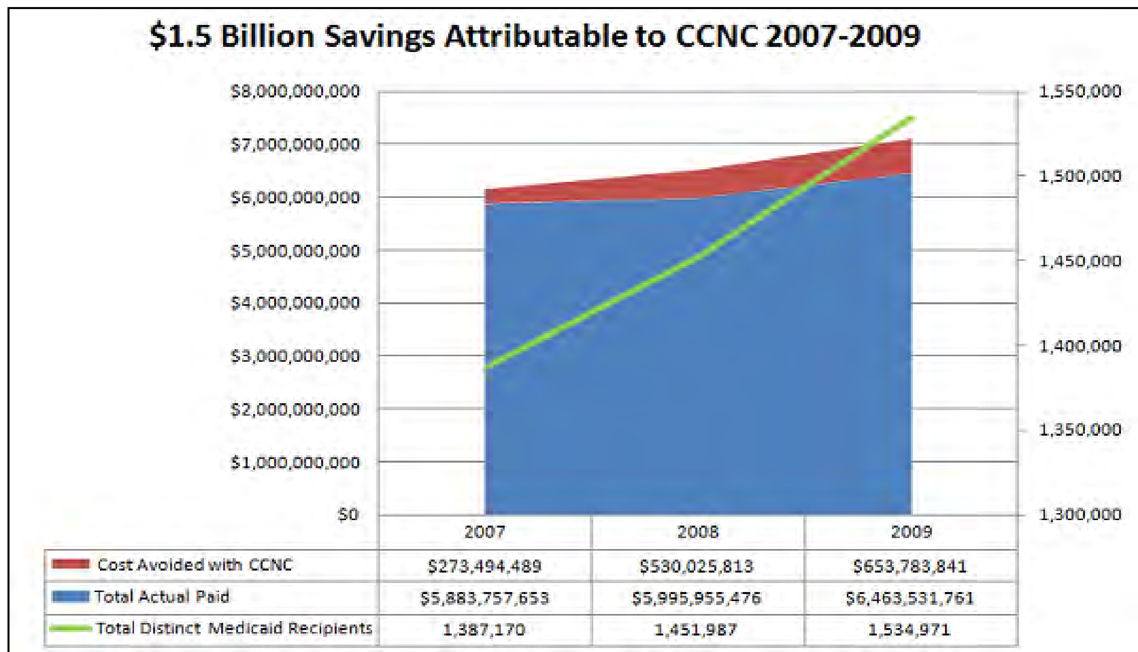
It is recommended that Missouri implement health home initiatives to target children that require additional supportive services. Many of the issues found in states' health care systems revolve around the lack of coordination between insurances, between providers, between provider and beneficiary incentives, etc. As discussed above, the health care system is undergoing significant change, spurred by the passage of the ACA. The ACA brings forth wide-ranging and comprehensive changes that may have a direct and significant impact on the operations of the Missouri's Medicaid program, as well as other state departments. Some of these changes have already begun, while others will take effect over the next several years.

Missouri has potentially significant and promising programmatic and financial opportunities, especially within Section 2703 of the ACA. Section 2703 establishes a new "State Option to Provide Health Homes for Enrollees with Chronic Conditions." This option allows States to enroll Medicaid beneficiaries with chronic conditions into designated *Health Homes*. Beyond the

list of Health Home services and limited guidance available from the Centers for Medicare and Medicaid Services (CMS), states have considerable flexibility to design Health Home programs to control the cost growth of the chronically ill populations. This option could be strategically leveraged by Missouri to help care for chronically ill children. Nationally, more than 60 percent of Medicaid costs come from 10% of the Medicaid population, demonstrating that the highest-costing patients generally account for most of the cost incurred for medical services. Missouri Coordinating care through medical homes has the potential to save millions of dollars and improve the quality of care for Medicaid beneficiaries.

The following charts illustrate the impact of health homes in North Carolina, which implemented their CCNC program – Coordinated Care of North Carolina – a statewide medical home.

Figure 4. Savings Attributable to CCNC



	2007	2008	2009
Cost Avoided with CCNC	$273,494,489	$530,025,813	$653,783,841
Total Actual Paid	$5,883,757,653	$5,995,955,476	$6,463,531,761
Total Distinct Medicaid Recipients	1,387,170	1,451,987	1,534,971

Medical homes are ways of coordinating care for individuals. Generally, care is organized so that a primary care physician serves as a beneficiaries "home" for coordination of all services necessary for quality, efficient and effective care. Even though the concept of health homes has yet to be proven to control costs on a large scale, the momentum of its inclusion in the ACA is pressuring States to make decisions about designing and implementing health home initiatives.

A health home is a term mainly used in Section 2703 to differentiate itself from the definitional nuances of a "medical home."[15] A health home is an initiative of the federal government to spur

[15] Terms that are similar in nature, but may have different definitions include: medical home and patient centered medical home.

the development in each respective states medical-home like care – coordinated care. The federal government is achieving this by providing significant federal monies into state programs after the submission and approval of a health home state plan amendment. The Center for Medicare and Medicaid Services (CMS) has provided guidance to States in the form of a State Medicaid Director's Letter (SMDL#10-024[16]), which provides details about the following program features:

- Health Home Populations
- Service Definitions
- Payment Methodologies
- Enhanced FMAP

Health Home Populations**:** Section 2703 amends Section 1945(a) of the Social Security Act, permitting States the option to offer health home services to "eligible individuals with chronic conditions." A chronic condition, described in section 1945(h) (2) of the Act include:

1. a mental health condition;
2. a substance use disorder;
3. asthma;
4. diabetes;
5. heart disease; and
6. Overweight (body mass index over 25).
7.

Other chronic conditions can be considered for inclusion in the health home model. The minimum criteria consists of individuals eligible under the State plan or under a waiver who have at least two chronic conditions, one chronic condition and be at risk or another, or one serious and persistent mental health condition. States have flexibility in that they are allowed to select targeted populations of individuals with a greater number of chronic health conditions or higher severity of the condition. Missouri could target a health home program specifically designed for young children who meet some of the conditions described above. PCG recommends Missouri undertake a detailed review of claims and eligibility data to perform the following analysis:

- Identify the chronic conditions and combination of chronic conditions (described above) that are most prevalent within the Medicaid early childhood population.
- For these beneficiaries, identify the primary and specialty providers who deliver services.

Service Definitions: Section 1945(h) (4) of the Act defines health home services as "comprehensive and timely high quality services," and includes the following services to be provided by health home providers:

- Comprehensive care management;
- Care coordination and health promotion;
- Comprehensive transitional care from inpatient to other settings, including appropriate follow-up;

[16] http://downloads.cms.gov/cmsgov/archived-downloads/SMDL/downloads/SMD10024.pdf

- Individual and family support, which includes authorized representative;
- Referral to community and social support services, if relevant; and,
- The use of health information technology to link services, as feasible and appropriate.

Payment Methodologies: Section 1945(c)(2)(A) permits States to structure a tiered payment methodology that accounts for the severity of each individual's chronic conditions and the capabilities of the designated provider, the team of health care professionals operating with the provider, or the health team. The ACA also allows States to propose alternative models of payment that are not limited to per member per month payments. Payment reform is a major trend in health care, spurred by ACA initiatives such as health homes and Accountable Care Organizations (ACOs). Payment reform is intended to better align reimbursement methodologies with desired provider behavior. This health homes initiative encourages innovative payment methodologies.

Enhanced FMAP: The ACA provides states with increased federal revenue. Section 1945(c) (1) of the Act provides **90 percent FMAP** (Federal Medical Assistance Percentage) for health home services (described above) for the **first eight quarters** that a State Plan Amendment (SPA) is in effect. It is recommended that Missouri take advantage of this enhanced FMAP rate to assist in strengthening medical homes that can, at least in part, assist in delivering the health care needs of Missouri's young children. Missouri's Health Home program can work within existing medical home initiatives, either in managed care or fee-for-service (FFS) environments. PCG has experience in assisting states in the design and implementation of medical home programs. Using this experience, PCG recommends Missouri follow these general steps to *design* a health home program:

Table 9. Recommended Steps to Design Health Home Program

Step		Consideration
1	Readiness Assessment	Are your providers ready to be health homes? Does the state have the necessary data? How does Missouri get to where it needs to be?
2	Data Aggregation	Evaluate comprehensive, multi-payer (Medicaid) data warehouse needs for design, management and evaluation. Include flexibility to incorporate clinical, patient engagement measures as well as administrative.
3	Intervention Analysis	Determine what types of care management and care coordination interventions will best produce your desired outcomes.
4	Development of Provider Standards	Determine the minimum qualifications and services that you want Health Homes to provide.
5	Defining Outcome Measurement and Goals	Identify the outcomes you want to achieve with your Health Home, and what data do you need to collect in order to measure it.

Step		Consideration
6	Financial Modeling	90% FMAP available for Health Home services. Develop a comprehensive, multi-year budget forecast and ROI.
7	Cost Allocation Planning	CMS has been clear that you must adjust your Medicaid cost allocation plan for all of the different grants and special programs.
8	Draft State Plan Amendment	Draft and submit a State Plan Amendment that describes your Health Home(s).

Consider Implementing 1915i state plan amendment or 1915(b) and (c) Waiver(s)

PCG recommends that Missouri considers additional forms of 1915i state plan amendments or 1915(b) and (c) Medicaid Waivers that could be used to target children and develop a coordinated set of services. The Medicaid program is comprised of a State Plan and various Medicaid Waivers. A State Plan is a document that serves as an official agreement between the federal government and the State to administer the Medicaid program (Title XIX).

Section 6086 of the Deficit Reduction Act of 2005 (DRA) added section 1915(I) to the Social Security Act. It is quite similar to options and services that are available through 1915 (c) HCBS waivers. The significant difference is that a 1915(i) does not require an individual to meet criteria for an institutional level of care in order to qualify for HCBS (at risk of institutionalization is a requirement for the waivers). States can apply for this state plan option to offer services and supports before individuals need institutional care, and also provides a mechanism to offer the state HCBS plan to individuals with mental health needs.

An August 2010 State Medicaid Director Letter (SMDL#10-015; ACA#6) describes changes made to the 1915(i) section made by the Affordable Care Act (ACA).

In addition to a state plan, a state can ask the federal government for opportunities to test new or existing methods to deliver and pay for health care services that require flexibility to waive certain Title XIX requirements – these are called Medicaid Waivers. There are four primary types of waivers and demonstration projects:

- **Section 1115 Research & Demonstration Projects:** States can apply for program flexibility to test new or existing approaches to financing and delivering Medicaid and CHIP.
- **Section 1915(b) Managed Care Waivers:** States can apply for waivers to provide services through managed care delivery systems or otherwise limit people's choice of providers.
- **Section 1915(c) Home and Community-Based Services Waivers:** States can apply for waivers to provide long-term care services in home and community settings.
- **Concurrent Section 1915(b) and 1915(c) Waivers:** States can apply to simultaneously implement two types of waivers to provide a continuum of services to the elderly.

The 1915(c) waivers allow the provision of long term care services in home and community based settings. CMS allows for states to "offer a variety of services under an HCBS Waiver program". Programs can provide a combination of standard medical services and non-medical services. Standard services include but are not limited to: case management (i.e. supports and service coordination), homemaker, home health aide, personal care, and respite care. States can also propose 'other' types of services that may assist in diverting individuals from institutional settings.

It is recommended that Missouri implement two special population waivers for young children affected by Autism Spectrum Disorders and Young Children with Behavioral Health/Mental Health needs. A number of states have implemented 1915(c) Medicaid Waivers which affords Missouri the ability to benefit from other states lessons learned. Many 1915(c) Medicaid Waivers are used to provide home and community based services for the developmentally and physically disabled populations, but there is growing use of these waivers for children with early childhood mental health/behavioral health needs. PCG recommends Missouri review 1915(c) Medicaid Waivers from the following states:

- Louisiana's Coordinated System of Care waiver
- Michigan's Waiver for Children with Serious Emotional Disturbance (SED)
- North Carolina's Alternatives Program for Children waiver
- Washington's Children's Intensive In-Home Behavioral Supports waiver
- Wyoming's Children's Mental Health waiver
- Massachusetts Autism Spectrum Disorder Early Childhood Waiver

1915(c) Medicaid waivers can provide Missouri the flexibility to design a Medicaid program that meets the specific needs of the children's population.

4. Maximize Medicaid Claiming Opportunities

PCG recommends that Missouri evaluate its current monthly claiming mechanism and determine if there are other claiming methods that may be more financially advantageous. The First Steps program currently provides service coordination services that are claimed to Medicaid under Medicaid Administrative Claiming. Claiming Service Coordination services under the Targeted Case Management (TCM) option should be considered. Revising the claiming methods for coordination services to early intervention clients should result in increased federal reimbursement for the state, freeing up additional state funds.

The current process appropriately captures the allowable cases that are served and reviewed each month. However, other methods of handling claims would use a different unit base to capture claimable services. It is recommended that Missouri examines the potential revenue of using a cost settlement process, which reconciles the reimbursement paid to the actual cost of provided services. If Missouri's expenditures for TCM services (coordinators, support staff, operations, overhead, etc) were more than the total reimbursement, Medicaid would settle the difference in additional reimbursement; and vice versa, if Missouri was reimbursed more than the costs of providing TCM services, Missouri would owe funds back to Medicaid. This is a potential opportunity for Missouri to ensure that the state is maximizing federal reimbursement, especially if there is an opinion that the state's expenditures related to providing TCM services are significantly more than the current TCM reimbursement.

PCG recommends that Missouri evaluate its current funding strategy for early childhood home visiting programs. Several options exist to further leverage Medicaid funding to support early childhood home visiting programs.

Targeted Case Management (TCM)
TCM is the most commonly used home visiting financing mechanism and generally consists of four components:

- Assessment services, development of care plan, referrals and scheduling, and monitoring and follow-up for Medicaid enrollees;
- Benefits for states:
- Ability to target home visiting services to specific enrollees and geographic areas

Of special note, TCM is often exempt from Medicaid "statewideness" rules. States receive regular FMAP for TCM services. Kentucky's Health Access Nurturing Development Services (HANDS) is currently funded under TCM provisions and could be a source of information for Missouri. The recognized challenges for states implementing TCM for the funding of early childhood home visitation services are listed below:

- Must define subgroups in State Plan Amendment (SPA) to CMS
- Does not cover a full package of services
- Medical services must be billed and reimbursed separately
- CMS policy to avoid conflicts requires state to perform preauthorization of services

Example

Section 1905(a) Preventive Services
An alternate option for increased Medicaid support for early childhood home visiting programs is seeking funding through Section 1905(a) Preventive Services provisions of Medicaid. Effective January 1, 2013, states can receive a 1% increased FMAP for some preventative services included in their SPAs.

- Clinical preventive services receiving Grade A or B by U.S. Preventative Health Task Force
- Certain adult immunizations
- Other provider recommended medical or remedial services (including services provided under home visiting)

In order to implement this option, consideration for developing the SPAs:

- Make the case for evidence-based home visiting programs as a preventative service
- Define list of services typically delivered through home visiting as preventative service
- Define single bundle of home visiting services for new mother and children as a preventative service.

Next Steps for Interested States:

- Establish partnership between the various home visitation efforts in Missouri and MO HealthNet to find best Medicaid financing mechanism for home visiting
- Consider scope of services, populations, providers, and appropriate FMAPs
- Develop SPA's and waivers
- Work with CMS to alleviate administrative burden
- Consult with experts to draft language, statute interpretation, and budget projections
- Explore a variety of strategies to maximize efficiency and quality in delivering early childhood home visiting programs and services.

5. Increase Collaborations between Local Head Start Programs and other Early Childhood Programs

PCG recommends that Missouri increase the collaborations between Head Start programs and other early childhood programs to serve a targeted population of at-risk children. Missouri would benefit from leveraging Head Start programs and services to target children and families that are most at risk. This would help Missouri address family issues as soon as possible and potentially mitigate problems before deep-end services are needed.

The Head Start program has provided high quality early education and comprehensive support services to the nation's poorest children from the age of three through school age since 1965. In 1995, Early Head Start was created to provide early care and education and comprehensive

services to infants and toddlers (from birth to age 3) and pregnant women. In addition to early learning and cognitive development, Head Start's comprehensive early childhood development programs provide children and families with access to a range of services, such as parenting resources, health screenings, referrals, and follow-up support, and social services. To be eligible for Head Start, generally children must be living at or below the federal poverty line, or receiving public benefits. Under the 2007 reauthorization of the Head Start program, Grantees may choose to serve up to 35 percent of their children from families with incomes of up to 130 percent of the poverty line. Recent estimates suggest that nationally, Head Start is serving only about half of eligible preschool-age children.

Both Head Start and Early Head Start have proven their effectiveness in national studies; more importantly, both programs have demonstrated value by improving the lives of children and families. Head Start and Early Head Start serve a diverse demographic of children and families living in poverty. Seventy-seven percent of participants across all Head Start funded programs (including children participating in Head Start, Early Head Start, and American Indian/Alaskan Native, and Migrant and Seasonal programs) are in families earning below the federal poverty level; another fifteen percent qualify because they receive public assistance. A greater proportion of African-American and Latino children participate in Head Start than do White or Asian children.

Nationally, Head Start and Early Head Start families are working hard to become self-sufficient:

- 70% of all Head Start families include at least one working parent, and 13% of families include a parent in school or job training.
- 66% of Early Head Start families have at least one employed parent, and 22% have at least one parent in school or job training.

To improve the lives of all children vulnerable to the effects of poverty and other risk factors, state early childhood systems cannot focus on any one aspect of development, but need to address the full range of child development needs for a holistic approach. High-quality early childhood programs— including Head Start and Early Head Start and quality child care and preschool programs—can help young children and their families access all they need to thrive.

As noted in the groundbreaking *From Neurons to Neighborhoods*: Early childhood intervention is more a concept than a specific service. Much of its diversity is related to differences in target groups—from the broad-based agendas of health promotion and disease prevention, early child care, and preschool education to the highly specialized challenges presented by developmental disabilities, economic hardship, family violence, and serious mental health problems, including child psychopathology, maternal depression, and parental substance abuse. In the present day economic recession, access to high quality early childhood services is even more essential. Early care and education programs produce significant, positive returns for at-risk children. For example, Art Rolnick of the Minneapolis Federal Reserve Bank argues that investments in early childhood programs yield significant returns on investments compared to other public spending.

It is estimated that for every dollar spent on quality early education, the public receives a return of $7 in savings from reduced grade retention, crime, and other public assistance. Nobel Prize winner James Heckman also argues that investments in young children, particularly those living in poverty, have significant cost savings compared to later interventions and have large social and economic benefits for society by leveling the playing field and closing the achievement gap early in life.

For these reasons, *PCG recommends that Head Start coordinate closely with other early childhood services*. It is important to work closely to ensure that the children deemed most at –risk based on selected criteria are placed in Head Start programs.
This close coordination would ensure that vulnerable children and families share in the benefits.
To make the necessary systemic changes for young children envisioned by child development experts and economists alike, states are developing multiple strategies to improve their early childhood systems. One important choice for states is making policy changes that foster collaboration and coordination between Head Start programs at the local level and the state child care subsidy system. Particularly as the number of low-income working families who need full day, full-year child care and early education services for their young children grows, programs serving these children and families increasingly need to collaborate and partner with each other. Federal funding streams such as Head Start, Child Care and Development Fund (CCDF), and Temporary Assistance for Needy Families (TANF) are designed to help low-income working families access early childhood services. However, individually these funding streams may not provide the hours, or the quality that low-income working families need.

"Over the past several years, Head Start grantees have been encouraged to explore new and innovative ways to collaborate with child care providers to provide full-day, full-year services to Head Start and Early Head Start families who need such services." – Office of Head Start

The Head Start comprehensive model of health, parent involvement, family support and education, when linked with child care, can provide parents and children with quality comprehensive full day/full year services. It is strongly encouraged that Missouri explore and

support any efforts at closer coordination between Head Start Grantees and other early childhood programs.

6. Implement Increased Levels of Provider Management

PCG recommends that Missouri agencies implement increased levels of provider management. Missouri contracts with a wide network of provider agencies for services to children and families across the state. Various stakeholders noted that there is a significant need to better utilize available funding and improve the outcome efficiency of services.

There are currently contracts and reimbursement procedures with the various departments for a variety of services. To ensure that this network of service providers is managed appropriately, we recommend the following best practices:

- *PCG recommends that the agencies that fund early childhood service providers develop service outcomes in their provider contracts.* It is important that services are measured with tangible results, which improve the situations of children and families, as well as address the service needs of clients.
- *PCG recommends that Missouri implement monitoring procedures for providers*. Service providers are not formally monitored for effectiveness using a standardized procedure. Many of the service contracts or reimbursement agreements are designed to address specific family needs and improve the lives of children/families served. However, Missouri does not actively track if families improve after receiving services and if the service fully addressed the need. In addition to adding outcome measures to provider contracts and reimbursement agreements, there needs to be a state government-wide commitment to monitor these outcomes and the overall impact of services purchased by the various state departments. To fully monitor the provider contracts and reimbursement agreements, Missouri should implement a combination of the following steps:

    1) Determine specific outcomes to be achieved by providers
    2) Develop tools to measure these outcomes in a reliable manner (ensure tool also accounts for the impact of unintended outcomes)
    3) Utilize tools to measure progress in clients during contract periods
    4) Show the direct impact of service provision and the outcomes

- *PCG recommends that the various departments and divisions develop accountability measures for contracted/reimbursed providers*: Missouri generally contracts with/reimburses a large number of providers, which provides coverage for services if needed. However, there are few measures in place to compare the effectiveness of providers. PCG recommends that Missouri develop provider scorecards. Missouri should consider using "provider scorecards" to help measure the effectiveness of service providers. This method is cost-effective for the state and primarily based on service outcomes. Provider scorecards allow Missouri leadership to rank important factors of their providers, and can be used as a basis for selective contracting. By bringing together

utilization data, provider cost data, client case information, and other metrics, Missouri could develop scorecards to rate providers based on efficiency, outcomes, costs, and client satisfaction. Missouri could then reward providers with efficient systems and effective programs, and also compare service providers with a standard approach.

7. Research and Implement Preschool Expansion Opportunities as they emerge.

PCG recommends that Missouri state leadership research emerging preschool expansion opportunities and implement. All details of proposed federal expansions are not available at the time of this report development. However, Missouri has a significant opportunity to expand opportunities for 4 year olds through a proposed federal/state partnership.

The current federal administration has proposed a major initiative to expand preschool opportunities for 4-year-olds. The proposal is to provide all low- and moderate-income 4-year-old children with high-quality preschool, while also expanding these programs to reach hundreds of thousands of additional middle class children, while also incentivizing full-day kindergarten policies, so that all children enter kindergarten prepared for academic success. The aforementioned initiative was developed after states across the nation reduced preschool budgets over the last decade by an average of $700 per child and as mounting evidence shows the importance of quality preschool in closing the achievement gap for low-income students.

While many details are undecided at this point in time it is expected that the program will ultimately resemble a suggestion floated in the Center for American Progress' recent report that the federal government create a new pre-kindergarten program partly paid for with state matching funds of $10,000 per student. Children in families with incomes under 200 percent of the poverty line would be eligible. That plan would also likely double the slots in Early Head Start programs. These expansion efforts will pursue substantial investments to expand these important programs to reach additional families in need.

Some tenets of the expansion include a cost sharing partnership with all 50 states, to extend federal funds to expand high-quality public preschool to reach all low- and moderate-income four-year olds from families at or below 200% of poverty. The U.S. Department of Education would allocate dollars to states based on their share of four-year olds from low- and moderate-income families and funds would be distributed to local school districts. The intent seems to be on school system implementation whereas local districts would then have the choice to partner or not partner with other community providers to implement the program. The proposal will likely include an incentive for states to broaden participation in their public preschool program for additional middle-class families, which states may choose to reach and serve in a variety of ways, such as a sliding-scale arrangement.

It is still unclear how current federal administration would fund such a program. The Center for American Progress has estimated the program could cost $98.4 billion for the preschool portion and $11.5 billion for the Early Head Start expansion over 10 years. Nationally states spent $5.1 billion on preschool in the 2011-2012 school years, down about $550 million, adjusted for

inflation, from the prior year. The report said the decline is most likely attributable to the recession and a drop-off in federal stimulus dollars.

There are several implications for Missouri's early childhood leaders. The greatest of which is to stay fully aware of the advancement of these preschool expansion opportunities. The second key activity is to begin to educate key policy and funding leaders in the state about the opportunities. Clearly the expansion will require an investment of state dollars in some matching formula. These details are not final, but it is evident that an education effort to raise awareness and support for the allocation of these state dollars is a key success factor. Waiting to begin these conversations until all details are known will slow any efforts to implement in Missouri, thus limiting the opportunity.

8. Implement Expansion of TANF funds for Child Care Assistance

It is recommended that Missouri consider allocating additional Temporary Assistance to Needy Families (TANF) dollars to Work Support Strategies/Child Care Assistance.

In the years since welfare reform, the Temporary Assistance for Needy Families (TANF) block grant has evolved from a specific funding source for cash assistance to a broad funding stream for various programs supporting low-income families. The considerable flexibility of the TANF block grant has allowed states to make greatly divergent policy decisions with vastly different implications for each state's low income families. The goal for TANF cash assistance in all states is to move families into work and self-sufficiency. The four purposes of TANF: (1) assisting needy families so children can be cared for in their own homes; (2) reducing the dependency of needy parents by promoting job preparation, work, and marriage; (3) preventing out-of-wedlock pregnancies; and (4) encouraging the formation and maintenance of two-parent families. However, each state has approached this broad goal from a different perspective and with a different focus. How states spend the TANF block grant reflects the states' priorities and goals for their TANF programs, as well as their cultural, economic, and political circumstances.

In evaluating Missouri's TANF Expenditure Summary Report for FY2011 (most current year available), PCG was able to identify $235 million in TANF expenditures and specifically $23 million in Child Care Support via a transfer to the Child Care Development Fund (CCDF). This accounts to roughly 10% of TANF expenditures in Missouri supporting the Work Support strategy of Child Care Assistance. In contrast, Florida's largest TANF spending category is child care; supporting families who have found employment (see appendix ACF 196 reports). Florida used TANF funds to support child care for working TANF recipients and former recipients as well as other families with incomes up to 200 percent of FPL, both through direct TANF spending and through transfers to the Child Care and Development Fund. Some TANF child care funds supported the state prekindergarten program. As a comparison of PCG was able to identify $606 million in TANF expenditures and specifically $231 million in Child Care Assistance for the State of Florida. This accounts to roughly 38% of TANF expenditures in Florida supporting the Work Support strategy of Child Care Assistance. As a result, Missouri

should evaluate its TANF spending priorities and consider increasing the amount of TANF expenditures focused on Child Care Assistance.

9. Increase Preventative/Early Intervening Services for At-Risk Children
Missouri lacks a comprehensive system which provides preventative services for young children at-risk. Due to this lack of preventative and early intervening services, there is an unmet need for prevention and early intervening services relative to supporting emerging mental behavioral health needs.
There are only a few programs that currently address these issues. These programs are funded with limited general funds, thus the number of children that can be served is limited.

It is recommended that community based Mental Health/Behavioral health options be available to prevent more intensive service needs and reduce the unnecessary use of more restrictive and costly systems of care.

Often times when children become involved with Mental Health Services, they require services that are more intensive than what can be provided by either the parents or regular care givers. Because Missouri generally lacks preventative, or community based behavioral services for young children, needs escalate requiring children be placed in these more restrictive and costly systems of care. Community Based Mental Health Evaluation and Consultation can be covered by Medicaid. Not only are these more restrictive services very expensive placements, but if children are being sent there and do not have a need for that level of care, they are exposed to situations which are not best for their well-being. By focusing efforts on community based early childhood prevention and intervention strategies, Missouri can reap the benefits over the long run. PCG believes that by making a systematic shift in focus, by judicial, legislative and agency stakeholders, to focus on prevention and early intervening services, the number of more costly service placements will continue to decline. PCG recommends that the development of the following services:

- Continuum of mental health consultation that matches the need to the level of service
- Out of home diversion services to keep young children out of psychiatric hospitals and residential care
- Family strengthening interventions that focus on the environment and caregiver for young children

One example of a current program focused on prevention mental health/behavioral health services is the grant-funded expansion of evidence-based programs for home visiting through the state's Maternal, Infant, and Early Childhood Home Visiting Program.

Funding for each of the above behavioral health programs is limited, thus the number of children and families served is also limited. These pilots should by closely examined by Missouri leadership to determine if the pilots can be executed statewide. With the provision that has clearly defined measurable deliverables that are tied to the funding for evaluation. It will be important for stakeholders across the state to fully commit to ensuring that appropriate funding shifts are made to support these types of preventative services for at-risk children and families.

The recommendations included in this report were developed to help Missouri examine the funding for prevention and intervention services to young children and identify the state funding being used, in order to better utilize federal funds. Based on PCG's analysis and the current activities across multiple state agencies, Missouri appears to be improving on replacing state-funded services with federal funds. By working to implement these recommendations in a timely manner, Missouri can achieve its goal of expanding the funding base for prevention/intervention services, and reduce the overall state fund expenditures on these services.

APPENDIX

Appendix A. Fact Sheet: The impact of the FY2013 state operating budget and HB1731 on Early Childhood

Missouri Coordinating Board for Early Childhood

FACT SHEET:

The impact of the FY2013 state operating budget and HB1731 on Early Childhood

The passage of HB 1731 and the passage of the FY2013 state operating budget involved significant changes to early childhood funding:

- $14.3 million in General Revenue was cut from the Early Childhood Special Education line in the Department of Elementary and Secondary Education (DESE) budget and replaced with $14.3 million Early Childhood Development, Education and Care Fund (ECDEC).
- $9.8 million of ECDEC for the Early Childhood Start-up & Expansion Program, the Early Head-Start Program, and the Grants for Accredited Providers was eliminated.
- The Missouri Preschool Project (MPP) core was reduced from $11.7 million to $8.3 million of ECDEC money and was transferred from DESE to the Office of Administration (OA) at the reduced level. The OA's MPP budget states that FY13 grant awards are to be no more than seventy-five percent (75%) of the FY12 grant amounts.
- $2 million of DESE ECDEC was added to the Parents-As-Teachers (PAT) appropriation (also in DESE), then $1 million of General Revenue was cut from the Parents-As-Teachers line.

The cuts involved in this budget are having a significant impact on children, families, staff and services. This is a preliminary document detailing anticipated impact according to current information. Additional areas of the early childhood and educational system will be impacted, including partnerships, staffing and parent employment. An updated document will be shared as further information becomes available.

- **Missouri Early Head Start** was reduced from **$5.67 million** to **$2.65 million** in the FY13 state budget. Approximately **360 low-income children** are likely to lose their spaces in this child development program serving prenatal mothers and children birth to three. Many **staff** will lose their jobs, as will some of the **parents** who no longer will have care for their children.
- **Accreditation Facilitation Funding**: Child Care Aware® of Missouri lost **$622,014** for FY13, and **7 staff positions** will be terminated, between the State Network Office and the four regional offices of their Network Member Agencies. They will suspend coaching for quality improvement at **130** child care centers, family child care homes and preschools statewide, which serve **5,353 children**. An additional **$3,074,500** was appropriated to DSS and implemented through a variety of Community Partnership agencies in FY12 for the purpose of funding early childhood accreditation facilitation services pursuant to Chapter 313 RSMo. DSS does not have these funds appropriated for FY13.
- **The Missouri Preschool Project** will have to **reduce funding**, with no awards for new MPP programs; there had been plans to serve 20 new programs, and approximately 400 additional children, before funding was cut. Staff working in reduced or eliminated MPP programs may lose employment as well. Prior to the funding loss, the plan was to serve at least **185 programs.** Programs will have to find alternate funds or face difficult decisions regarding the viability of the program.

- **T.E.A.C.H. Early Childhood Missouri scholarship and retention program:** Between **$300,000 and $756,000 per year** in funding for this program was eliminated from the MPP budget. Between **70 and 190 T.E.A.C.H. scholars per year** were supported with MPP funding over the past four fiscal years. Almost **40 percent** of this funding was paid to Missouri public institutions of higher education, for tuition in child development and early education degree programs. Another **40 percent** supported the additional costs of schooling for these students – such as books, work-release time for studying, and travel – and retention bonuses to the students who remained employed.
- **Start-Up and Expansion: $3,689,400** was appropriated to DSS and implemented through a variety of Community Partnership agencies in FY12 for the purpose of funding early childhood start-up and expansion grants pursuant to Chapter 313, RSMo. DSS does not have these funds appropriated for FY13.
- **Missouri Head Start State Collaboration Office (MHSSCO): Between $29,167** and **$54,167 in state funds** for this program was eliminated. **Operations and staff** may have to be reduced as a result of these cuts. This will adversely affect MHSSCO's services to low-income pregnant women and children birth to age five and their families, as well as MHSSCO's ability to contract with and support several agencies such as the Missouri Head Start Association.

PROGRAM DESCRIPTIONS

Missouri Early Head Start provides services to promote academic, social and emotional development, and provides social, health and nutrition services for income-eligible families.

Missouri Preschool Project promotes high quality early care and education programs for children one or two years before kindergarten eligibility. All funds are distributed directly to preschool programs, and MPP programs are provided in public school districts and by private licensed providers in preschool classrooms and are designed to be developmentally appropriate for preschool age children.

Child Care Aware® of Missouri serves as a community resource on child care throughout the state. They help families find quality child care, preschool and after-school programs for their children. They work with child care program owners, directors and teachers to improve the quality of their programs. They provide business and civic leaders with information on the value and importance of child care and collaborate with them to make child care safe and enriching for children.

Start-up and Expansion makes competitive awards to start up a new child care program or expand an existing program in order to increase the number of licensed child care slots for infants and toddlers. Funding is awarded on the basis of the number licensed slots being added. Awards are targeted to child care providers serving children receiving child care subsidy from the Department of Social Services (DSS).

T.E.A.C.H. MISSOURI is an educational scholarship opportunity for early childhood providers in licensed child care center-based, group-based and family child care programs. The scholarship is part of a nationwide effort to increase quality in child care and early learning programs by increasing the educational qualifications of the teachers in the field. Missouri is one of 20 states offering this very successful program.

Missouri Head Start State Collaboration Office is charged with facilitating and enhancing coordination and collaboration among Head Start agencies and other state and local entities that provide comprehensive services designed to benefit low-income pregnant women and children from birth to age five and their families. To achieve the goals of the Collaboration Office, the Office coordinates and leads efforts to bring diverse entities together to work on behalf of the state and local early childhood systems.

Early Childhood Development, Education, and Care Fund Information

Statutory Requirements	Statutory Allocations (based upon Approp Amt)	FY12 Appropriations	Differences between Statutory Requirements & Appropriations	Statutory Allocations (based upon Approp Amt)	TAFP FY13 Appropriations	Differences between Statutory Requirements & Appropriations
Total	$31,770,813	$31,770,813	$0	$34,860,889	$34,860,889	$0
60% of Total used for Competitive Grants to be split between DESE and DSS	$19,062,488	$19,025,644	($36,844)	$20,916,533	$28,248,973	$7,332,440
80% to DESE (ECSE, PAT, MPP)	$15,249,990	$15,336,244	$86,254	$16,733,227	$28,248,973	$11,515,746
20% to DSS (Startup & Expansion)	$3,812,498	$3,689,400	($123,098)	$4,183,307	$0	($4,183,307)
10% to DSS for Early Headstart	$3,177,081	$3,074,500	($102,581)	$3,486,089	$0	($3,486,089)
10% to DSS for Accredited Provider Grants	$3,177,081	$3,074,500	($102,581)	$3,486,089	$0	($3,486,089)
10% to DSS for Stay-At-Home Parents	$3,177,081	$3,074,500	($102,581)	$3,486,089	$3,074,500	($411,589)
10% Undesignated (Purchase of Childcare & various other small approps)	$3,177,081	$3,521,669	$344,588	$3,486,089	$3,537,416	$51,327
Total	$31,770,813	$31,770,813	$0	$34,860,889	$34,860,889	$0

The table below shows the early childhood related programs whose funding levels or sources were changed in the FY13 state operating budget (this table does not reflect all appropriations from ECDEC or all appropriations for early childhood related activities):

	FY13 House Rec Budget			FY13 TAFP Budget		
Program	**ECDEC**	**Non-ECDEC**	**Total**	**ECDEC**	**Non-ECDEC**	**Total**
Early Childhood Special Education	$0	$144.7	$144.7	$14.4	$130.3	$144.7
Parents As Teachers	$3.0	$11.0	$14.0	$5.0	$10.0	$15.0
Missouri Preschool Project	$11.7	$0	$11.7	$8.3	$0	$8.3
Early Childhood Start-up & Expansion	$3.7	$0	$3.7	$0	$0	$0
Early Head-Start	$3.1	$0	$3.1	$0	$0	$0
Grants for Accredited Providers	$3.1	$0	$3.1	$0	$0	$0
Total	**$24.6**	**$155.7**	**$180.3**	**$27.7**	**$140.3**	**$168.0**

Amounts reflected in millions.

Appendix B. Missouri Early Childhood Services System Funding

The following provides an overview of the major sources of funding for Missouri's early childhood services system. The goal of the document is to capture the funding sources that draw the largest amount of revenue for early childhood services in the state and not to be an exhaustive list of all sources of funding.

General Revenue Funding Sources

- *Early Childhood Development, Education, and Care Fund*

The Early Childhood Development, Education, and Care Fund was created to allow parents increased access to quality early childhood care and education resources that are most appropriate for their families. More specifically, ECDEC funding is directed to support programs that prepare children of early childhood age to enter school ready to learn.

The ECDEC funds are distributed through grant programs, certificates to families, and increased child care subsidies for State child care programs accredited by a recognized accrediting organization.

- *Children's Trust Fund*

The Children's Trust Fund (CTF) supports public education campaigns that increase awareness of child abuse and neglect and importance of prevention. In addition, CTF provides grants to community-based agencies and organizations throughout Missouri that focus on child abuse and neglect prevention by investing in and supporting children and their families. The fund is committed to continually identifying opportunities for collaboration with statewide prevention programs that promote child resiliency and reduce the risk of child abuse and neglect.

The CTF is supported through the Tax Check-Off Program, Specialty License Plate Program sales and individual voluntary donations made directly to the fund. The Tax Check-Off program has been the primary source of support for the CTF, and allows Missourians to donate to the CTF on their state income tax returns. Other sources of support for the fund include fees from marriage licenses and vital records, interest income from the Fund, and the Community Based Child Abuse Prevention (CBCAP) federal grant.

- *Missouri Public Health Services Fund*

The Missouri Public Health Services Fund, supervised and managed by the Missouri Department of Health and Senior Services, supports those programs centered on enhancing prevention and quality of life initiatives. Some of these programs include genetic screenings for Sickle Cell, newborns, and childhood lead testing.

The Fund is supported through individual and corporate designation of tax refunds. All interest earned in the Fund accrues to the Fund, and no more than 20 percent of monies collected can be used for administrative costs of the Fund.

Federal Funding Sources (Block Grants, CMS, and Other)

- *Temporary Child Care Subsidy Child Care Assistance Funding*

The Missouri Temporary Child Care Subsidy Program provides assistance to needy families with children under the age of 18. Its main purpose is to support families with children in gaining employment and remaining employed. Specifically, this program provides cash assistance and case management services to allow the children of needy families to be cared for in their own homes. When that is not possible, assistance is provided through payments for child care based on a sliding fee scale for eligible parents/guardians.

The cash assistance benefit under Temporary Assistance is capped at a lifetime limit of 5 years, and parent/guardian recipients must be engaged in approved work related activities within two years of receiving the support. It is expected that recipients work a minimum of 30 hours per week. States that do not meet the specific work participation guideline, risk losing a portion of their TANF block grant.

- *Head Start, Early Head Start*

The Head Start program (for children ages 3-5) and Early Head Start program (for pregnant women, infants, and toddlers) promote school readiness for children in low-income families by providing comprehensive educational, health, nutritional, and social services. Parents play a large role in the programs, both as primary educators of their children and as participants in administering the programs locally. Both programs provide pre-literacy and literacy experiences in a multi-cultural environment. Parents are also provided social services, including assistance with childcare. Services are also available to migrant and seasonal farm worker families.

To qualify for participation in this program, you need to be a Missouri resident and the parent (or guardian) of a child that does not yet meet the age level requirement to enter public school. You may also qualify if you are a US national, citizen or permanent resident whose financial status is low income or very low income, who is under-employed, unemployed or about to become unemployed, facing pregnancy, less than 19 years of age yourself, or the parent or primary caregiver for children under the age of 19 years.

- *Title 1*

The Title I program was created by the United States Department of Education to distribute funding to schools and school districts with at least 40 percent of students from low-income families (as defined by the United States Census). Funding is distributed first to state educational agencies (SEAs) which then allocate funds to local educational agencies (LEAs) which in turn dispense funds to public schools in need. The funding priority for Title I is those schools that exhibit obvious need for funds, low-achieving schools, and schools that demonstrate a strong commitment to improving educational standards. In addition, Title I appropriates money to the education system for prevention of dropouts and the improvement of schools.

There are two types of assistance that can be provided by Title I funds. The first is a "school-wide program" in which schools can dispense resources in a flexible manner. The second is a "targeted assistance program" which allows schools to identify students who are failing or at risk of failing.

- *Title 1 – Preschool Funding*

The Title I preschool program is designed to improve cognitive, health, and social-emotional outcomes for eligible children below the grade at which an LEA provides a free public elementary education. The primary goal of the Title I program is to prepare eligible children with the prerequisite skills and dispositions for learning that will enable them to benefit from later school experiences.

Any Title I LEA or school may use Title I funds to operate, in whole or in part, a preschool program consistent with Title I requirements. A Title I LEA or school makes a determination as to whether to use its Title I funds to operate a preschool program based on the needs of its eligible students and the most effective use of those funds. The use of Title I funds for a preschool program is a local decision.

- *SAMSHA*

The Substance Abuse and Mental Health Services Administration (SAMHSA) is the agency within the U.S. Department of Health and Human Services that leads public health efforts to advance behavioral health. SAMHSA's mission is to reduce the impact of substance abuse and mental illness on America's communities through strategic initiatives that assist and support those with mental and substance use disorders and their families. Current initiatives focus on prevention of substance abuse and mental illness for high-risk youth, youth in tribal communities and military families.

- *Substance Abuse & Mental Health Services Administration (SAMSHA) Grant*

SAMSHA Block Grants are grants given to States to allow them to address their unique behavioral health issues. There are two types of block grants, the Substance Abuse Prevention and Treatment Block (SABG) and the Community Mental Health Services Block Grant (MHBG).

States utilize SAMSHA Block Grant program for prevention, treatment, recovery supports and other services that will supplement services covered by Medicaid and private insurance. The funds are directed toward four purposes:

1. Fund priority treatment and support services for individuals without insurance or for whom coverage is terminated for short periods of time.
2. Fund those priority treatment and support services not covered by Medicaid, Medicare or private insurance for low income individuals and that demonstrate success in improving outcomes and/or supporting recovery.
3. Fund primary prevention – universal, selective and indicated prevention activities and services for persons not identified as needing treatment.
4. Collect performance and outcome data to determine the ongoing effectiveness of behavioral health promotion, treatment and recovery support services and plan the implementation of new services on a nationwide basis.

- *Child Care Development Fund*

The Child Care and Development Fund (CCDF) is the primary Federal program specifically devoted to enhancing the quality and availability of child care services and infant and toddler care. This program enables low-income parents and parents receiving Temporary Assistance for Needy Families (TANF) to work or to participate in the educational or training programs they need in order to work. Funds may also be used to serve children in protective services. In addition, a portion of CCDF funds must be used to enhance child care quality and availability.

The $2 billion in Recovery Act funds for the Child Care and Development Fund will allow states across the country to support child care services for more families through vouchers for child care, or through contracts with child care providers. Recovery Act dollars will support a wide range of child care providers, including child care centers and home-based programs.

- *Child Care Development Block Grant*

The Child Care and Development Block Grant (CCDBG) was established in 1990 to assist low-income working families gain access to quality, affordable child care and after-school programs. The CCDBG is the primary source of federal funding for child care assistance to help parents pay for the care of their choice, whether in a family child care home, with a relative or a friend, or in a child care center.

The purpose of these funds is to provide additional resources to current state, tribe, and territorial grantees for the purpose of providing child care financial assistance to low-income working families. In addition, the Recovery Act specifies that states must use approximately $255 million of the $2 billion total funds for quality activities, of which approximately $94 million must be used to improve the quality of infant and toddler care.

- *Maternal Infant and Early Childhood Home Visiting Program*

The Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program facilitates collaboration and partnership at the federal, state, and community levels to improve health and development outcomes for at-risk children through evidence-based home visiting programs. It is an evidence-based initiative requiring that at least 75 percent of grant funds be spent on programs to implement evidence-based home visiting models.

The statutory purposes of the program are to (1) strengthen and improve the programs and activities carried out under Title V of the Social Security Act; (2) improve coordination of services for at-risk communities; and (3) identify and provide comprehensive services to improve outcomes for families who reside in at-risk communities.

MIECHV includes grants to states and six jurisdictions, requires that grantees demonstrate improvement among eligible families participating in the program in six benchmark areas:

1. Improved maternal and newborn health;
2. Prevention of child injuries, child abuse, neglect, or maltreatment, and reduction of emergency department visits;
3. Improvement in school readiness and achievement;
4. Reduction in crime or domestic violence;
5. Improvements in family economic self-sufficiency; and
6. Improvements in the coordination and referrals for other community resources and supports.

- *Maternal Child Health Grant (Title V)*

The Maternal and Child Health Services Block Grant (Title V) is managed through the Health Resources and Services Administration of the US Department of Health and Human Services to extend and improve health and welfare services for mothers and children. Title V includes State Formula Block Grants, Special Projects of Regional and National Significance (SPRNS), and Community Integrated Service Systems (CISS) projects.

Title V has operated as a Federal-State partnership since 1935, and converted to a Block Grant Program in 1981. This partnership requires States and jurisdictions to match every $4 of Federal

Title V money that they receive by at least $3 of State and/or local money. This results in more than $6 billion being available annually for maternal and child health programs at the State and local levels.

At least 30 percent of Title V funds are earmarked for preventive and primary care services for children and at least 30 percent are earmarked for services for children with special health care needs. No more than 10 percent of the funds can be spent on administrative costs. Individual State allocations are determined by a formula which takes into consideration the proportion of the number of low-income children in a State compared to the total number of low-income children in the US.

- *Affordable Care Act (ACA) – Home Visiting*

Home visiting - under MIECHV - was created as part of the Affordable Care Act (ACA), and is a partnership between two federal agencies — the Health Resources and Services Administration (HRSA) and the Administration for Children and Families (ACF) — which administer the grants, and the states, which operate the home visiting programs. MIECHV is one of several service strategies embedded in a complete, high quality early childhood system that promotes maternal, infant, and early childhood health and development. This program is offered on a voluntary basis to pregnant women, expectant fathers, or parents and primary caregivers of children, birth to kindergarten age and relies on the best available research evidence to inform and guide practice.

Home visits target one or more of the benchmark and participant outcomes in the ACA legislation, including:

1. Improved in maternal, infant, and child health;
2. prevention of child injuries, child abuse, or maltreatment, and reduction of emergency department visits;
3. improvement in school readiness and child academic achievement;
4. improvement in parenting skills;
5. reduction in crime or domestic violence;
6. improvements in family economic self-sufficiency; and
7. Improvements in the coordination and referrals for other community resources and supports.

- *Medicaid (for early childhood populations)*

Medicaid is the provider of all comprehensive and preventive health care services for enrolled children under age 21 through the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefits. EPSDT is key to ensuring that children and adolescents receive appropriate preventive, dental, mental health, and developmental, and specialty services.

Various funding streams — federal, state, and private — support state home visiting programs. In light of Medicaid's ability to reach so many low-income and at-risk women, interest has been growing recently in Medicaid's potential to finance home visiting services for eligible mothers and children.

- *Early Intervention – IDEA Part C*

This is a federal grant program that assists states in operating a comprehensive statewide program of early intervention services for infants and toddlers with disabilities, age birth through age 2, and their families. States may also elect to provide services to infants and toddlers who are at risk of having substantial developmental delays if appropriate early intervention services are not provided.

In order for a state to participate in the program it must assure that early intervention will be available to every eligible child and its family. Currently, all states and eligible territories are participating in the Part C funding program. Annual funding to each state is based upon census figures of the number of children, birth through 2 in the general population. No state may receive less than 0.5 percent of the funds available to all states or $500,000 whichever is greater.

Appendix C. Federal TANF and State MOE Expenditures

Missouri Federal TANF and State MOE Expenditures

Missouri: Federal TANF and State MOE Expenditures Summary by ACF-196 Spending Category, FY 2011				
Spending Category	All Federal Funds	State MOE in TANF and Separate State Programs	Total Funds	Total Funds as a Percent of Total Funds Used
TOTAL EXPENDITURES ON ASSISTANCE	$34,843,543	$56,472,819	$91,316,362	24.8%
BASIC ASSISTANCE	$34,843,543	$56,472,819	$91,316,362	24.8%
CHILD CARE	$0	$0	$0	0.0%
TRANSPORTATION AND SUPPORTIVE SERVICES	$0	$0	$0	0.0%
ASSISTANCE UNDER PRIOR LAW	$0		$0	0.0%
TOTAL EXPENDITURES ON NON-ASSISTANCE	$155,542,285	$76,456,423	$231,998,708	63.0%
WORK RELATED ACTIVITIES/ EXPENSES	$7,786,118	$0	$7,786,118	2.1%
CHILD CARE	$0	$55,185,397	$55,185,397	15.0%
TRANSPORTATION	$0	$0	$0	0.0%
INDIVIDUAL DEVELOPMENT ACCOUNTS	$0	$0	$0	0.0%
REFUNDABLE EITC	$0	$0	$0	0.0%
OTHER REFUNDABLE TAX CREDITS	$0	$0	$0	0.0%
NON-RECURRENT SHORT-TERM BENEFITS	$15,473,030	$0	$15,473,030	4.2%
PREVENTION OF OUT OF WEDLOCK PREGNANCIES	$0	$0	$0	0.0%
TWO-PARENT FAMILY FORMATION AND MAINTENANCE	$0	$0	$0	0.0%
ADMINISTRATION	$4,487,642	$4,967,105	$9,454,747	2.6%
SYSTEMS	$1,996,832	$1,996,832	$3,993,664	1.1%
NON-ASSISTANCE UNDER PRIOR LAW	$81,644,702		$81,644,702	22.2%
OTHER	$44,153,961	$14,307,089	$58,461,050	15.9%
TOTAL ASSISTANCE AND NON-ASSISTANCE EXPENDITURES	**$190,385,828**	**$132,929,242**	**$323,315,070**	**87.9%**
TRANSFERRED TO CHILD CARE DEVELOPMENT FUND (CCDF)	$23,000,000		$23,000,000	6.2%
TRANSFERRED TO SOCIAL SERVICES BLOCK GRANT (SSBG)	$21,701,176		$21,701,176	5.9%
TOTAL TRANSFERS	**$44,701,176**		**$44,701,176**	**12.1%**
TOTAL FUNDS USED	**$235,087,004**	**$132,929,242**	**$368,016,246**	**100.0%**
UNLIQUIDATED OBLIGATIONS	**$4,750,121**		**$4,750,121**	
UNOBLIGATED BALANCE	**$3,719,379**		**$3,719,379**	

Florida Federal TANF and State MOE Expenditures

Florida: Federal TANF and State MOE Expenditures Summary by ACF-196 Spending Category, FY 2011				
Spending Category	All Federal Funds	State MOE in TANF and Separate State Programs	Total Funds	Total Funds as a Percent of Total Funds Used
TOTAL EXPENDITURES ON ASSISTANCE	$53,888,741	$142,309,328	$196,198,069	19.4%
BASIC ASSISTANCE	$29,365,813	$142,309,328	$171,675,141	17.0%
CHILD CARE	$24,069,250	$0	$24,069,250	2.4%
TRANSPORTATION AND SUPPORTIVE SERVICES	$453,678	$0	$453,678	0.0%
ASSISTANCE UNDER PRIOR LAW	$0		$0	0.0%
TOTAL EXPENDITURES ON NON-ASSISTANCE	$373,946,037	$263,929,163	$637,875,200	63.0%
WORK RELATED ACTIVITIES/ EXPENSES	$73,674,047	$0	$73,674,047	7.3%
CHILD CARE	$88,489,916	$128,925,050	$217,414,966	21.5%
TRANSPORTATION	$4,451,712	$0	$4,451,712	0.4%
INDIVIDUAL DEVELOPMENT ACCOUNTS	$0	$0	$0	0.0%
REFUNDABLE EITC	$0	$0	$0	0.0%
OTHER REFUNDABLE TAX CREDITS	$0	$0	$0	0.0%
NON-RECURRENT SHORT-TERM BENEFITS	$5,252,194	$0	$5,252,194	0.5%
PREVENTION OF OUT OF WEDLOCK PREGNANCIES	$1,205,639	$3,014,352	$4,219,991	0.4%
TWO -PARENT FAMILY FORMATION AND MAINTENANCE	$0	$0	$0	0.0%
ADMINISTRATION	$19,512,448	$8,980,996	$28,493,444	2.8%
SYSTEMS	$1,571,570	$3,666,924	$5,238,494	0.5%
NON-ASSISTANCE UNDER PRIOR LAW	$0		$0	0.0%
OTHER	$179,788,511	$119,341,841	$299,130,352	29.5%
TOTAL ASSISTANCE AND NON-ASSISTANCE EXPENDITURES	**$427,834,778**	**$406,238,491**	**$834,073,269**	**82.4%**
TRANSFERRED TO CHILD CARE DEVELOPMENT FUND (CCDF)	$118,525,559		$118,525,559	11.7%
TRANSFERRED TO SOCIAL SERVICES BLOCK GRANT (SSBG)	$60,229,946		$60,229,946	5.9%
TOTAL TRANSFERS	**$178,755,505**		**$178,755,505**	**17.6%**
TOTAL FUNDS USED	**$606,590,283**	**$406,238,491**	**$1,012,828,774**	**100.0%**
UNLIQUIDATED OBLIGATIONS	**$25,040,217**		**$25,040,217**	
UNOBLIGATED BALANCE	**$109,470,548**		**$109,470,548**	