



Legislative Fiscal Bureau

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TO: Representative Joan Ballweg
Room 210 North, State Capitol

FROM: John Gentry, Stephanie Mabrey, and Christa Pugh

SUBJECT: Early Childhood Care and Treatment Programs

In response to your request, this memorandum provides information on several programs administered by Wisconsin state agencies that provide services to children up to age three and their families, as well as prenatal care for pregnant women, with a goal of reducing adverse childhood experiences (ACEs). It also contains information on three programs you identified that are administered by the Department of Health Services (DHS) that provide care and treatment services to young children with certain health conditions, but do not have the goal of reducing ACEs .

According to the U.S. Centers for Disease Control and Prevention (CDC), ACEs include verbal, physical, or sexual abuse, as well as family dysfunction. Factors that contribute to a family's dysfunction include mental illness, alcohol and controlled substance abuse, incarceration, and the absence of a parent because of divorce or separation. ACEs have been linked to a range of adverse health outcomes in adulthood, including substance abuse, depression, cardiovascular disease, diabetes, cancer, and premature mortality.

One of the goals of most federal- and state-funded health and human services programs is to strengthen families by addressing the health and behavioral needs of family members. Arguably, all programs that serve individuals with mental illness and persons who abuse drugs and alcohol, as well as domestic violence, sexual abuse, and, more generally, crime prevention programs, can reduce ACEs. Further, state and federal public assistance programs, such as FoodShare, the Women, Infants and Children (WIC) supplemental food program, employment programs supported by the federal temporary assistance for needy families (TANF) program and health services supported by the state's medical assistance (MA) program, provide greater economic security for families and therefore can reduce family dysfunction.

Child Abuse and Neglect Prevention Board

Most state-funded activities to prevent child abuse and neglect in Wisconsin are administered through the Child Abuse and Neglect Prevention (CANP) Board. CANP is budgeted \$3,003,300 [\$996,700 state general purpose revenue (GPR), \$634,900 federal, \$1,356,700 program revenue, and \$15,000 segregated funds from the Children's Trust Fund] in 2014-15 to support grant programs and the Board's operations costs. The federal funding is available under Title II of the Child Abuse Prevention and Treatment Act (CAPTA), the program revenue is available from the sale of duplicate birth certificates and from fees charged by the Child Abuse and Neglect Prevention Board for providing state mailings, special computer services, training programs, printed materials, and publications relating to child abuse and neglect prevention services.

CANP will provide over \$2 million in grants in 2014-15 to support child maltreatment prevention programs and research. Grants totaling \$1,350,000 support family resource center grantees, who are required to: (a) provide a community response program; (b) coordinate access to economic supports; (c) implement evidence-based home visiting; (d) hold family team meetings; and (e) provide cross systems integration. A grant of \$300,000 supports the Milwaukee Community Response Program's (MCRP) Project GAIN, which works on a voluntary basis with families whose cases have been closed after an initial assessment. Project GAIN provides families with assistance accessing public benefits, financial planning, and emergency funds for basic needs. Six grants of \$10,000 have been awarded for statewide projects proposing to fill an identified need or gap in the community. The services include direct prevention services, training, education services, capacity building, systems collaboration, policy development, and research and evaluation.

CANP's Innovation Fund is an initiative intended to improve child maltreatment prevention by funding a comprehensive community-based prevention approach that will educate and build systems collaboration with traditional and nontraditional prevention stakeholders. CANP's Innovation Fund will provide an \$118,000 grant in 2014-15 to the Dane County Department of Human Service for the evaluation of The Early Childhood Initiative (ECI). ECI is a voluntary home visiting program for pregnant women and families with children under the age of three who live in certain areas of Dane County which provides information about infant health and development and the available resources for housing, food, and child care.

In addition, \$140,000 in grants are provided for programs that help facilitate and support non-custodial parents' access to and visitation with their children.

CANP also provides prevention materials regarding abusive head trauma (shaken baby syndrome) for hospitals, birthing centers, home visiting programs, child care providers, schools and all providers of prenatal, postpartum and young child care coordination services.

Department of Children and Families (DCF)

Child Care Quality and Availability

Expenditures for child care quality and availability programs were approximately \$15.6 million in 2013-14, and \$14.3 million is budgeted in 2014-15. Funds are provided from the federal temporary assistance for needy families (TANF) block grant, the federal child care development block grant, state general purpose revenue (GPR) appropriated to DCF, segregated funding from low-income public benefits, and other program revenues. The funding is allocated for technical assistance, resource and referral agencies for families, the quality rating and improvement system, and administrative expenses, including the following:

The Registry. The Registry is a career level system for child care staff that awards certificates verifying that an individual has met all required training and is qualified for the position the individual holds. Additional credit-based training is categorized by core knowledge areas as defined by the National Association for the Education of Young Children. The Registry has developed specialized professional credentials and awards completion of these credentials to those individuals who have met all prescribed goals.

YoungStar. The Child Care Quality Rating and Improvement System, referred to as YoungStar, is a five-star quality rating and improvement system for early care and education in Wisconsin. YoungStar provides training and technical assistance to improve child care quality and communicates to parents regarding the rating system. A consortium composed of the Celebrate Children Foundation, Supporting Families Together Association, and Wisconsin Early Childhood Association administers the YoungStar program locally in six regional offices. Base funding for the annual consortium contract is \$6,924,000, which supports: (a) quality assurance monitoring; (b) technical assistance for program improvement; (c) improvement micro-grants; and (d) start-up funding and grant administration.

Child care providers participating in the Wisconsin Shares child care subsidy program are reimbursed based on the number of stars earned under the rating system: (a) one-star providers are prohibited from receiving reimbursement under Wisconsin Shares; (b) two-star providers receive a reduction of up to 5% from the base reimbursement rate; (c) three-star providers receive up to the base reimbursement rate; (d) four-star providers receive an increase of up to 10% from the base reimbursement rate; and (e) five-star providers receive an increase of up to 25% from the base reimbursement rate. The rate adjustment applies after the parent co-payment. A small number of providers that are exempt from licensing requirements, such as early childhood programs operated by school districts and regulated by public school boards, remain eligible for Wisconsin Shares without participation in YoungStar if they are licensed.

It is estimated that the tiered reimbursements under YoungStar resulted in a net increase in child care subsidy payments of \$6.5 million in 2013-14. This includes \$9.4 million of payment increases to five-star providers and more than \$3.3 million of payment decreases to two-star providers. Smaller increases were provided to four-star providers.

As of July 31, 2014, there were a total of 4,257 child care facilities rated by YoungStar serving a total of 43,815 children authorized for child care subsidies under the Wisconsin Shares child care program. YoungStar staff have made a total of 29,181 technical assistance visits to child care facilities. The following table lists the total participating providers and the children they serve by star rating as of July 31, 2014.

	<u>One-star</u>	<u>Two-star</u>	<u>Three-star</u>	<u>Four-star</u>	<u>Five-star</u>	<u>Totals</u>
Child Care Facilities Rated by YoungStar	21	2,388	1,300	188	360	4,257 programs
Wisconsin Shares Children Authorized by YoungStar Rating	0	12,190	22,318	2,216	7,091	43,815 children

Child Care Scholarships and Stipends. The teacher education and compensation helps (TEACH) program and the rewarding education with wages and respect for dedication (REWARD) program are designed to address child care staffing shortages and low retention rates. The TEACH program provides scholarships to teachers and child care providers for educational costs directly related to the child care field. The scholarships, which vary in length and amount, cover a portion of books, travel, and the costs of tuition (from three to 18 credits), and provide a raise or a bonus upon completion of a credential. The REWARD program provides stipends to child care providers and teachers, provided that they meet certain requirements for education, employment, and longevity. Stipend amounts are based on the individual's career level in the Registry.

The TEACH program had 1,242 active scholarship participants during the first quarter of calendar year 2014. TEACH granted 11,201 scholarships from August 1999 through December 2013, awarding more than \$30 million in scholarships. In the first quarter of 2014, there were a total of 1,713 active recipients participating in the program.

TEACH and REWARD are currently allocated a combined total of \$3,975,000 per fiscal year within the limits of the available federal child care and development block grant funds. Supplemental funding of \$1.5 million per year from federal fiscal year (FFY) 2013 through FFY 2016 is provided for the TEACH program under the federal Race to the Top assessment and grant program.

Family Foundations Comprehensive Home Visiting Program

The Wisconsin Family Foundations Home Visiting Program (FFHV) identifies at-risk communities through a comprehensive needs assessment and provides voluntary home-visiting services to those communities to prevent child abuse or neglect before it occurs. Home visitors, such as nurses, social workers, and teachers, generally meet weekly with program participants. Activities include: access to prenatal care; screenings and assessments; health education; connection to community resources; and education for parents to support their child's development.

FFHV grants are provided to 14 evidence-based home visiting programs that operate in 15 counties and four tribal communities. In federal fiscal year 2013, FFHV funded programs served 1,043 families and made 15,088 home visits.

Funding for FFHV is provided by GPR, the TANF block grant, and the federal Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program (currently funded through March 2015). MIECHV grants are awarded to states on a "formula" basis and additional MIECHV grants are available on a competitive basis to expand and/or enhance home visiting programs. At least 75% of MIECHV funding must be used for evidence-based home visiting programs and up to 25% may be used for implementation and evaluation of promising practices. There are no cost sharing/matching requirements for the MIECHV competitive grant program. However, states must maintain non-federal funding levels with respect to formula funding, and grants are subject to the condition that the state assigns service priority to families residing in at-risk communities as identified by the statewide needs assessment. Wisconsin's maintenance of effort amount is \$1,258,200, and arises in part from previous home visitation grant efforts funded through the Children's Trust Fund (TANF and GPR).

**FFHV Funding Sources
SFY 2014-15**

Federal MIECHV Competitive Grant	\$6,727,566
Federal MIECHV Formula Grant	1,628,586
GPR	1,065,700
TANF Block Grant	<u>812,000</u>
 Total	 \$10,233,852

Foster Care Training and Case Management

When placing a child in foster care, a placing agency uses a standardized assessment tool to assess the needs and strengths of the child and the child's foster parent. The results of the assessment are used to determine into which certified level of foster care the child will be placed, what services will be provided to the child in the placement, and what payment the foster parent will receive. Placing agencies disburse a basic maintenance payment to foster parents to reimburse them for the usual and customary costs of caring for a foster child (such as food, clothing, housing, basic transportation, and recreation), and may provide supplemental payments intended to cover the costs of caring for a child whose needs exceed normal limits of care and supervision for that child's age.

To address the developmental needs of children under the age of five who receive services under the federal Title IV-B or IV-E programs, initial assessment staff and ongoing services staff are provided two days of training on the effects of maltreatment on child development to enhance their ability to formulate appropriate family service plans. In Milwaukee, the Nurse Family Engagement program in Bureau of Milwaukee Child Welfare pairs registered nurses with

case managers to provide case specific health care coordination for children less than three years old in out-of-home care and those with special medical needs.

Each foster parent must complete pre-placement, initial licensing, and ongoing training, which also addresses the developmental needs of children. The foster parent pre-placement training includes an overview of foster parenting, and caring for children in foster care (including the developmental needs of infants, children and adolescents).

Title IV-B, Subpart 2 of the Social Security Act sections 430-437: Promoting Safe and Stable Families (PSSF)

PSSF provides funds to states, territories, and tribes to enable them to provide: (a) family support services; (b) family preservation services; (c) time-limited family reunification services; and (d) adoption promotion and support services. States are required to spend at least 20% of their funding on each of the above four categories, and the combined spending on the four categories must be no less than 90% of the total PSSF funding received.

PSSF funds for child and family services are distributed to states based on their relative share of the national population of children receiving Supplemental Nutrition Assistance Program benefits, with a small percentage set aside for tribes. Wisconsin's PSSF grant for FFY 2014 was roughly \$5 million.

DCF allocates 20% of PSSF funds for state-level adoption promotion and support services activities, approximately 5% for state operations, (including training and technical assistance to counties and tribes), 5% to fund two programs with statewide impact (the ACE Study and the Wisconsin Trauma Project), and the remaining 70% of PSSF funds are allocated to counties and tribes to fund support, preservation, and reunification programs.

The PSSF funds received by Wisconsin's adoption program (roughly \$1 million) are used to support Post Adoption Resource Centers (PARCs) and the Special Needs Adoption Program contracts. PARC services are available to all adoptive families, including parents of children who are adopted through domestic and international adoption programs.

Post Adoption Resource Centers

The six PARCs in Wisconsin each serve a regional area to provide education, support activities, and services to adoptive families. Each PARC has a toll-free telephone number available 24 hours a day, seven days a week, to respond to questions or concerns from families who have adopted, including special needs adoption, international adoption, and private adoption. The PARCs provide services in their region, but each service is available to families statewide. PARCs provide: (a) training on a variety of issues that affect families with adopted children; (b) access to community resources; (c) referrals to adoption-related support groups, recreational and educational opportunities, and resources; and (d) opportunities to meet with other adoptive families.

PARCs are funded by grants under Title IV-B, Subpart 2 of the Social Security Act. The grant allocated by DCF from these funds ranges from \$75,000 to \$83,000, annually, for each of the six regional areas, with a total budget in the 2014 fiscal year of \$472,800.

Families and Schools Together

Families and Schools Together (FAST) is a family strengthening program created using principles of experiential learning which have been shown to develop healthy behaviors, build social support, and foster a nurturing environment. Baby FAST for children younger than three years old is an eight-week intergenerational program that serves mothers, fathers, their infants, as well as the mother/father's support person. Kids FAST incorporates an early childhood curriculum targeting children in pre-kindergarten through third grade.

Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (LSS) are implementing a Kids FAST program in Beloit, and SET Ministry, Inc. is implementing two Kids FAST projects in Milwaukee. Each site serves between nine and 12 families who gather for eight two-and-a-half hour weekly meetings that include family unit strengthening activities, parent support time, and parent-child play therapy. The contract period runs from January 1, 2014, through November 30, 2014, and each contract may be renewed for up to two additional one-year periods.

Child Protection Services: Alternative Response Program

The alternative response pilot program responds to lower-risk families by providing services in a less adversarial environment in order to prevent future abuse or neglect. Families are approached in a non-accusing manner to assess their service needs without adversarial investigation of child abuse. A July 2012 report to the Legislature by DCF indicates that child protection services system staff believe that an alternative response approach is more likely to lead to: (a) families participating in decisions and case plans; (b) workers spending more time on cases; (c) cooperation by caregivers and family members; and (d) the presence of family members at the initial assessment. The pilot program has been expanded to 16 counties since it began in 2010. Additional counties will be added over time based on their readiness and the availability of resources to expand the program.

Child Protection Services: Bureau of Milwaukee Child Welfare (BMCW)

Intensive In-Home Services. Intensive in-home services are provided to families where threats to child safety have been identified, but BMCW staff determines that a child can remain at home safely if appropriate services are provided to the family. An intensive in-home services case worker visits the home at least once a week to work with the family to keep children safe in their home and prevent out-of-home care placement. Intensive in-home services may include: (a) supervision, observation, basic parenting assistance, social and emotional support, and basic home management; (b) child care; (c) routine and emergency drug and alcohol screening and treatment services; (d) family crisis counseling; (e) routine and emergency mental health

services; (f) respite care; (g) housing assistance; and (h) transportation. These services are funded with TANF funds of \$6,350,300 annually.

Milwaukee County Prevention Services. The Brighter Futures Initiative is a statewide program that seeks to: (a) prevent and reduce the incidence of youth violence and other delinquent behavior; (b) prevent and reduce the incidence of youth alcohol and other drug use and abuse; (c) prevent and reduce the incidence of child abuse and neglect; (d) prevent and reduce the incidence of non-marital pregnancy and increase the use of abstinence to prevent non-marital pregnancy; and (e) increase adolescent self-sufficiency by encouraging high school graduation, vocational preparedness, improved social and other interpersonal skills, and responsible decision-making. The Brighter Futures Initiative is funded with \$1,729,900 GPR and \$2,966,600 federal funds consisting of \$1,707,100 from the substance abuse block grant, \$577,500 in TANF funds, and \$682,000 in Title V abstinence education grant funds.

Further, as indicated above, DCF provides TANF funds for FFHV home visiting services. The City of Milwaukee Health Department operates three home visitation programs. The Empowering Families Milwaukee program uses evidence-based models and partners with the community to provide frequent and long-term home visits to families. The focus of EFM is pregnant women and their children. The Nurse-Family Partnership is an evidence-based nurse home visiting program for first-time pregnant teens and women. The nurses provide frequent and long-term home visits to families from early in their pregnancy until the child's second birthday. The focus of the program is to improve pregnancy outcomes for the woman, to improve the child's health and development, and to improve the economic self-sufficiency of the family. The Parents Nurturing and Caring for their children is a team of nurses providing Prenatal Care Coordination, which is a Medicaid benefit that helps pregnant women get the support and services they need to have a healthy baby. A public health nurse provides home visits during the pregnancy and until the baby turns two months old.

Child Protection Services: Post-reunification Support Program

Wisconsin applied for, and was granted on October 1, 2012, a waiver from the federal government under Title IV-E of the Social Security Act to implement a statewide post-permanency program for children of all ages. Under the program, case managers develop an individualized 12-month plan to reduce the rate of reentry into out-of-home care after children have been reunited with their families. Services include: case management services, trauma-informed services, crisis stabilization, in-home therapy, alcohol and drug assessment and treatment for parents, mental health services for parents, respite care, transportation, and connecting to community services. The program initially focuses on children under the age of five years old.

Generally, Title IV-E requires a child to be in out-of-home care for that child to be eligible for federal reimbursement. The waiver allows the state to receive Title IV-E matching funds on post-permanency services. The waiver is expected to be cost-neutral in that DCF would spend funds on post-permanency services statewide in an amount equal to the savings that are achieved from reducing costs associated with children re-entering out-of-home care.

Wisconsin Trauma Project and Adverse Childhood Experiences Survey

The Trauma Project introduces evidence-based trauma screening, assessment, and treatment for children ages three to 18 years old in the child welfare system. The initiative provides training to therapists, caregivers, law enforcement, court staff, and educators, to create a more trauma-informed and responsive system of care. A total of 12 counties and one tribe have participated in the program as of June, 2014. Ninety masters level clinicians have been trained, with an additional 90 to be trained by the end of 2014. As of April 2014, over 315 birth, foster, adoptive and kinship parents, social workers, and juvenile justice workers were trained.

The Trauma Project is primarily funded by participating county agencies with financial assistance from the state. Wisconsin utilizes funding from Title IV-B, Subpart 2 of the Social Security Act (\$100,000 for FFY 2013 and \$120,000 for FFY 2014) to support the Wisconsin Trauma Project (participating counties are also encouraged to utilize Title IV-B, Subpart 2 dollars to fund the project).

The Wisconsin ACE survey is a telephone survey which asks adults about traumatic experiences prior to the age of 18 and is administered as part of the Wisconsin Behavioral Risk Factor Survey (BRFS). DCF, in collaboration with the CANP Board, and the Department of Health Services are developing a coordinated, systematic approach to educating the public about the impact of early experiences on lifelong health and the need to focus efforts on prevention and healthy, safe communities. DCF uses federal Title IV-B subpart II funding (\$25,000 in FFY 2013 and \$15,000 in FFY 2014) to support ongoing ACE data collection, evaluation, and sharing of results to educate the public.

Department of Public Instruction

Wisconsin Head Start. The federal Head Start program provides comprehensive educational, health, nutritional, social, and other services to economically disadvantaged preschool children and their families. While Head Start targets children ages four and five, the Early Head Start program provides prenatal care and educational and other services to children from birth to age three and their families. A child is eligible to participate in the program if his or her family's income is at or below 100% of the federal poverty threshold or if the child meets other criteria, such as if the child's family receives public assistance or is homeless or if the child has been diagnosed with a disability.

Federal funding for Wisconsin Head Start grants was budgeted at \$106.5 million in the 2013-14 fiscal year and an estimated \$108.1 million in the 2014-15 fiscal year. Additionally, a state grant program provides supplemental funding that is distributed to federally designated Head Start agencies to enable expansion of their programs to serve additional families. In 2013-14 and 2014-15, the state budgeted \$6,264,100 GPR annually for the supplemental state grant program. The Wisconsin Head Start Association indicates that in 2013, the most recent year for which participation data is available, a total of 19,920 children were served by Wisconsin Head Start programs in some capacity, approximately 3,500 of whom were younger than age three.

Department of Health Services

The Department of Health Services administers several programs that provide direct treatment and support to young children who require specialized services. The goal of these programs is to provide services to children with significant health conditions, rather than to reduce children's exposure to ACEs.

Children's Long-Term Support Waiver. The children's long-term support (CLTS) waiver provides medical assistance (MA) services to children with long-term care needs. In order to be eligible to participate in the CLTS waiver, children must have a severe physical, emotional, or mental impairment which is diagnosed medically, behaviorally, or psychologically. The impairment must be characterized by the need for individually planned and coordinated care, treatment, vocational rehabilitation or other services that result in eligibility for MA if the child (1) is in a hospital or nursing facility, (2) requires a level of care typically provided in a hospital nursing facility, (3) can appropriately receive care outside of the facility, and (4) can receive care outside of an institution that costs not more than the estimated cost of institutional care. The services provided under the CLTS waiver include adaptive aids, intensive in-home treatment services, daily living skills training, and home modifications.

Autism treatment services are provided under the CLTS waiver. In order to qualify for autism treatment services, a child must have a verified diagnosis of autism, Asperger's Disorder or Pervasive Developmental Disorder, Not Otherwise Specified (PDD-NOS). This requirement is in addition to all other CLTS waiver eligibility criteria. Available autism services include the early intensive behavioral intervention (EIBI) service, which provides children with 30 to 40 hours of face-to-face treatment, and the consultative behavioral intervention (CBI) service, which provides children with 10 to 20 hours of face-to-face treatment.

In 2014-15, approximately \$69.5 million (\$28.3 million GPR and \$41.2 million FED) is budgeted to support services under the CLTS waiver program, including \$41.7 million (\$17.0 million GPR and \$24.7 million FED) for autism treatment services and \$27.8 million (\$11.3 million GPR and \$16.5 million FED) for other services provided under the program. This funding is budgeted as part of the state's MA budget. In July, 2014, 4,556 children received services under the CLTS waiver, including 2,124 who received autism services, exclusively.

Birth-to-3. Early intervention services for infants and toddlers with disabilities, also known as the Birth-to-3 program, provides a statewide, comprehensive program of services for infants and toddlers with disabilities and their families. A child qualifies if he or she is less than three years old and has a significant developmental delay, or has a physician-diagnosed and documented condition likely to result in a developmental delay. Program goals established in federal law include enhancing the development of children with developmental disabilities, minimizing the need for special education, and decreasing institutionalization. Children in the program may receive physical and occupational therapy, family education, and certain medical services.

According to the most recent annual performance report submitted by DHS to the U.S.

Department of Education, in state fiscal year 2012-13, 12,025 children received services under the program. The program is funded from several sources, including state and federal grants, county funds, community aids, MA and private insurance reimbursement, and parental cost sharing. In 2014-15, \$13.0 million (\$5.8 million GPR and \$7.2 million FED) is budgeted to support Birth-to-3 services. These amounts do not include county contributions or MA funding that supports MA-eligible services to children enrolled in the program.