Maine Early Childhood Special Education

Independent Review

October 30, 2020

Final Phase I Report

PUBLIC CONSULTING GROUP

ACKNOWLEDGEMENTS

Public Consulting Group, Inc. (PCG) would like to acknowledge the collaboration and support from the many stakeholders (parents, providers, Child Development Services (CDS) staff, state agency department staff, advocates, and others) and project leadership in conducting this evaluation of Maine's Early Childhood Special Education system, CDS.

In particular, the project leadership from the Maine State Legislature, **Senator Rebecca Millett** and **Representative Dick Farnsworth** and **Hillary Risler**, Esq., Legislative Analyst from the Office of Policy and Legal Analysis for the Maine State Legislature.

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

Public Consulting Group, Inc. (PCG) was contracted by the Maine State Legislative Council to conduct an independent evaluation and implementation plan for the Individuals with Disabilities Education Act (IDEA) Part C for children birth to age 3 and IDEA Part B-619 for children ages 3 – 5, both of which are currently administered by Child Development Services (CDS).

Maine has conducted previous studies which examined the state's Early Childhood Special Education (ECSE) services and in 2019 introduced L.D. 1715 to move CDS administration under the Department of Education and provision of IDEA Part B-619 services to local School Administrative Units (SAUs). Subsequently, Public Law 2019, Chapter 343, Part VVV required an independent review of the state's IDEA Part B-619 services and EI (IDEA Part C) with recommendations and implementation plan. PCG's review of the proposed legislation and comprehensive evaluation of the services provided under the current governance of CDS is fully described in the following report as well as the companion report to this Phase I Report, the Maine Child Development Services Cost Study Report. The subsequent Phase II will address the implementation plan.

This report reflects the feedback and contributions of many stakeholders across the state, collected via focus groups and interviews. Key themes captured from these forums are included throughout the report, reflecting the voice of a variety of stakeholder groups, including providers and parents whose children received or are receiving services from CDS.

IDEA, which governs all services and provides funding for service delivery of both Part C and B has specific federal requirements which provide guidance for state's operation of these programs. Program governance structures, funding streams, and service delivery models vary from state to state, but certain best practices and national models of effective oversight, accountability, and operation exist. This report includes both peer and exemplar state models along with descriptions of potential programmatic, fiscal, and operational practices which Maine may consider adopting as the state considers the recommendations within this report and the ability and desire of the state to move forward with making changes to CDS. There is no empirical research on the effectiveness of different governance and administrative structures of state EC programs; however, there are distinct correlations between select lead agencies and achieving certain IDEA performance measures, mentioned within this report. No matter designation of lead agency, one theme is consistent across high performing state ECSE systems is the efficient and effective use of multiple funding streams, and opportunities to maximize funding will be addressed in the report.

The state of Maine, and its Part C and B provider systems, have demonstrated a commitment to the children and families they serve. With this report, the state has the opportunity to further demonstrate that commitment to young Mainers, and their families, by putting in place additional inclusive early education opportunities for young children with developmental delays and disabilities to be educated alongside their same age peers without disabilities and to increase the number of infants and toddlers who are identified early. Maine also has the opportunity to develop the needed processes, fiscal supports, and effective governance that not only move the state forward and out of risk for areas of federal non-compliance, but position the state to be on

the forefront of policy and practice in support of inclusive, appropriately governed and funded structures for its youngest, most vulnerable citizens.

GLOSSARY OF TERMS AND ACRONYMS

The following table includes terms and acronyms that are commonly used in this report.

TABLE 1. GLOSSARY OF TERMS AND ACRONYMS

Term or Acronym:	Explanation:
ACA	The Affordable Care Act
CCDBG	Child Care and Development Block Grant
CDS	Child Development Services (designated agency for administration of IDEA Part C and IDEA Part B-619
CFR	Code of Federal Regulations
Chapter 676	Maine Public Law Chapter 676, which allows a child who turns 5 years of age between July 1 to Oct.15 to remain CDS for an additional year before transitioning to Kindergarten
CINC	Child Information Network Connection (CDS data system)
DoE	Maine Department of Education
DAP	Developmentally Appropriate Practice
EI	Early Intervention (under IDEA Part C)
ECSE	Early Childhood Special Education (under IDEA Part B-619)
EPS	Essential Programs & Services (Maine's education funding formula)
ESSA – Title 1	Every Student Succeeds Act – Title 1 Improving Basic Education Operated by State and Local Educational Agencies
FAPE	Free Appropriate Public Education
FMAP	Federal Medical Assistance Percentage
Head Start	Federal preschool program with direct funding to local grantees
IDEA	The federal Individuals with Disabilities Education Act
IDEA Part B Section 619	IDEA Part B Section 619 special education and related services for children ages 3 - 5 with developmental delays and disabilities
IDEA Part B Section 611	Part B Section of IDEA which provides grants to states for special education of school age children
IDEA Part C	Part C of the Federal Individuals with Disabilities Education Act (IDEA) for Early Intervention services to infants and toddler birth to age with developmental delays and disabilities and their families.
IEP	Individualized Education Plan (for children under Part B-619)
IFSP	Individualized Family Service Plan (for children under IDEA Part C)
ITP	Individual Treatment Plan (required by MaineCare for some services)
MaineCare	Maine's state-level Medicaid agency
Pre-K	State Pre-Kindergarten program
QRIS	Quality Rating and Improvement System
SAU	School Administrative Unit (Local Education Agencies - LEAs or School Districts in Federal regulations and in other states)
SPP	Special Purpose Preschool

I. BACKGROUND

PURPOSE OF THE EVALUATION

The purpose of this evaluation was to perform an independent review of and implementation plan for the State of Maine's early childhood special education services; those services governed by the Individuals with Disabilities Education Act (IDEA) Parts C and B-619, which impact children from birth to age five across the state of Maine.

Public Law 2019, Chapter 343, Part VVV called for an impartial evaluation or study of the impact of transferring Maine's Child Development Services (CDS) agency to the Department of Education (for Part C) and local school districts (for Part B-619).

REVIEW OF PREVIOUS REPORTS

PCG's evaluation team conducted a review of the following previous reports relating to CDS and/ or services to children birth to age 5 in Maine:

- Taskforce to Study the Cost-effectiveness of the Child Development Services Systems (February 1998)
- Subcommittee to Study Early Childhood Special Education (January 2007)
- Strategic Priorities Plan for Maine's Young Children (December 2007)
- Office of Program Evaluation & Government Accountability (OPEGA) Report on Child Development Services (July 2012)
- Developmental Systems Integration (DSI) Overview of Project Work 2013-2017 And Recommendations Package – (Sept. 2017)
- Task Force to Identify Special Education Cost Drivers and Innovative Approaches to Services (Jan 2018)
- Children's Behavioral Health Services Assessment Final Report (Dec. 2018)
- Maine Regional Discovery Forums – Summary Report (Nov. 2019)
- Preschool Development Grant Birth – 5 (PDG B-5) State of Maine Needs Assessment – Vulnerable Children Birth to age 5 and their Families (Oct. 2019)
- Report: Resolve, To Improve Access to Early and Periodic Screening, Diagnostic, and Treatment Services for Children (Jan. 2020).

A summary of findings and status of implementation of recommendations (verified with agency leadership from CDS) from these reports is included in ***Appendix A.1***.

OVERVIEW OF IDEA PART C AND 619 FEDERAL REQUIREMENTS

The Individuals with Disabilities Education Act (IDEA) is a federal law, originally enacted in 1975, to require and govern how states provide free appropriate public education to children with disabilities.

Part B of IDEA covers the requirements for special education and related to eligible children three through twenty-one. Section 619 of IDEA Part includes particular requirements for preschool children ages three through five.

State's Part B 619 programs and typically school districts (local education agencies): conduct child find to identify children (including those transitioning from early intervention Part C); conduct a comprehensive evaluation to determine eligibility; develop an individualized education program (IEP); and determine the setting where the child will receive their special education and related services, (with a requirement that children with disabilities must be educated with their peers without disabilities to the maximum extent appropriate with supplemental aids and services, if necessary, to allow them to benefit from public education).

A key principle of early childhood special education is the provision of special education and related in the least restrictive environment (LRE) in inclusive settings alongside their typically developing peers.

IDEA Part C covers the requirements for a statewide system of early intervention for infants and toddlers (birth to age 3) with developmental delays and disabilities and their families. States receive an annual IDEA Part C grant, which they use along with other federal, state, and local funds to administer and provide early intervention services. State Part C programs and their provider systems: conduct child find to identify infants and toddlers early; conduct developmental evaluations to determine eligibility; develop, provide and coordinate the services on the Individualized Family Service Plan (IFSP); and coordinate the child's transition to preschool at age 3.

A key principle of early intervention is the supporting parents to promote their child's development within daily routines and activities in the home and community (natural environments).

II. PROJECT OVERVIEW

ROLE OF THE JOINT COMMITTEE ON EDUCATION & CULTURAL AFFAIRS

The role of the Joint Committee on Education & Cultural Affairs for this engagement was to oversee all project deliverables, giving approval for final deliverables fulfilling the terms of this contract as well as making any decision regarding any substantive changes in the scope of the work, project timeline, or budget.

PCG's project team engaged with the Joint Committee to request a contract amendment to include conducting a Cost Study of CDS program and provider revenues and expenses in order to fully inform the evaluation. The amendment was approved and became effective on March 24, 2020.

ROLE OF THE ADVISORY COMMITTEE

An Independent Review Advisory Committee was appointed to provide review and oversight of the contractor's activities and deliverables produced under this contract. PCG engaged with the Advisory Committee, or the committee's chair, Nancy Cronin, throughout the contract engagement, meeting at the following times:

TABLE 2. SUMMARY OF MEETINGS WITH ADVISORY COMMITTEE

Purpose of Meeting:	Date:	Location:
Project Kick Off Meeting	1/23/2020	Augusta, ME
Planning Meeting with Committee Chair *	3/3/2020	Augusta, ME
Project Status Report *	4/15/2020	Tele-conference
Cost Study Status Report	7/24/2020	Tele-conference
Preliminary Cost Study Report Presentation	8/24/2020	Tele-conference
Review of Phase I Report	TBD	Tele-conference
Review of Phase II Report	TBD	Tele-conference
Project Closure Meeting	TBD	Tele-conference

*Meeting with Advisory Committee designee.

PCG collaborated with the Advisory Committee to:

- review and select peer states to include in the qualitative data collection/ interviews for the national research collection for both Part C and B
- review and finalize the stakeholder list for inclusion in focus groups and interviews
- review and finalize the focus group and interview protocol questions
- coordinate the focus group and some interview outreach and invitations
- review and provide input into all project deliverables

In addition, PCG met with various members of the Advisory Committee to hear from their representative groups/ collective membership.

Members of the Advisory Committee also attended some of the focus group sessions.

METHODOLOGY

PCG was contracted as an impartial research and evaluation firm to conduct an independent review of IDEA Part C and IDEA Part B-619 under CDS (including Governance and administration, fiscal and service delivery) and make recommendations, as well as study the impact of transitioning the state's Child Development Services to the Department of Education and local school administrative units to provide IDEA Part B-619 services

Phase I Methodology:

- Review of previous studies and available data within the context of Maine, specifically the Subcommittee To Study Early Childhood Special Education's report from January 2007 and the Office of Program Evaluation and Government Accountability's July 2012 report on child development services. A summary of this review is included in ***Appendix A.2***.
- A deep analysis of the national landscape, both in trends and models, of program governance, funding and service delivery, wherein program enhancement and efficiencies may be found and applied to Maine. A listing of peer states was confirmed with the Advisory Committee and is included within the report.
- An analysis of the short- and long-term costs and benefits of restructuring Maine's Child Development Services (CDS) System per recent legislation. A full summary of these costs is represented in the Maine Child Development Services Cost Study Report and is summarized within this report.
- A review of specific impacts the transition may have on system staff, families, processes, and other administrative units. These data were collected via focus groups and interviews and is represented within this report.

Phase II of the report will refocus the analysis from evaluating impacts and incorporating national models to designing a comprehensive, step-by-step implementation plan that incorporates the findings from Phase I of the report and implements recommendations for program improvement. The Phase II report will likely propose multiple options for models for the state to follow in order to achieve its objectives as required by law.

Cost Study Methodology

The full **Maine Early Childhood Special Education Services Cost Study Report** was submitted September 25, 2020 and highlights of the data are incorporated into the Part C and Part B-619 funding analysis sections of this report. Here we provide an overview of the cost study methodology

Data utilized in the cost report is for state fiscal year 2019 (July 1, 2018 – June 30, 2019), which was the most current complete year available for all data sources collected.

The structure of the Cost Study report focused on the various data sources PCG reviewed from different departments, programs, and partners across Maine that are involved in funding or

providing Part C and Part B-619 or other early childhood services, to young children and their families. The report separated EI Part C and Part B-619 data, analysis, and opportunities within each section of the report, organized using the following data sources:

- ***Child Development Services (CDS) Fiscal Analysis****.* Included the revenues and expenditures of the lead agency providing Part C and Part B-619 services in the state, using a mix of program budgets, service log and payment data, and other specific payment data, such as Early Childhood Education Tuition Agreement (ECETA) information.
- ***Special Purpose Preschool (SPP) and CDS Preschool Site Cost Report Analysis.*** Reported expenditures per child used to help estimate the split between IEP (Individualized Education Program) and ITP (Individual Treatment Plan) MaineCare revenues later in the report.
- ***Personnel Roster and Market Salary Analysis.*** Review of detailed personnel rosters reflecting wages of all staff working in CDS provider programs. This data was used in comparison with national and peer state average wages.
- ***MaineCare Data Analysis***. Review of claims and payments made for children receiving Part C and Part B-619 services. These data are crucial to help estimate the true cost of rendering these services in Maine.
- ***Other Funding Sources.*** Review of current and potential future other funding sources for these services. Private health insurance, Maine's Pre-Kindergarten (Pre-K), and other services like Head Start and childcare are also examined.
- ***Analysis Across Funding Sources.*** All data was synthesized to determine estimated total costs – at a program and child level – of rendering these services in Maine.

Throughout the report, PCG highlighted potential opportunities to reduce costs or maximize revenue for IDEA Part C and Part B-619 services in Maine based on the analysis of the data collected.

There were some limitations to the data, which are fully described in the full Cost Report Summary.

Forum and Interview Methodology

To inform the evaluation team's planning and recommendations, PCG worked with CDS Leadership and the project Advisory Committee to conduct a series of Focus Groups and Stakeholder Interviews.

PCG worked collaboratively with our partners to ensure broad and appropriate representation for all stakeholder groups as well as to disseminate the focus group and interview invites. The stakeholder groups included the following: CDS Providers (Part C and Part B/ Special Purpose Providers), CDS Parents (Part C and Part B), CDS Staff (Part C and Part B), Early Childhood Partners (including childcare programs), and Community Advocates.

A listing of the facilitated focus group sessions are included in ***Table 3*** below.

TABLE 3. SUMMARY OF FOCUS GROUPS CONDUCTED

Date:	Time:	Stakeholder Group:	Location:
March 2, 2020	10:00- 12:00 am EST	Part B Providers	Portland, Maine
March 2, 2020	1:30- 3:00 pm EST	Part C Providers	Portland, Maine
March 2, 2020	5:30- 6:30 pm EST	CDS Parents	Portland, Maine
March 3, 2020	10:00- 12:00 am EST	Community Advocates	Augusta, Maine
March 3, 2020	1:30- 3:00 pm EST	CDS Staff- Part C	Augusta, Maine
March 3, 2020	3:00- 4:30	CDS Staff- Part B	Augusta, Maine
March 4, 2020	10:00- 12:00 am EST	Part B Providers	Augusta, Maine
March 4, 2020	2:30-3:30 pm EST	Early Childhood Partners	Augusta, Maine
March 4, 2020	5:30- 6:30 pm EST	CDS Parents	Augusta, Maine
March 5, 2020	9:00- 10:00 am EST	CDS Parents	Bangor, Maine
March 5, 2020	1:00- 3:00 pm EST	Special Purpose Providers	Bangor, Maine

Interviews

PCG staff collaborated with the Advisory Committee, CDS staff and their networks to assist in the outreach and organization of in-person focus groups as well as telephone and in-person interviews. All focus groups included call in/ video conferencing options for any who were not able to attend in person. Outreach and scheduling were conducted via telephone and e-mail.

Each in-person focus group was conducted by at least two PCG team members and followed the same general format, with the facilitator beginning with introductions and an explanation of the project goals and the purpose of the focus group or interview. Attendees were assured that all information they shared would remain confidential. A script was used to aid with consistent focus group facilitation and contained both general and group-specific questions. A complete listing of the questions asked in all focus groups and interviews is included in ***Appendix A.1*** with key findings summarized below as well as included as 'call out boxes' throughout this report where relevant.

PCG's qualitative data analysis process consisted of coding all collected focus group and interview data based on a frequency count by topic and sub-category area to identify those topics that were of greatest interest to each stakeholder group. A summary of these data is included in the figures on the following pages and direct quotations taken from these sessions are reflected throughout this report in 'call out boxes' in line with the report narrative.

FIGURE 1. STAKEHOLDER FEEDBACK BY TOPIC AND FREQUENCY (CDS PROVIDERS, PART C AND B).

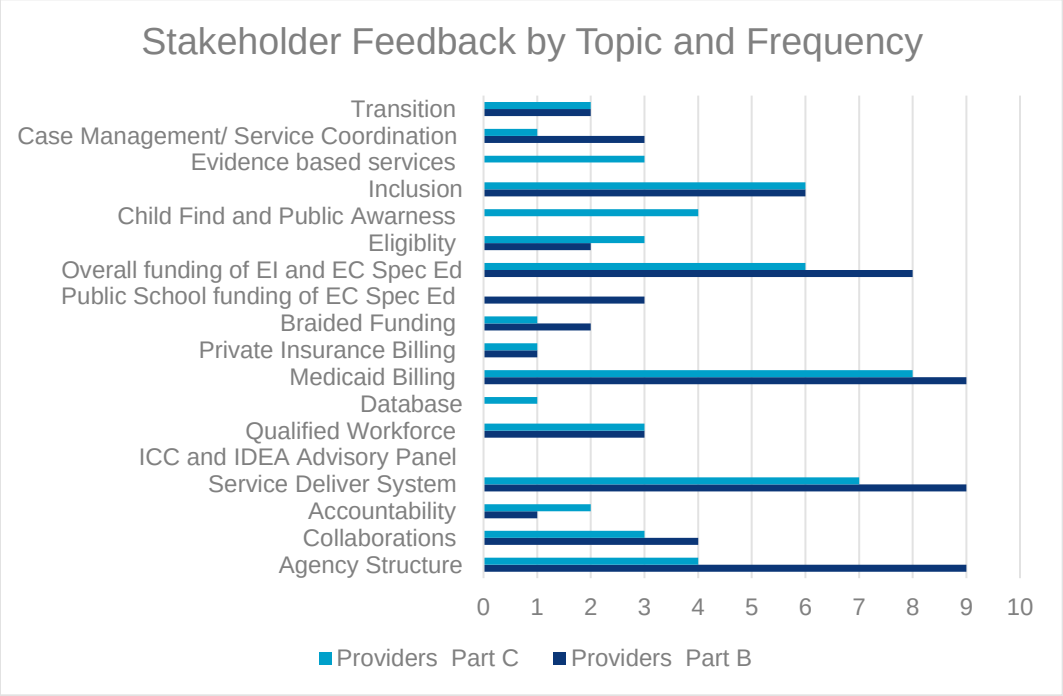


FIGURE 2. STAKEHOLDER FEEDBACK BY TOPIC AND FREQUENCY: PARENTS (PART C AND B)

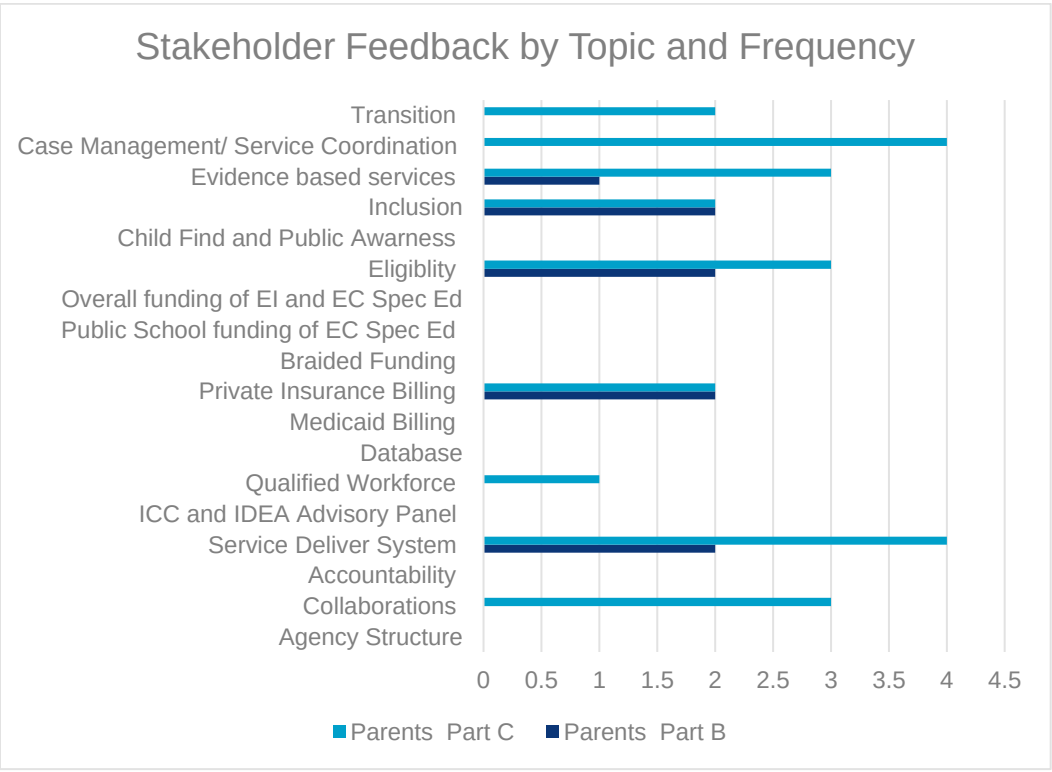


FIGURE 3. STAKEHOLDER FEEDBACK BY TOPIC AND FREQUENCY: CDS STAFF (PART C AND B)

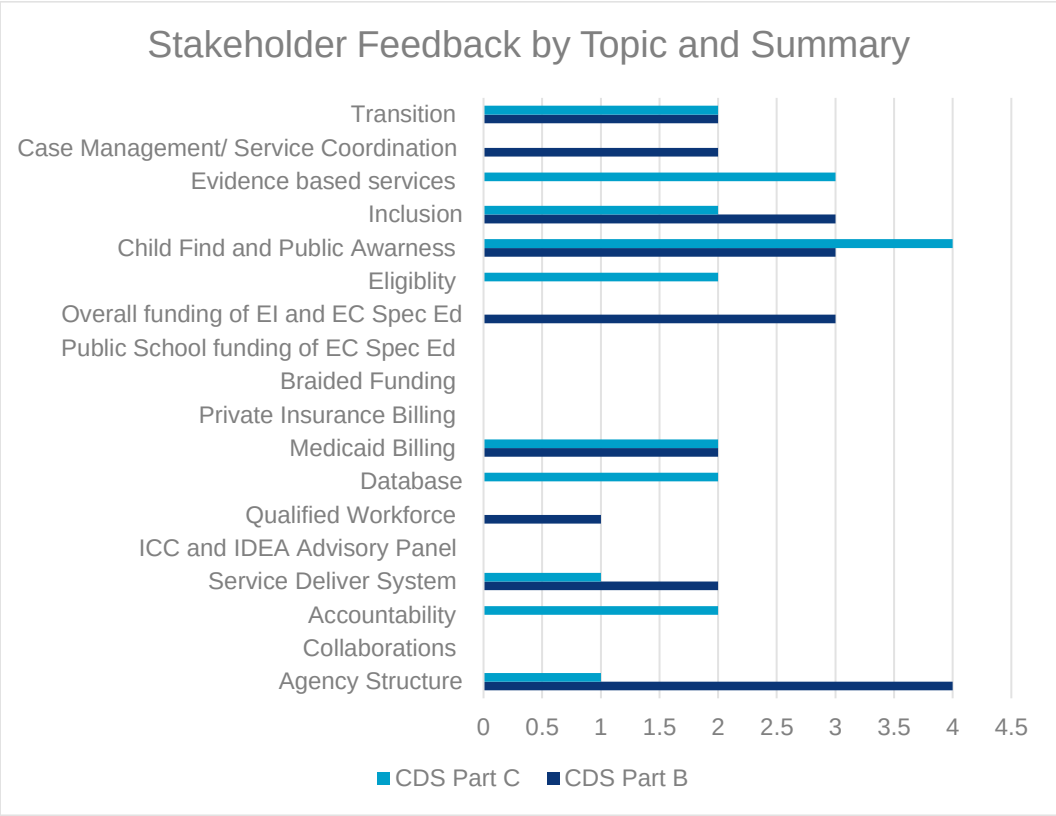
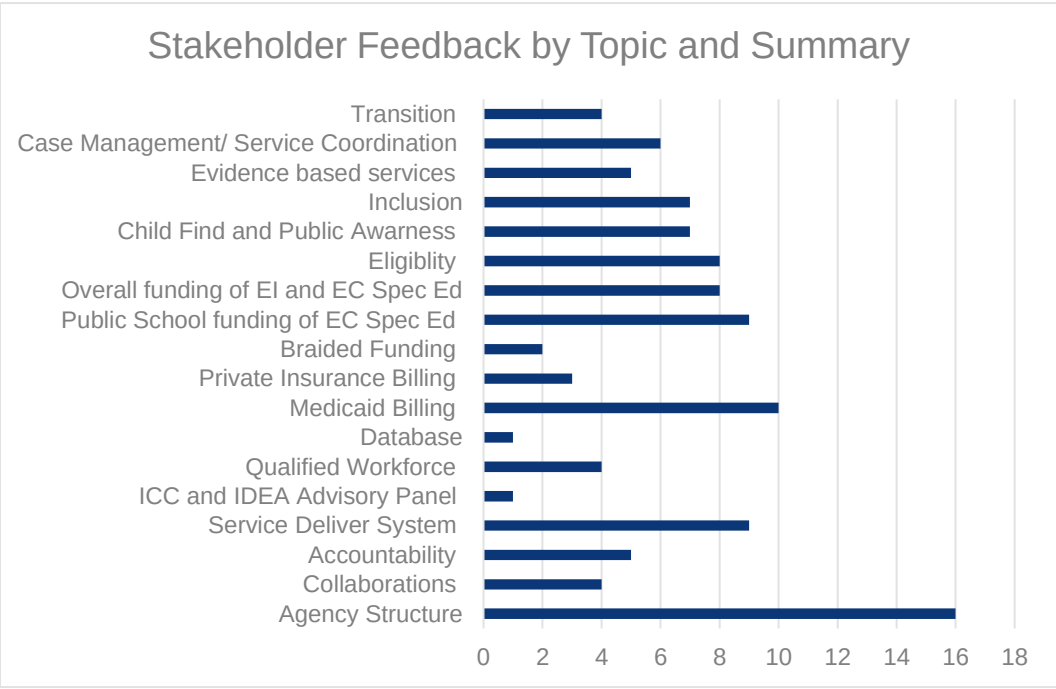


FIGURE 4. STAKEHOLDER FEEDBACK BY TOPIC AND FREQUENCY: ADVOCATES & STAKEHOLDERS



FORUM AND INTERVIEW RESULTS

Key themes captured from the focus groups and interviews have been organized into the following topical areas, categories and sub-categories.

TABLE 4. KEY FINDINGS FROM STAKEHOLDER DATA COLLECTION ORGANIZED BY THEMES

Topic Area:	Sub-categories:
Administration	***Agency Structure*** A regional structure can work well, if funded fully. York County is one example where therapists are used regionally. The thread that underlies it all is funding. There is an openness to a new structure for CDS. Every study conducted for Maine comes to a similar conclusion- the structure itself isn't the problem - its funding the structure that is the problem. It really doesn't matter if it's a 9-part system called CDS or something else, it has to be appropriately funded. Early Intervention is very important, and Maine must address these issues now or it becomes a K-12 issue which means increases in special education spending. Whatever changes happen across/ to the system they should be thoughtful and well planned. Suggested to conduct a pilot. If 'oversight' moves to school system, services would likely be limited due to capacity/ space. Most schools don't have physical space available. Parents are comfortable with services through the Department of Education/ schools since it would set them up for success when entering Kindergarten, school already knows child, child can be better positioned for success. Parents "have a lot of confidence" in local schools. Supportive of SAUs delivering Part B services. Funding, staffing, training needed, but many advocates expressed interest in moving to SAUs. Support expressed for schools to deliver Part B services, but funding is an issue. Some reported that funding and the SAU system are not ready to deal with 3- & 4-year old's. The actual school infrastructure has to be addressed. Concerns for school oversight: school schedule, needs of 3 and 4's is very different. Schools have more of an academic focus/ not Developmentally Appropriate Practices (DAP). Making a change to schools may require Pre-K degree or EC degree for teachers. Admin support would be critical.

	Some advocated for more collaborative approach with services offered in community-based settings as well as SAUs depending in the regional structure and local needs. In whatever changes happen, the quality of service and individual attention is critical. Family support model of service delivery should remain. Concern reported about adding CDS to schools since they are not even fully serving/ supporting Pre-K. Unsure how 3-5 year-olds could be added? A regional model, having perhaps child find, case management at CDS/ state level could work. Services moved out from state to local provider agencies but using some uniform structure (training/ TA). Would not want to get regionalized Special Purpose Preschools.
	Collaborations Some communities have created MOUs with other agencies to serve children. When they have to bill for something outside of the MOU, they work to come to agreement on payments. These MOUs get approval from state but no consistent rules that apply or guide the development. Mental Health consultation model is working well in one rural area. Support is needed to work out how to become a vendor with the state in order to be able to bill for services. Some examples of successful Head Start/ School System collaboration with Part B services. MOU in place and collaboration is going well. Interagency coordination is needed- DOE/ DHHS/ licensing Some areas have partnership with schools or other community-based programs. CDS has “slots” in some programs. It was recommended that state agencies need to improve collaboration. Whatever is done, the systems will have to be coordinated.
	Accountability Some concern over moving services out of CDS. Would want to ensure there are fidelity checks, know what is being delivered. This would have to be enforced for contracted providers too. Some challenges reported with maintaining agreements with outside provider agencies, some contracts were cancelled/ not maintained when outsourced. Programs/ providers aren't willfully NOT serving children, it's a system issue that is driving the delay in services.

	Services aren't being listed on IEP, they're being added to a separate "treatment plan" and being provided. Services then aren't being tracked for progress. Schools also aren't billing MaineCare for services that are Medicare eligible. The state system has a real problem in that services listed on IFSPs and IEPs aren't being delivered due to lack of providers. It's widely known that there's a wait list for services.
	Service Delivery System Participants shared that a combination of state staff and contracted staff works well, however, one of the challenges is that CDS has one method of service delivery for Part C services, the coaching model. While this is an evidence-based approach to service delivery, some participants feel this approach is too prescribed and doesn't meet the needs of every family or child. Once children get to schools there's less opportunity for inclusion. Schools would just have another version of Special Purpose Schools. The biggest issue is reducing the wait list. The system needs to be more responsive to the needs of the children and families being identified. Case management should remain with CDS. Caseloads are high, waiting list for services. The actual work for management of services should be done by CDS staff, including transitions. Families haven't "seen" another model. They don't know that they could be advocating for other/ different service placements that are more inclusive, such as in Head Start. Special Purpose Schools have been able to monopolize services and many parents don't understand what options they have. It will be critical that the system and workforce understand the difference between play based/ Developmentally Appropriate Practice (DAP) approaches to learning vs. push down model from K-12. Recommendations should include partnerships with community-based services- need to include language about making settings DAP for young children. Part C Programs have ratios of 6 students and 6 adults, or 1:1. Parents reported being confused about their child having two different plans – an educational plan (IFSP) and a treatment plan. Has been explained to families that the educational plan is worked on separately from the "medical" goals. In the best possible system, children receive services in the Least Restrictive Environment (LRE). Children shouldn't be waiting for services,

	a flexible system, a fully funded model should exist. The system needs to be more agile. Reported that false information is given to parents about placement decisions/ options and what is “best” for their kids, especially as it relates to inclusion. “Isolated” settings like Special Purpose Pre-Schools are promoted as the best option when they do not typically provide an inclusive setting.
	ICC and IDEA Advisory Panel It was reported that the state ICC ended under the LePaige administration and it hasn't reconvened. Parent voice/ local support for Part C is especially hard to maintain.
	Qualified Workforce There is a waiting list of children not getting services because of lack of staff to serve. The system of providers has lots of turnover. Families reported having to go on a waiting list for SLP and OT services and the wait can be a couple of months. Staff working with young children need to have EC background/ experience. Speech Language Therapy (SLT/ SLP) is an area of great need. Not enough workforce to support. In a few select areas, schools are providing SLP for CDS. Whatever the model, appropriate staffing is critical. Recommended that any program leadership supporting any Part C or B service model needs to have pre-k/ EC background.
Funding and Data Collection	***Database*** Currently the CDS is utilizing a database Yahasoft for case management and performance measure reporting. Some components of the system aren't being used; paper driven process for parts that could be improved. Authorization and billing tool primarily. Billing is pulled from service delivery log.
	Medicaid Billing Some schools are billing Medicaid, but most aren't due to risk of pay backs/ audits from the past. There are inconsistencies in what's working/ being billed between Medicaid billing sections. Suggestion to take school-based services,

	delete them, move bill codes into Section 106. Providers can't bill off the educational plan which typically have 30 hours vs. the educational plan (IFSP). Case management services not billable under MaineCare, if services go into SAUs, these coordination services are not medically required. As soon as CDS/ providers admit a child, they are encouraged to be added to MaineCare. Several suggested that the state needs a billing mechanism for Medicare that is more automated. Providers need to be able to bill for billable services. Everything is currently being billed under "Specialized Instruction" and this may create an auditing issue. MaineCare pays more for services per hour than CDS pays. MaineCare billing codes that don't clearly distinguish placement of services - can't tell between school-based services and community based. Programs/ providers aren't billing MaineCare for services. It was suggested that Maine needs leadership from the Governor's office to tell CDS and MaineCare to work together as there is a reported lack of communication.
	Private Insurance Billing There is a reported lack of awareness for parents on what is covered/ available through CDS vs. billing private insurance. Some providers reported delivering 60 min of therapy - only billing for 30 min because only direct service time can be billed.
	Braided Funding There is an EDUCARE model in the state and they are seeking to expanded through legislative efforts (this includes Head Start, Child Care Subsidy, Public Preschool, Private funds). Some PreK programs in the state have reached out to community-based programs to resource share/ serve children. These models are focused on lower income, not disability though.
	Public School funding of Early Childhood Special Education There's some misleading information circulating about funding. Schools want to serve, but funding is an issue. Need to know true cost of delivering services.

	Overall funding of Early Intervention and Early Childhood Special Education Maine has a resource problem. The current system can work, it just isn't funded. Should analyze the issues not just transfer to SAUs.
Service Delivery	***Eligibility*** Current eligibility for early intervention is one of the strictest in the country (requiring 2 standard deviations). Low identification rates for EI, becomes an issue for public schools when they are identified.
	Child Find and Public Awareness Currently CDS is serving a low percentage of children compared to other states nationally. Not being eligible for CDS doesn't mean child is on track. In one example, Washington County, which is very rural, there are very limited service options due to remote location and lack of awareness. There are very "few eyes" on children. Lack of qualified staff is a huge issue. CDS can't hire/ find people. The frequency/ intensity of services being available is a problem. Especially for children with autism/ behavioral needs. Narrow eligibility increases later SPED costs since children aren't being identified. 2/3 of children referred aren't eligible for services. The system needs to increase access. They need "no wrong door". There should be some regional influence for child find efforts since areas of the state vary so much. Many report good collaboration between CDS and pediatricians. Information is reaching families and children are being referred from this source. It was reported that the system itself is a problem. Folks aren't even referring. It's widely known that there's a narrowed eligibility/ lack of service providers so referrals aren't being made. Some sites are trying to give referral source feedback. Awareness of CDS is an issue. Across the state, it isn't well known. The general public isn't aware of CDS's services. The general public typically can't find a phone number to call for regional services. Need to create more of a presence.

	Some interest in bringing Help Me Grow to Maine.
	Inclusion Once children get to schools there's less opportunity for inclusion. Schools would just have another version of Special Purpose Schools. Some classrooms have no inclusion and others have typical peers, but not meeting 50:50 ratio. Having typical kids impacts ability to bill for more children with disabilities and takes up space. Inclusion kids are private pay. Some, not all providers go into childcare to deliver services at childcare centers. Majority of parents report they do not have inclusive opportunities for their children. Inclusion isn't happening across the state and in order to "get it right" state-wide training would be needed in order to serve/ provide inclusive programming. "Inclusion is an IEP team decision" and it needs to be happening. Needs to the preferred education placement.
	Evidence-based services CDS is very family focused. Parent had great SLP in-home services and SLP at childcare, using coaching model. Good support for family in working with childcare. CDS uses a Coaching Model but this can be challenging to implement with some families and it's a challenge to implement in childcare. More training is needed. It was reported that a child in CDS may need some direct services, but only gets coaching model. Families may want/ need more but only get coaching model. This is the CDS model; its what families get. Concerns that families get pushed into this model without consideration of what the family may need/ want. The issue is more about fidelity and implementation of the model rather than the model itself.
	Case Management/ Service Coordination Local providers and families need to have the ability to help determine services when IEP is being developed. Currently, providers aren't always invited to the meetings. Often when parent input is provided, it's not a real choice. There may be two options and one is full. Services are driven by what's available, rather than what the child needs. Children who have challenges, especially behavioral needs truly are challenged to find appropriate placement.

	Inconsistencies exist between the education plan (IFSP) and treatment plans being created by provider agencies. Determination about level of services child will get often happens before a child is referred to provider- done by CDS along with family- separate from Special Purpose Provider. Evaluations are being completed, but there's not enough providers in place to deliver services.
	Transition Getting transitions in on time is a challenge. Some challenges are related to barriers between Part B and C. Part C staff has high caseloads.

III. EARLY INTERVENTION – IDEA PART C

This section of the report will focus on early intervention services provided to infant toddlers and their families (Birth to age 3) in accordance with the Individuals with Disabilities Education Act (IDEA) Part C

NATIONAL EI PART C TRENDS, MODELS & OTHER STATES

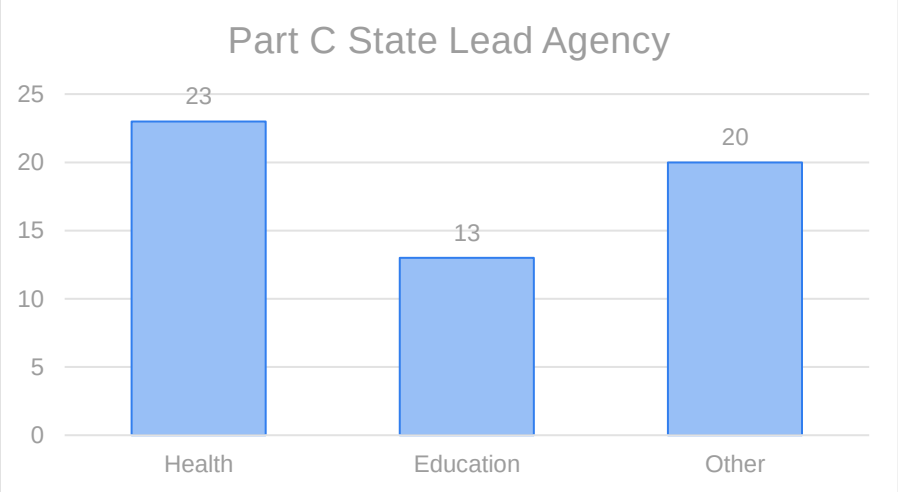
Governance and Administration

a) Lead Agency / Regional Structure

Under the Individuals with Disabilities Education Act (IDEA) states are required to select a lead state agency to administer a statewide system of early intervention services. The lead agency is designated by the state's governor to receive grant funds and to administer the state's responsibilities under IDEA Part C.

Currently 23 state early intervention Part C programs are located within state Health Department agencies, 13 in state Education Department agencies and 20 in other state department agencies that include: early childhood, developmental disabilities, and human services. Some states have co-lead agencies meaning there is shared responsibility between state agencies.

FIGURE 5. NATIONAL SUMMARY OF PART C STATE LEAD AGENCIES



Several trends have a occurred nationally over the past several years which includes a move away from education lead agencies and an increase in the number of early childhood departments or offices that consolidate governance for multiple early childhood programs under one unified governance structure. Examples of this include New Mexico (NM) and Connecticut (CT) where the EI Part C program is now in a cabinet level early childhood agency. Other states have consolidated early childhood programs within an existing state department, including Washington (WA Children Youth & Families), Massachusetts (MA Public Health), and Colorado (CO Human Services). Pennsylvania (PA) created an Office of Child Development and Early

Learning (OCDEL) which resides within both the Departments of Human Services and Education. A recent report 'Early Childhood Governance: Getting There From Here'1 explores why early childhood governance matters stating, "*Truly changing the dynamic for children and families will require rethinking how the entire system works, which includes designing governance structures tailored to support the new system",* providing a decision guide for states. Being intentional about placement of EI Part C within the overall state governance for early childhood services is of importance.

In addition to lead agency differences across states, EI Part C programs also include differing administrative structures. Some states utilize a regional or county structure for administering programs with either state staff, counties or municipalities administering the program such as in New York state (NY). Several state programs however administer the program from a central office (including NM, MA, CT and CO) sometimes with staff assigned to support a number of provider agencies that may be in regions of the state.

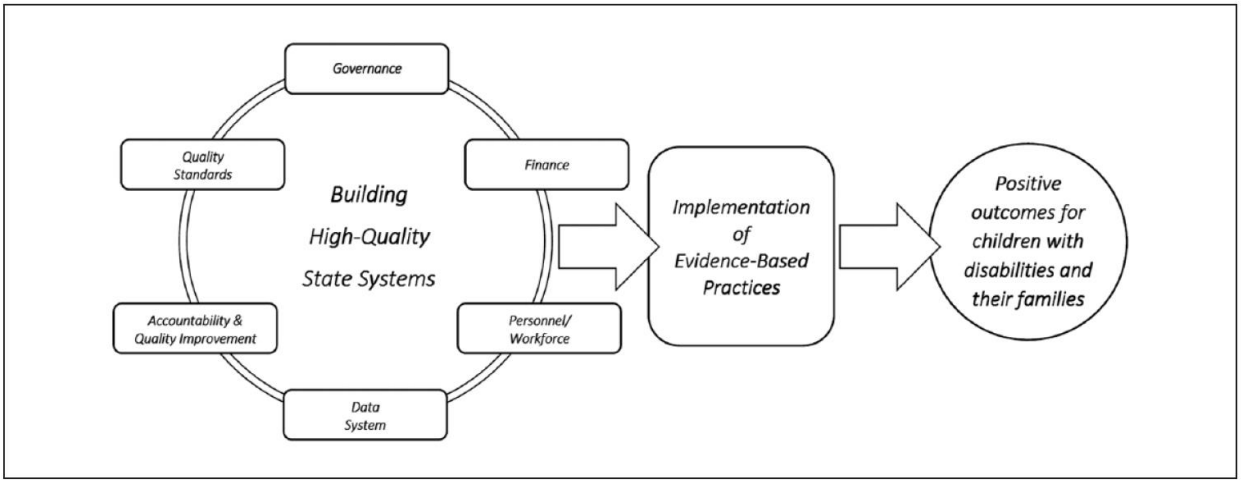
There is no empirical research on the effectiveness of different governance and administrative structures of state EI Part C programs. There is however some correlation between lead agency and performance measures such as child find, where 38% of Health and 47% of other state lead agencies meet or exceed the national average, compared to only 18% of Education lead agencies[2]. No matter the placement, one theme is consistent across high performing state EI Part C programs, and that is adequate funding. This will be explored later in this report.

The national Early Childhood Technical Assistance Center (ECTA) addresses governance as part of their System Framework[3] that provides a guide to state Part C *programs "in making certain there is established enforceable decision-making authority to effectively implement the statewide system and that leadership advocates for and leverages sufficient fiscal and human resources to support quality services throughout the state"* and includes quality indicators around vision, mission and purpose, legal foundations, administrative structures, leadership and performance management.

The ECTA work on governance was part of a larger effort to define a systems framework for high quality early intervention and preschool special education programs that includes governance, finance, personnel / workforces, data system, accountability and quality improvement. This system framework and the interrelated system can be seen as supporting implementation of evidence-based practices that lead to positive outcomes for young children with developmental delays and disabilities and their families as represented in the following graphic[4]

[1] Early Childhood Governance: Getting There From Here (June 2020) Elliot Regenstein https://www.flpadvisors.com/uploads/4/2/4/2/42429949/flp_gettingtherefromhere_061120.pdf
[2]IDEA Infant Toddler Coordinators Association 2018 Child Count Data Charts https://www.ideainfanttoddler.org/pdf/2018-Child-Count-Data-Charts.pdf
[3] Early Childhood Technical Assistance Center (ECTA) System Framework – Governance Component https://ectacenter.org/sysframe/component-governance.asp
[4] Kasprzak C, Hebbeler K, Spiker D, et al. A State System Framework for High-Quality Early Intervention and Early Childhood Special Education. *Topics in Early Childhood Special Education*. 2020

FIGURE 6. ECTA SYSTEMS FRAMEWORK



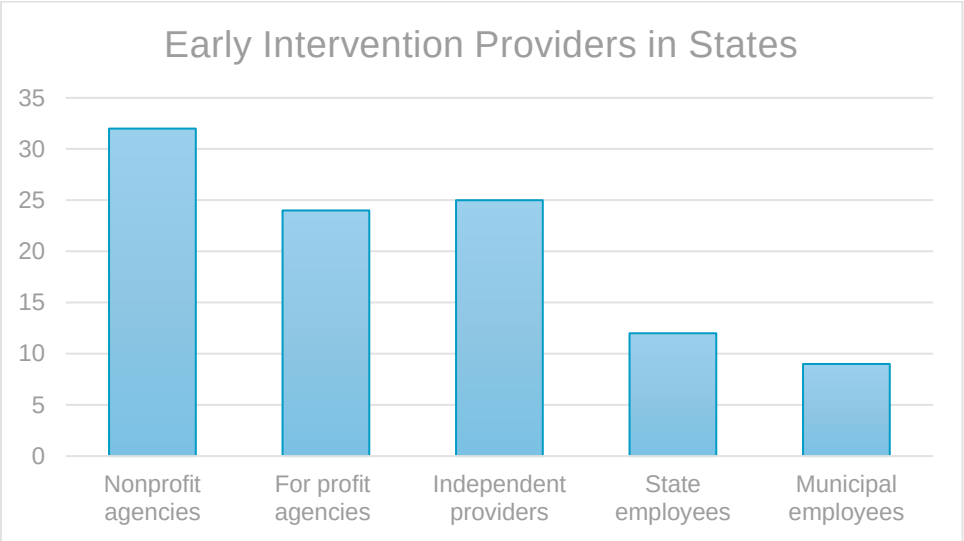
Several of the other systems components will be addressed below. The operating assumptions underlying the framework are that a well-functioning and adequately funded state system is essential to high-quality local service delivery and that the use of the framework will support states in moving toward improved systems which lead to better outcomes for children and families.

b) Service Provision / Structure

State EI Part C programs utilize a variety of structures to provide direct early intervention services. According to a survey conducted by the Infant Toddler Coordinators Association[5] thirty-two states (91.4%) use non-profit agencies and twenty-five states (71.4%) use independent private providers. Twenty-four states (68.57%) include for-profit agencies in their provider base, whereas only twelve states (34.3%) use state employees and nine states (25.7%) use municipal employees.

[5] Infant Toddler Coordinators Association "Finance Survey Report (2018) https://www.ideainfanttoddler.org/pdf/Finance-Survey-Report-Pt-4-fiscal-accountability.pdf

FIGURE 7. EARLY INTERVENTION PROVIDERS IN STATES

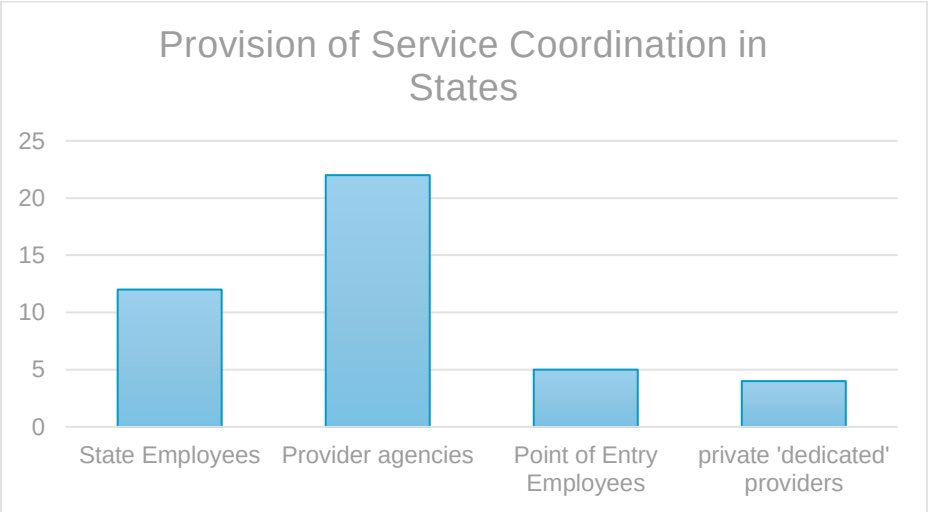


A number of states (NM, CT, MA, CO, TX) contract with provider agencies (non-profit, for profit and other organizations, including universities, educational cooperatives, tribal entities, municipalities, etc.) to provide the full range of early intervention services required under IDEA Part C, with the state maintaining accountability (data, monitoring, complaint investigations) as well as providing technical assistance to those agencies. State contracts for these provider agencies generally includes the assignment of a defined geographic area (county(ies), towns, region), with some states allowing more than one provider agency to serve a particular geographic area based on population size and capacity, where there is a need in a city or county to have two or more provider agencies sharing services across the service area based on the number of eligible children.

Service Coordination (case management) services are also provided in different ways by states. In a survey conducted by the Infant Toddler Coordinators Association[6] twenty-two states (51.2%) reported that service coordinators were employed by provider agencies, compared to twelve states (27.9%) that reported service coordinators were state employees. Additionally, in five states (11.6%) service coordinators are 'Point of Entry Employees' i.e. responsible for receiving referral and conducting intake. In just four states (9.3%), service coordinators are private contractors.

[6] Infant Toddler Coordinators Association 'ITCA Service Coordination Survey Report (Jan 2019) https://www.ideainfanttoddler.org/pdf/2019-Service-Coordination-Survey-Reports.pdf

FIGURE 8. PROVISION OF SERVICE COORDINATION IN STATES



C) Accountability - General Supervision / Data

IDEA Part C requires that states have a 'General Supervision' system in place to ensure that the requirements of the federal regulations and state rules and policies are met. This includes:

- An integrated state monitoring process for determining compliance and ensuring timely correction of any findings of non-compliance.
- A State Systematic Improvement Plan to improve outcomes for children and families through evidence-based practices.
- A performance measurement system that generates a Annual Performance Report.
- A dispute resolution system to respond to complaints and requests for due process hearings and / or mediation.
- A robust data collection system.
- State policies and procedures for staff and providers to follow.
- Technical Assistance to providers

The National Early Childhood Technical Assistance Center[7] has developed resources to support states to streamline and integrate these general supervision activities and has also developed a number of accountability and quality improvement indicators[8] that states can use to evaluate their general supervision system.

In order to report on performance measures, including federally required demographic data as well as for management and planning purposes, most state Part C programs have developed electronic and online data systems. Some state data systems are also using these systems for billing and claims purposes.

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[7] National Early Childhood Technical Assistance Center 'Interactive Guide to Streamlining and Integrating Part C General Supervision Activities: Monitoring and Program Improvement' https://ectacenter.org/topics/gensup/interactive/

[8] National Early Childhood Technical Assistance "System Framework – Accountability and Quality Improvement Component https://ectacenter.org/sysframe/component-accountability.asp

In 2016 all forty-seven states that responded to a survey from the Infant Toddler Coordinators Association reported that their electronic data system contains personally identifiable child level data for children receiving early intervention services. Forty-two (89%) included referral data and forty-six (98%) including eligibility data.

Nationally, a number of states are developing Early Childhood Integrated Data Systems (ECIDS) across a range of early childhood programs for children prenatal to five to allow for planning and management of resources. There are a number of models[9] for building an ECIDS (centralized, federated and hybrid) that can fit the governance structure for early childhood in the state.

D) Interagency Coordination Council (ICC), Collaborations and Agreements

IDEA Part C requires that states establish an ICC with defined membership, including 25% parents and 25% providers, who are appointed by the Governor. The ICC must hold public meetings at least quarterly and states may use IDEA Part C grant funds to support the operations of the ICC, including hiring staff.

IDEA Part C is also required to demonstrate that it has agreements in place with other state agencies including but not limited to: Medicaid; Child Protective Services; Department of Education (for transition to Part B-619 services) as well as other providers of early intervention (e.g. state schools for children who are deaf or hard-of-hearing and children who are blind or visually impaired.)

TABLE 5. SUMMARY OF STATE PART C GOVERNANCE AND ADMINISTRATIVE STRUCTURES

State:	State Structure / Approach – Governance and Administration:
Colorado	• EI (EI Colorado) is located within the Office of Early Childhood (within the Department of Human Services) along with child care; home visiting, Infant Mental Health, Head Start collaboration. • No regional structure – state staff provide • Contracts with 20 non-profit Community Center Boards (CCB) that serve between 1- 10 counties. • CCBs provide all EI services and service coordination. • The CO ICC meets regularly and publishes minutes. CO also has local ICCs.
Connecticut	• EI (Birth To Three) is located within a cabinet level Office of Early Childhood and within a Family Support Division, along with home visiting. • Childcare and Pre-K are also with the Office of EC • No regional structure. State staff support provider agencies – staff are designated at subject matter experts • Contracts with 19 provider agencies serve a group of towns (no real county structure in CT). More than one provider can serve a town if population demands.

[9] National Center for Educational Statistics (NCESWhich ECIDS System Model is Best for our State ECIDS? https://nces.ed.gov/programs/slds/pdf/ECIDS_System_Model.pdf

	• Provider agencies provide all EI services and service coordination.
Massachusetts	• EI is location within the Bureau of Family Health & Nutrition (within the Department of Public Health). The bureau includes WIC, home visiting and early education and care. • No regional structure. State staff are assigned to support provider agencies. Staff are located throughout the state. • Contracts with 59 provider agencies that serve a catchment area (number of towns. Based on population size more than one provider can serve a town. • Provider agencies provide all EI services and service coordination. • Strong ICC with co-chairs and published meeting notes.
New Mexico	• EI (Family Infant Toddler Program) is located within the newly formed cabinet level Early Childhood Education and Care Department, along with home visiting, childcare, Pre-K, Head Start Collaboration. • Regional structure (5) with staff assigned to support provider agencies with their region. • Contracts with 34 provider agencies that service 1 or more counties. More that one provider agency can be assigned a county based on population. • Provider agencies provide all EI services and service coordination. • ICC is very active with a strong provider and parent voice (supported through Parent training center) and contracted ICC coordinator.

Funding

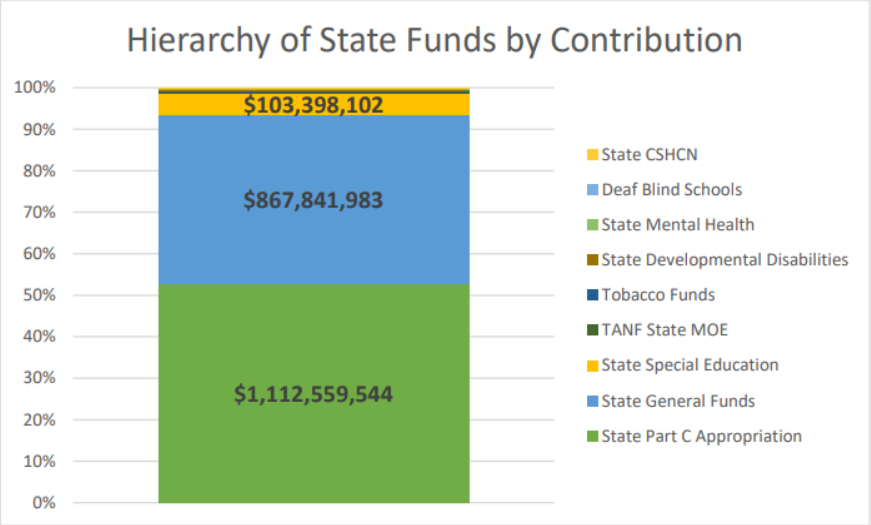
States submit an annual application to the US Department of Education for grant funding under IDEA Part C that is then allocated to each state based on the child population for the state. IDEA Part C funding is often referred to as the 'glue' for the provision of early intervention to all eligible infants and toddlers (birth to age 3) in the state, with the expectation that the state lead agency will coordinate a system of funding that may include: state and local funds; other federal funds including Medicaid (i.e. public health care funding); private health care insurance, and family cost participation, including family fees. While there are no matching costs associated with the IDEA Part C grant, states are required to show a maintenance of effort i.e. that the state and local funding is not reduced year to year.

a) Revenue

IDEA Part C - The total IDEA Part C funds allocated to states and territories in Federal Fiscal Year 2019 was $470,000,000, with the allocation for Maine (based on child population) being $2,301,492. Part C funds can be used for state agency administration (salaries and benefits), operating costs, data systems, public awareness, training and technical assistance etc. as well as direct early intervention services.

State Funds – The total state funds contribution reported[10] by state Part C programs is $2.1 billion, which is 52.2% of the total revenue reported. Thirty-three states (70.2%) reported receiving state general funds, with twenty-five states (53.2%) reported receiving a specific state early intervention appropriation. Thirteen states (27.6%) received both. There were six other funding sources reported which made up only 6% of state revenue.

FIGURE 9. HIERARCHY OF STATE FUNDS BY CONTRIBUTION

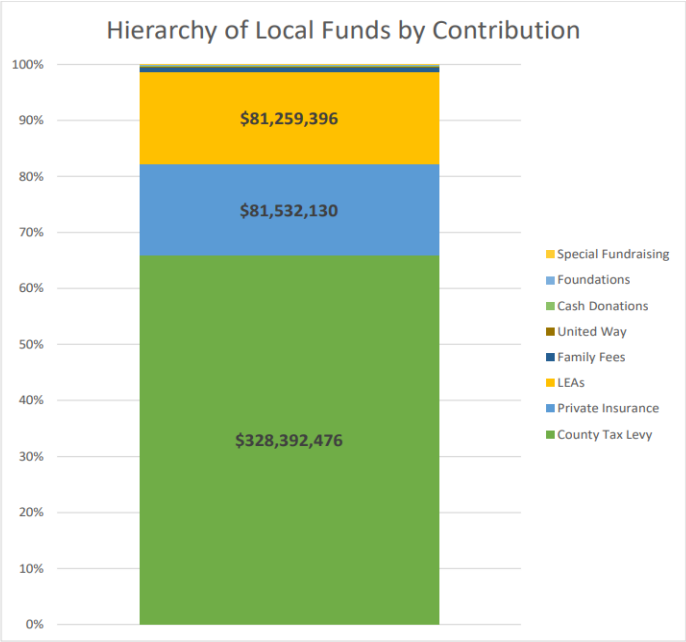


Local costs – States also reported[11] the use of a variety of local funds, totaling $517.6 million, which was 12.8% of the total revenue reported. County tax levy was the largest local funding revenue source at 63.4%, followed by private health insurance at 15.7% and local school districts at 15.6%.

[10] Infant Toddler Coordinators Association - 2018 Finance Survey Report https://www.ideainfanttoddler.org/pdf/Finance-Survey-Report-Pt-1-Executive-Summary-Fund-Utilization.pdf

[11] Infant Toddler Coordinators Association - 2018 Finance Survey Report

FIGURE 10. AMOUNT AND PERCENTAGE OF LOCAL COSTS



Medicaid – Nationally, Federal Medicaid fund revenues are $848 million, which is 35% of the total revenue reported by states. However, it is thought that this is an undercount as not all states can accurately account for all Medicaid revenue if billing is done at the local level.

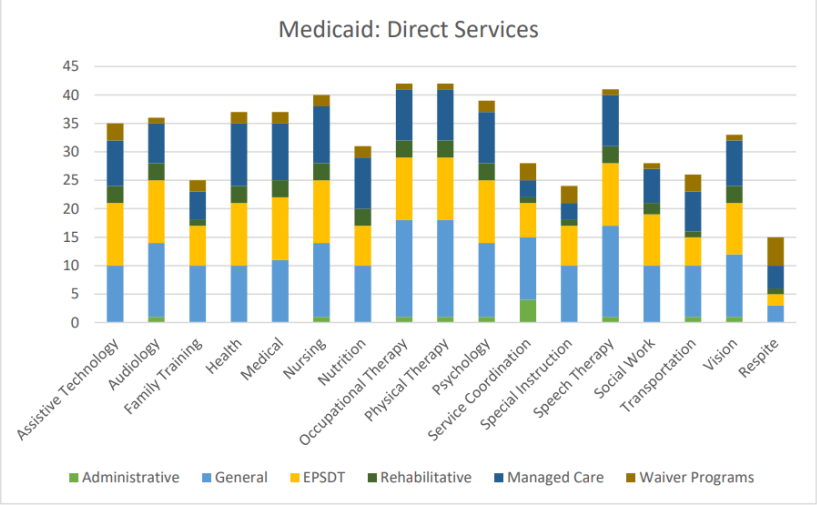
Medicaid is managed regionally by the Centers for Medicare and Medicaid Services (CMS) and state plans are approved by CMS. State plan differences and varying early intervention services and service models often result in differences in the early intervention services that are reimbursed under Medicaid from state to state. Also, Medicaid funding for early intervention may be under different forms of Medicaid, including: EPSDT (Early Periodic Screening, Diagnosis & Treatment); managed care; waiver programs; rehabilitative; general Medicaid state plan; and may include administrative claiming.

The following graphic [12] shows the number of states (N = 37) that utilize the various forms of Medicaid to fund IDEA Part C early intervention services

Note: 'Respite' is not a required IDEA Part C services). 27 (73%) states are reimbursed by Medicaid for 'special instruction' and 30 (81%) are reimbursed for service coordination.

[12] Infant Toddler Coordinators Association 2018 Finance Survey
https://www.ideainfanttoddler.org/pdf/Finance-Survey-Report-Pt-2-public-private-insurance-family-fees.pdf

FIGURE 11. SUMMARY OF STATES USING MEDICAID FUNDED DIRECT SERVICES



Private Health Insurance – An increasing number of states are reimbursed for early intervention services through private health insurance generating $81.5 million nationally (2% of the overall revenue). Sixteen states (46%) that responded to a national survey[13] (N = 35) stated that the have statutory language in place requiring private health insurance plan coverage of early intervention services. Additionally, twenty-two states (85%) responded (N = 26) there was no cap on payment, while four states (15%) indicated there was a cap that ranged from $3,000 to $6,500.

Family Fees – Along with accessing a family's private insurance with their consent, states can also apply a family fee under the IDEA Family Cost Participation regulations. The amount of revenue generated from family fees nationally is very small. Seventeen (48%) of states (N = 35) responding to a survey[14] reported charging family fees that ranged from an annual fee (1 state); monthly fee (7 states) and co-pay per service (3 states). States use a range of family income to determine their fee structure based on a percentage of the federal poverty level ranging from 185% FPL to 400% FPL. Several states have stopped billing family fees due to the cost of administration compared to the small amount of revenue generated.

b) Billing Mechanisms

State Part C programs reimburse providers of early intervention services in a number of different ways including fee-for-service (hourly or 15 minutes units) , capitated rate (monthly rate per child); vouchers; grants; contracts and central finance (often including a pay and chase process). Medicaid and Private Health Insurance plans typically reimburse on fee-for-service,

[13] Infant Toddler Coordinators Association - 2018 Finance Survey Report https://www.ideainfanttoddler.org/pdf/Finance-Survey-Report-Pt-2-public-private-insurance-family-fees.pdf
[14] Ibid

although some Medicaid reimbursement is also paid as bundled rate or capitated rate. According to a survey conducted by the Infant Toddler Coordinators Association[15] (N=35) the majority of states 32 (91.4%) responding to the survey utilized contracts (sometimes with a funding formula) followed by Fee-for-Service, 18 (51.4%).

FIGURE 12. STATE PART C PAYMENT METHODOLOGY

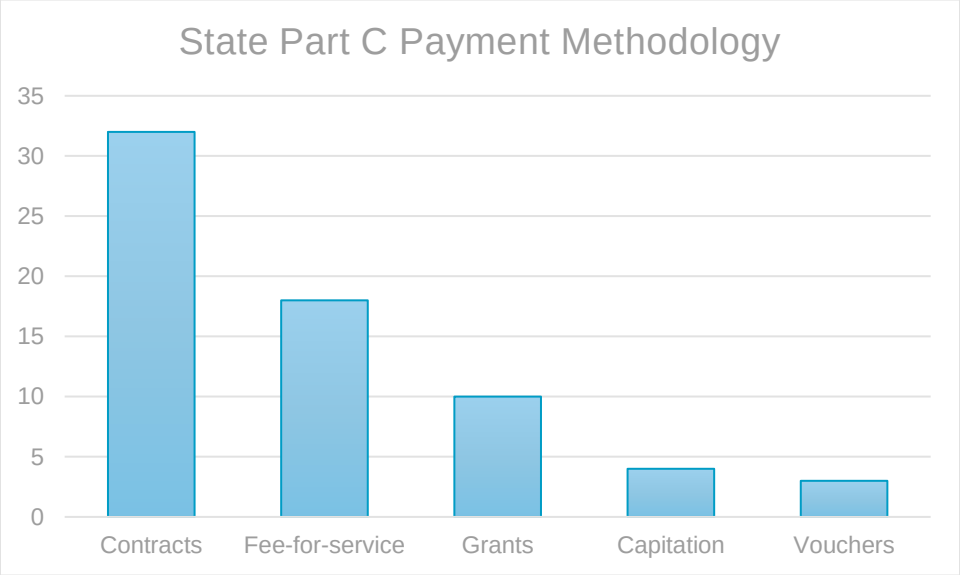


TABLE 6. FINANCE

State:	State Structure / Approach – Finance:
Colorado	• CO has an EI Trust fund. • Currently provider agencies bill Medicaid and private insurance directly. They report their revenue collected in their invoice to the state. Planning to have a central billing system where providers would bill CO EI, which would then bill Medicaid and private insurance (i.e. pay and chase) • Currently a cost reimbursement based on a budget submitted by provider agencies. • Medicaid rates are higher except for Speech and Language. • Medicaid pays match (seed). • Targeted case management is billed to Medicaid. • Lack of modifier makes tracking expenditures challenging. • Providers bill private insurance. TRICARE (military) is big payor in some communities.
Connecticut	• EI moved from capitated (bundled) rate to fee-for-service. • Service coordination is funded as part of other services (evaluation, assessment, IFSP meeting, EI treatment). • Private insurance legislation in place.

[15] Ibid

	• Central billing in place for private insurance and Medicaid – billing agent reduces administration for provider and states and maximizes reimbursement. • Instituted family fees some time back due to deficit. Did see drop in enrollment.
Massachusetts	• Same rate paid for state, Medicaid and private insurance (Fee-for-service). • Private insurance legislation in place. Provider agencies bill. • Service coordination funded as part of services. • No family fees.
New Mexico	• Central billing system (Fee-for-service) – billing agent processes claims to Medicaid and private insurance. • Private insurance legislation in place – pay a chase where provider agency is reimbursed by state and the state chases the private insurance claim. • Same rate for state and Medicaid and same rate billed to insurance (reimbursement sometimes reduced). • No family fees.

Service Delivery

a) Child Find

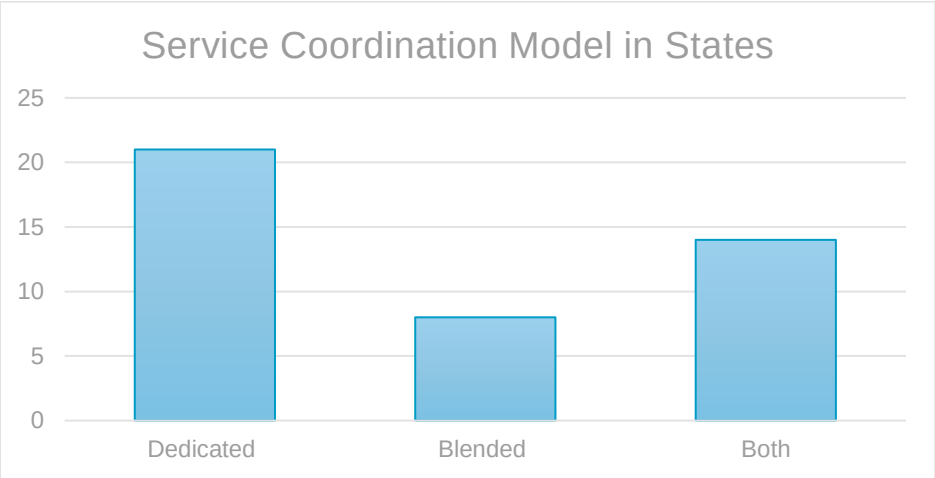
IDEA Part C requires states programs to conduct child find and public awareness to identify infants and toddlers who may be eligible based on a developmental delay or disability and to inform potential referral sources (medical, early childhood and social services providers), as well as families themselves, of the importance of referring early. Once a referral is received, state Part C programs are required to ensure that children receive a timely evaluation to determine their eligibility. If eligible, the development of an Individualized Family Service Plan (IFSP) must occur within 45 days of the referral.

States are measured on their performance related to child find based on the percentage of children served birth to 1 and birth to age 3. Data is collected on both a one-day count (e.g. number on children served on Dec. 01) and a cumulative count.

b) Service Coordination

In the Governance section above, we addressed whether service coordination is provided by state employees or provider agencies. In addition, states also must determine whether service coordinators can provide other early intervention services (blended model) or service coordination only (dedicated model). In the ITCA survey (2019), twenty-one states (48.8%) indicated they use a dedicated model of service coordination, eight states (18.6%) use a blended model and fourteen states (32.6%) use both models.

FIGURE 13. SERVICE COORDINATION MODELS



National Research has shown that a dedicated service coordination model has proved less effective in ensuring the use of parent and professionally valued practices developed under the Research and Training Center on Service Coordination (Bruder et al., 2005)[16] and (Dunst, C.J., & Bruder, M.B. (2006)[17]

c) Service Delivery Model

The Federal IDEA Part C regulations require that states' policy "ensures that appropriate early intervention services are based on scientifically based research" and states are also federally required to develop a State Systematic Improvement Plan (SSIP) to promote the implementation of evidence-based practices in the delivery of services to young children with developmental delays and disabilities that will lead to improved developmental outcomes.

A number of states have adopted the nationally developed and agreed upon *'Seven Key Principles and Practices for Providing Early Intervention Services in Natural Environments'*[18] that was developed by national experts, parents, state Part C Directors, technical assistance providers, service providers and the US Office of Special Education Programs (OSEP) representatives. These key principles and practices are often incorporated in guidance documents and training and other professional development opportunities

Number of states have also adapted a particular model or approach[19] to early intervention service delivery, sometimes including specific training and / or certification. Examples include:

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[16] Bruder, M.B. (2005). Service Coordination and integration in a developmental systems approach to early intervention.pdf In M.J. Guralnick, (Ed.), The developmental systems approach to early intervention. Baltimore, MD: Paul H. Brookes Publishing Company
[17] Dunst, C.J., & Bruder, M.B. (2006). Early intervention service coordination models and service coordinator practices.pdf Journal of Early Intervention.
[18] Early Childhood Technical Assistance Center https://ectacenter.org/topics/eiservices/keyprinckeyprac.asp
[19] Early Childhood Technical Assistance Center https://ectacenter.org/topics/eiservices/approaches-models.asp

- Primary Coach Approach to Teaming or Primary Service Provider with Coaching - Dathan Rush, M'Lisa Shelden;
- Routines-Based Early Intervention (RBEI) - Robin McWilliam;
- Everyday Children's Learning Opportunities - Carl Dunst and Puckett Institute;
- Family Guided Routines Based Intervention (FGRBI) and Caregiver Coaching – Juliann Woods

In 2014, twenty-eight (76%) states (N = 37) were using a primary service provider approach either statewide or in some areas of the state.

Training / Workforce Capacity

IDEA Part C requires that states must have a comprehensive system of personnel development (CSPD), including the training of early intervention personnel, promoting the higher education preparation of students to enter the early intervention field, and development of personnel standards.

A number of states partner and contract with universities and other programs to provide training, develop curricula and a host online training modules relating to recommended and evidence-based practices in service delivery. As mentioned above, some sates fund training and support from national experts and centers. Some states develop and provide training using state employees. Other states certify trainers and have them provide training at the regional, local or provider agency level.

The Early Childhood Technical Assistance Center in collaboration with the Early Childhood Personnel Center[20] have has developed a number of CSPD quality indicators including: Leadership, Coordination and Sustainability; Personnel Standards (certification; licensure, credentialing and endorsement); Preservice (higher education) Personnel Development; Inservice Personnel Development; Recruitment and Retention; and Evaluation.

Some states are incorporating practice-based coaching[21] as a way to support the adoption of effective and evidence-based practices. This often includes the feedback from an experienced coach who observes the practice either in person or increasingly though the use of video. The coach and the practitioner agree upon the practices that they will focus on improving over time.

TABLE 7. STATE EXAMPLES

State:	State Structure / Approach – Training/ Workforce Capacity:
Colorado	• CO doesn't use a particular model. • Recommended practices are incorporated into training. • Central office creates materials and Community Center Boards do outreach and receive referrals. • Contract with entity to conduct outreach with NICUs. • Partnership with ABCD project for outreach to medical offices.

[20] Early Childhood Technical Assistance Center Systems Framework Personnel / Workforce Component https://ectacenter.org/sysframe/component-personnel.asp
[21] https://ectacenter.org/~calls/2017/learninglab.asp

Connecticut	• CT utilizes a primary teaming approach (Rush and Sheldon). • Provider agencies had to describe how they would provide services in the RFP using this approach. • Use of master coaches to promote effective practices. • Child find is conducted centrally in partnership with Help Me Grow and 211 line. • All referrals are submitted centrally.
Massachusetts	• MA utilizes the national Key Principles and Practices, rather than a model. • Contract with universities and individuals, as well as state staff to conduct training. • Supervisors are trained in reflective supervision. • Provider agencies do child find and outreach. • State develops marketing materials and has strong relationship with birth hospitals and NICUs.
New Mexico	▪ NM utilizes the Family Guided Routines-Based Intervention model and transdisciplinary team approach. ▪ Use of video in practice-based coaching. ▪ Contract with universities to provide training and TA through state staff. ▪ Wide variety of state level marketing materials – sent to provider agencies and referral sources. Strong brand image. ▪ Provider agencies do outreach to referral sources.

REVIEW OF CDS - EARLY INTERVENTION (PART C) SERVICES

Governance and Administration

a) Lead Agency / Regional Structure

Child Development Services (CDS) is a quasi-state agency under the supervision of the Department of Education. While CDS is administratively under the DOE for budget purposes, it currently independently procures and develops contacts, hires and pays staff and makes payments to contractors and vendors. CDS has its own accounting system and is audited separately from DOE. Collaboration and alignment with special education services under the DOE has significantly increased over the past year.

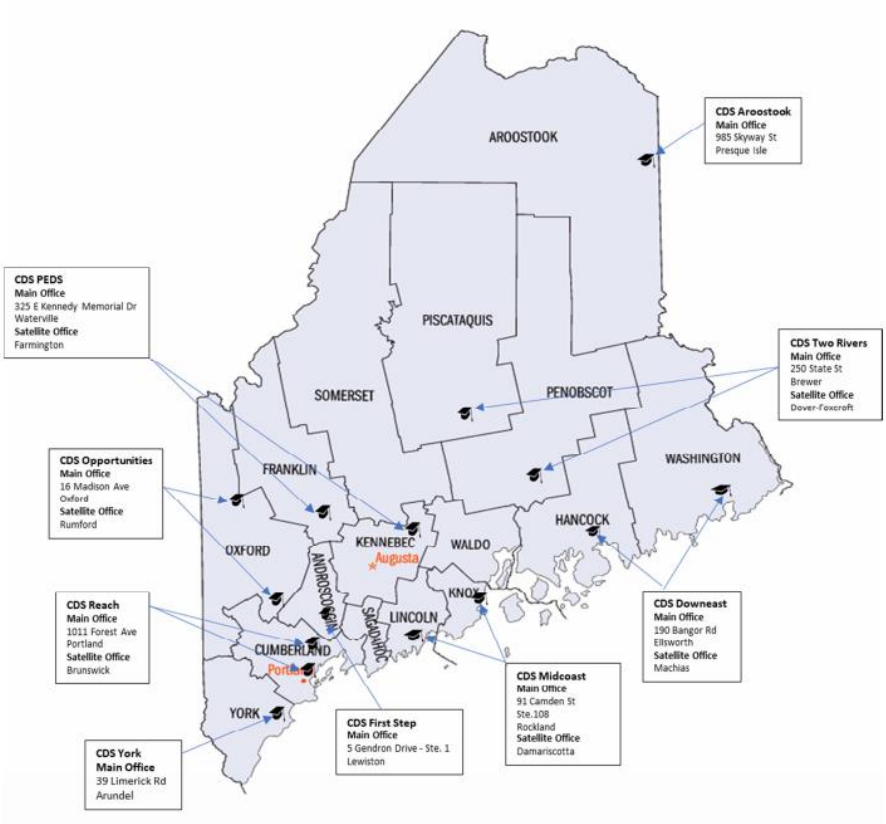
CDS is responsible for federal accountability and reporting to the US Office of Special Education Programs (OSEP) in accordance with IDEA Part C, including: 1) the annual IDEA Part C application (including assurances); 2) Annual 618 data submission; 3) Annual Performance Report 4) State Systematic Improvement Plan. CDS is responsible for the administration of a statewide system of early intervention in accordance with the provisions and requirements of IDEA Part C including ensuring compliance with federal and state regulations.

CDS has a regional structure with 9 regions that are somewhat aligned with counties although some towns in a neighboring county that are closer geographically to a CDS regional office have been assigned to that region. This mix of counties and towns does not allow for county

population comparisons. While there is a town look up Excel spreadsheet on the CDS website, a closer alignment to counties may help informing medical providers where to refer.

Due to the current service provision system (addressed below) CDS currently has a number of administrative staff and direct early intervention staff (therapists, service coordinators, special instruction teachers) in each regional office, with a total of 285 FTE (331 positions) in FY20 including both Part C and Part B-619. The following map shows the 9 CDS regional office sites, including 6 satellite offices. Currently, several CDS managers are regional site directors for more than one region, which brings into question whether there could be fewer regions, aligned with counties, for management, accountability and planning.

FIGURE 14. MAP OF CDS REGIONAL OFFICES



CDS has made changes to exert significant oversight over the regions, having centralized all high-level administrative functions at the central office including, developing, overseeing and monitoring all contracts.

b) Service Provision Structure

CDS provides early intervention through a combination of CDS employees and contractors. Statewide 69% of services are provided by state staff, compared to 31% by contractors. Contractors tend to be independent therapists, psychologists, etc. rather than provider agencies responsible for the full range of early intervention services for children and families living within a defined geographical area. Regional offices develop contracts with providers as needed to

meet the demand for services and whether it makes sense to hire a staff or contract for that service.

Just over 98% of early intervention services are provided in the child's 'natural environment' i.e. the home, community (park, playgroup, etc.) or an inclusive child care or Early Head Start center if that is where the child is during the day when the parents are working or in school.

Service Coordination is provided by CDS employees rather than by provider / contractors and there are 29 service coordination FTEs statewide located within each of the regional offices.

Accountability - General Supervision / Data

CDS provides general supervision (monitoring, findings, timely correction of noncompliance) conducted by the CDS central office staff who review the compliance of the CDS regions in accordance with the requirements of IDEA Part C. This presents an inherent potential conflict of interest where CDS is monitoring itself. In FY 2019 CDs made 10 findings of non-compliance (timely delivery of all services with 30 days =4; IFSP developed with 45 days of referral= 6). All findings were corrected within one year. There is no evidence that this has led to non-citation of findings, a clearer line of accountability would be established if early intervention services were provided by contracted provider agencies, rather than primarily by CDS. The use of contracted provider agencies is a common model nationwide and is used by the following peer states reviewed: CO, CT, MA, and NM. I service provision of early intervention remains with CDS the state could contract with an outside entity to conduct the required monitoring.

CDS did not receive any formal complaints, request for due process hearings or mediation in fiscal year 2019 (July 2018 – June 2019).

CDS utilizes an online data system known as CINC (Child Information Network Connection) which is used to generate data for administration, planning and performance management. This data system generally provides the data needed for these functions; however, it may need to be enhanced or upgraded if the state decides to enhance private insurance claiming and to maximize Medicaid billing.

CDS received a 'Needs Assistance' rating from the US Office of Special Education Program based on the results reported in the Annual Performance Report (APR) that includes ten (10) compliance indicators and results data. As CDs has received needs assistance for 2 consecutive years, OSEP is making available technical assistance to CDS in the coming Year that must be reported on in the next APR.

Just as OSEP determines whether the state meets compliance, CDS is required to determine if each 'Early Intervention Service' program (In CDS's case this would be each CDS region) "meets the requirements" of Part C, or "needs assistance," "needs intervention," or "needs substantial intervention" in implementing Part C of the IDEA. Currently, the performance measure report in not posted by CDS region. Again, a provider agency system would allow for greater accountability regarding performance and compliance with potential report cards able to be developed and published on each provider agency.

c) Interagency Coordination Council (ICC), Collaborations and Agreements

CDS has developed collaborations with a number of early childhood programs, with the state CDS director (at the time of this report) participating in the Maine Children's Cabinet; the Preschool Development Grant Birth – 5 and other interagency initiatives. CDS also works collaboratively with the Maine Education Center for Deaf and Hard of Hearing, Maine Families Home Visiting, Early Head Start, and Maine Autism Institute for Education and Research, with regards to referral and coordination of services.

Over recent years, the Interagency Coordinating Council (ICC) has lacked membership and has been without a chair and or executive committee to set the agenda and facilitate the meetings. Much of the coordination has fallen to the CDS director. The ICC needs to be reinvigorated to meet the federal requirements and to assist the Part C program in moving forward. Funding for a part time coordinator or staff person to support the ICC may be needed and is permissible under Federal IDEA funds.

Part C Funding / Cost Study

The following section includes data and analysis that was collected and reported more fully in the published Maine Early Childhood Special Education Cost Study.

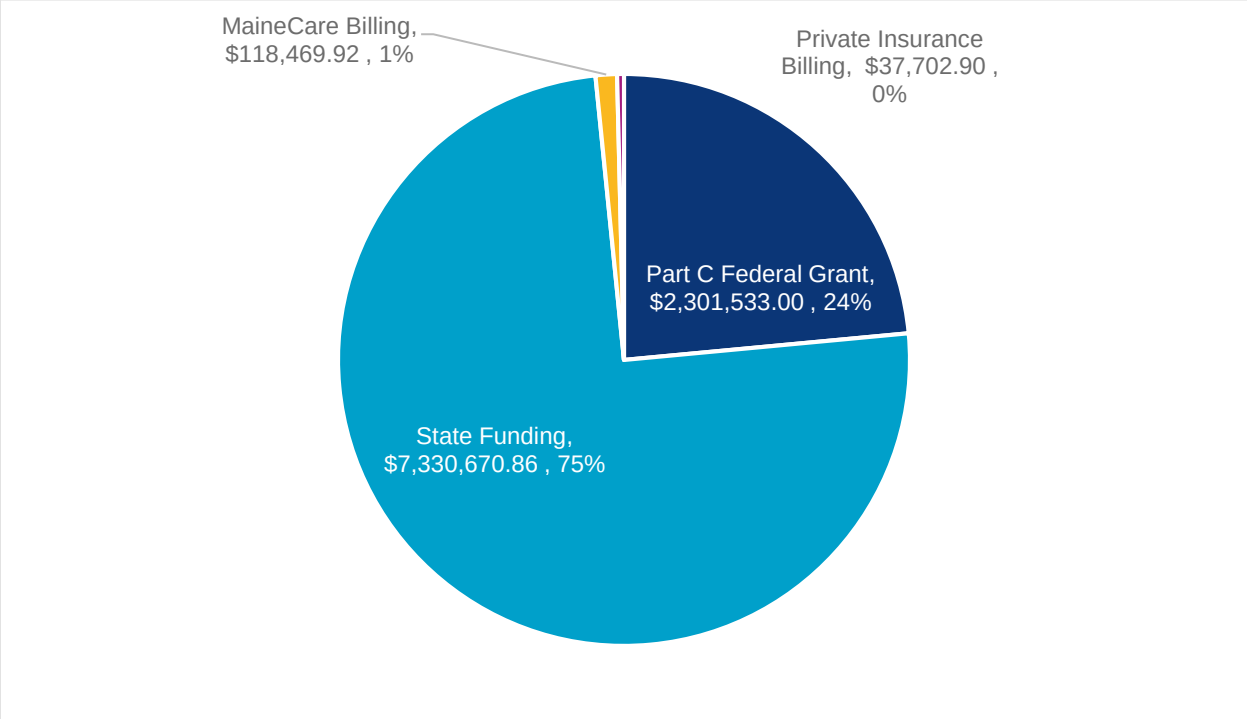
a) Part C Revenue

CDS has a mixed delivery structure for early intervention services, utilizing contracted providers and CDS staff to deliver services. CDS processes the majority of 3rd party billing for IDEA Part C providers, including both MaineCare and private health insurance, with exceptions for psychological evaluations, audiology, and the services for children with autism provided by one contracted provider.

CDS also conducts MaineCare and private health insurance billing for the services provided by their staff, but these only account for a small portion of total CDS-specific revenue for Part C services. We should note, however, that developmental therapy/special instruction services, which comprise a large number of services rendered in the Part C program, are currently not reimbursed by MaineCare.

Below, we illustrate that the federal IDEA Part C grant and state appropriation currently account for the vast majority of CDS revenues for Part C services:

FIGURE 15. CDS REVENUE - PART C (FY19)



CDS ended fiscal year 2017 with a $3.7 million dollar deficit (for both IDEA Part C and IDEA Part B-619), the primary drivers of which were contractual arrangements, a lack of adequate oversight of agency expenditures, and a failure to maximize third-party revenue. In Fiscal Year 2018 CDS leadership reduced expenditures in several areas, most significantly a $804,000 reduction in commercial transportation and a $541,000 reduction in specially designed instruction. In the same fiscal year, the agency also increased its third-party revenue by 16%. As a result, CDS ended breaking even in FY18 and then based on continued fiscal management ended FY19 with a surplus.

For FY20, CDS worked closely with DoE to secure a significant increase in its state allocation. As a result, it was able to provide competitive salaries and affordable benefits which impacted CDS' ability to recruit and retain qualified personnel. In addition, CDS increased the number of budgeted positions and contracted providers.

CDS Costs:

CDS contracts several early intervention services in addition to those services provided by CDS staff directly. CDS-contracted early intervention services totaled $1,426,768 in FY19, which represents just 14.5% of the overall CDS budget of $9,822,565 (not including MaineCare provider billing).

The total expenditures for both services provided by CDS staff and administrative costs to operate the statewide EI Part C program was $8,398,038.21, with the costs associated with contracts with providers $1,424,526.40 (14.5%).

> *"Every study conducted for Maine comes to a similar conclusion. The structure itself isn't the problem, funding the structure is the problem. It really doesn't matter if it's a 9-part system called CDS or something else, it has to be appropriately funded."*
> *- Advocate*

An array of early intervention services required under IDEA Part C are provided across Maine with the expenses per service type summarized in the full Cost Report Summary Report. ***Table 8*** below shows the utilization of the array of early intervention services required under IDEA Part C including both the number of children served and the number of services provided. Based on data received for CDS expenditures for contracted providers and CDS staff, along with service log data on the number of services provided and number of children served, we can calculate:

- average cost per instance (a single event of rendering service, which may take different amounts of time) of service; and,
- average cost per hour of service.

TABLE 8. SERVICE UTILIZATION AND EXPENSES - PART C

Service Type	# of Children	# Services	Contracted Payments	CDS Costs (Salaries)	Total Cost by Service Type	Avg /Instance	Avg /Hr
All Other Therapies	38	469	$34,609.24	$0.00	$34,609.24	$73.79	$61.17
Assistive Technology	93	291	$2,241.57	$0.00	$2,241.57	$7.70	$6.85
Audiology	182	258	$24,184.24	$0.00	$24,184.24	$93.74	$97.52
Occupational Therapy	1,388	7,594	$218,578.79	$611,183.58	$829,762.38	$109.27	$97.66
Physical Therapy	423	2,499	$150,262.42	$115,031.59	$265,294.01	$106.16	$101.73
Psychology	136	298	$97,051.82	$115,031.59	$212,083.41	$711.69	$267.02
Service Coordination*	3,188	21,889	$0.00	$1,778,210.15	$1,778,210.15	$81.24	$129.99
Social Work	329	1428	$50,505.75	$162,820.79	$213,326.54	$149.39	$122.83
Special Instruction	1,776	20112	$271,778.27	$1,902,826.85	$2,174,605.12	$108.12	$89.27
Speech/Language Therapy	1,140	6579	$577,555.86	$274,340.06	$851,895.92	$129.49	$122.39
Total	**2,430****	**61,417**	**$1,426,767.96**	**$4,959,444.62**	**$6,386,212.59**	**$103.98**	**$106.83**

Table 9 below includes the average cost per child by service (including CDS staff and contracted provider services) as well as the overall average cost per child, which is $4,042.

Note: This calculation does not include services billed to MaineCare or Commercial insurance by providers directly. The overall cost per child is analyzed in the 'Analysis Across Funding Sources' section of this report.

TABLE 9. TOTAL CDS COSTS PER CHILD - PART C

Service Type	# Children Served	Total Cost by Service Type	Average Annual Cost Per Child
All Other Therapies	38	$34,609.24	$910.77
Assistive Technology	93	$2,241.57	$24.10
Audiology	182	$24,184.24	$132.88
Occupational Therapy	1388	$829,762.38	$597.81
Physical Therapy	423	$265,294.01	$627.17
Psychology	136	$212,083.41	$1,559.44
Social Work	329	$213,326.54	$648.41
Special Instruction	1776	$2,174,605.12	$1,224.44
Speech/Language Therapy	1140	$851,895.92	$747.28
Service Coordination	2430	$1,778,210.15	$731.77
Provider Transportation	2430	$693,351.35	$285.33
Direct Service Travel	2430	$186,553.94	$76.77
Site Directors	2430	$174,134.18	$71.66
Admin Salaries	2430	$548,155.83	$225.58
Administrative and Support Costs	2430	$1,951,429.87	$803.06
Total State Costs	**2430**	**$8,398,038.21**	**$3,455.98**
Independent Providers/Contractors	2430	$1,426,767.96	$587.15
Total Part C CDS Costs	**2430**	**$9,822,564.61**	**$4,042.21**

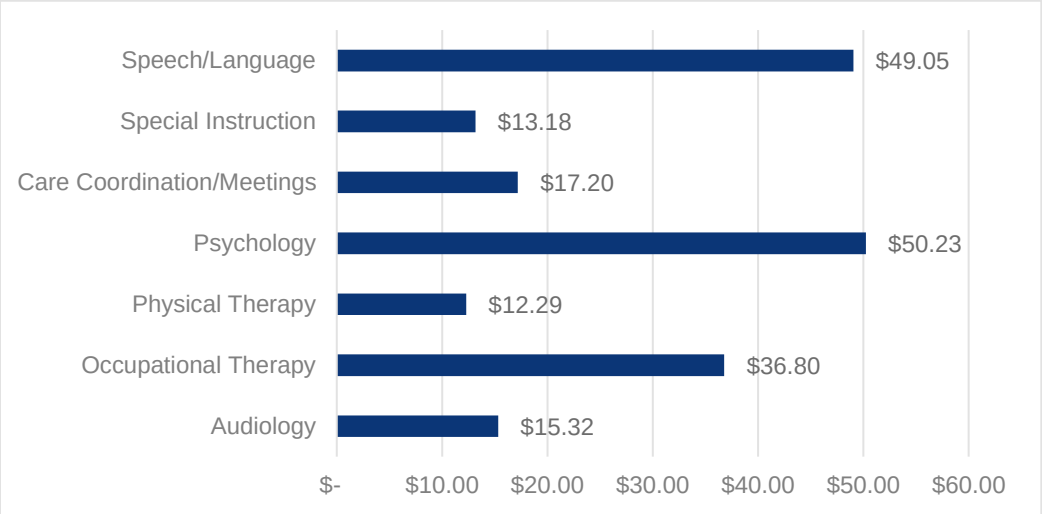
MaineCare Costs

MaineCare funded $1,393,208 for 819 children to receive Part C services in FY19. This funding represents approximately 3% of total MaineCare funding for Parts C and Part B-619 eligible children; whereas the 819 Part C eligible children served represents 15% of total MaineCare children served. This indicates that MaineCare paid more funding per child for a Part B-619 child than a Part C child in FY19.

The average amount per child funded by MaineCare in FY19 for IDEA Part C services was $1,701. It should be noted that funding per child in Part C will vary due to children being referred and determined eligible and transitioning from the program at age 3 at various times of the year. There is significant variability in funding per Part C from $12.60 (likely a child just made eligibility at the end of FY19) to a child whose funding was $42,115.23 receiving services at a Special Purpose Preschool.

The average cost per instance of service (an instance may be more or less than an hour) is reflected in ***Figure 16*** below and more fully discussed in the Cost Study Report.

FIGURE 16. FY19 PART C AVERAGE COST PER INSTANCE OF SERVICE



Private Insurance Costs:

Currently, private health insurance makes up a very small portion of overall Part C funding. As previously mentioned in the CDS section, CDS processed $37,834, which is 0.3% of the overall statewide revenues associated with Part C in FY19. Special Purpose Preschools reported billing $734 to third party payors specifically for Part C services. It is unknown if additional providers such as occupational, physical and speech and language therapists are also billing private insurance and how much revenue is generated.

CDS did not report any billing of private health insurance in FY19 for Part B-619 services. Special Purpose Preschools reported billing just $30,837 to third party payors. However, it is uncommon to bill private insurance for Part B-619 services nationally.

The federal IDEA Part C regulations under 34 CFR §303.520(3)(b), are explicit that a state may use the private insurance of a parent to pay for services under this part only if the parent provides consent to do so. Private health insurance is a significant funding source for early intervention services nationally with twenty-seven (27) states reporting billing private health insurance to fund early intervention [22] collecting $81.5 million in revenue in 2018, which was 2% over the overall national funding. However, many states do not track the amount of revenue received by providers that bill health plans directly, so this amount is likely to be undercounted.

Sixteen (16) states currently have insurance mandates (statutes, rules or regulations) which require private health insurance payment of early intervention services, and five (5) states have

[22] IDEA Infant Toddler Coordinators Association *'2018 ITCA Finance Survey Use of Public and Private Insurance and Family Fees'*

included early intervention in their state's definition of 'essential benefits' for private insurance policies under the Affordable Care Act (ACA).

Maine passed a private insurance statute Title 24-A Chapter 35: §2847-S. Coverage for children's early intervention services in 2011 with an annual cap of $3,200. [23] The low amount of revenue from private insurance is therefore particularly concerning despite this statute being in place for a number of years. PCG notes that in addition to having a low annual cap, the statute only includes occupational, physical and speech and language therapy.

Additionally, Maine passed insurance coverage for children with autism in Title 24-A Chapter 35: §2768. Coverage for the diagnosis and treatment of autism spectrum disorders. [24] Private insurance revenue under this statute is also likely significantly under realized, although children with autism spectrum disorder are often identified and diagnosed around 2 ½ year-old, so not long before they transition to IDEA Part B-619 at age 3.

A number of states have centralized the private health insurance claiming process in order to maximize collection and reduce administrative costs for local provider agencies that otherwise would have to learn insurance billing procedures and dedicate back office staff to process and follow-up on claims.

Total Part C Costs

After taking into consideration total expenditures in the MaineCare program for children eligible for IDEA Part C, we have calculated the total costs for full administration of the early intervention program in Maine for FY19 to be $11,096,889.17.

TABLE 10. PART C TOTAL FUNDING - ALL FUNDING SOURCES

Funding Source	Total Expenses	% of Total
Part C Federal Grant	$2,309,571.58	20.8%
State Funding	$7,356,274.74	66.3%
MaineCare Billing (CDS)	$118,883.70	1.1%
Private Insurance Billing	$37,834.59	0.3%
MaineCare Billing (Other Providers)	$1,274,324.56	11.5%
Total	**$11,096,889.17**	**100.0%**

Part C Cost Per Child

Below is PCG's estimated cost per child including all CDS-managed costs and MaineCare expenditures that are billed directly to MaineCare. The total average cost per child in IDEA Part C is $4,567.00. Note: There is no national data on state's cost per child.

[23] http://legislature.maine.gov/statutes/24-A/title24-Asec2767.html
[24] http://legislature.maine.gov/statutes/24-A/title24-Asec2768.html

TABLE 11. TOTAL AVERAGE PART C COSTS PER CHILD

Component	Total
Total Part C CDS Costs	$9,822,564.61
MaineCare Billing Outside of CDS	$1,274,324.56
Total Expenditures	$11,096,889.17
Total Children	2430
Average Cost Per Child	**$4,566.62**

Service Delivery

a) Child Find

Child find and public awareness is conducted by CDS central and regional offices, including outreach to potential referral sources, especially medical providers.

There currently is no branded CDS early intervention marketing campaign and there is a real lack of a web presence. CDS has developed a Facebook page over the past year. There is currently no allocated budget or contract to develop marketing materials as part of child find efforts across the CDS system.

> *"Awareness of CDS is an issue. Across the state, 'CDS' isn't well known. The general public isn't aware of CDS's services 'and' can't find a phone number to call for local services. 'CDS' needs to create more of a presence."*
> *– Advocate*

CDS has seen some increase in the number of children birth to age 3 referred and served over the past four years, but the overall number and percentage of children served remains low. This is especially true for infants served from birth to age 1 where CDS is serving 0.6% of the population compared to the national average of 1.25%, ranking Maine at 50th nationally. The data is slightly better for children birth to age 3, where CDS serves 2.46% of the population and is below the national average of 3.48%, placing Maine 44th nationally.

Partly contributing to Maine's low percentage of children served is its restrictive eligibility criteria. Under IDEA Part each state gets to set its own eligibility criteria. Maine's Part C eligibility criteria of: (a) A delay of at least 2.0 or more standard deviations below the mean in at least one of the five areas of development listed above; or (b) A delay of at least 1.5 standard deviations below the mean in at least two of the five areas of development listed in 1(A)(1), above. [20 USC 1435(a)(1)] places it with 16 states with a narrow eligibility criteria. Within that grouping

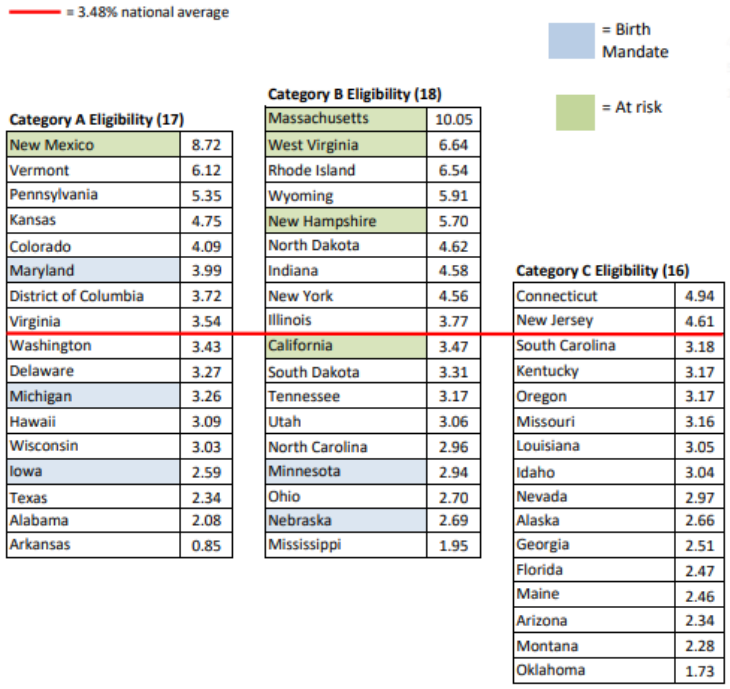
> *"Currently, CDS is serving a low percentage of children compared to other states nationally." – CDS Provider*

> *"The system needs to increase access. 'Families' need 'no wrong door'."*
> *– Advocate*

Maine falls 15th for children birth to age 1 category and 13th for children birth to 3[25].

[25] Infant Toddler Coordinators Association Child Count data Charts 2018 https://www.ideainfanttoddler.org/pdf/2018-Child-Count-Data-Charts.pdf

FIGURE 17. PERCENT OF CHILDREN SERVED BIRTH TO AGE 3



Category A Eligibility (17)	
New Mexico	8.72
Vermont	6.12
Pennsylvania	5.35
Kansas	4.75
Colorado	4.09
Maryland	3.99
District of Columbia	3.72
Virginia	3.54
Washington	3.43
Delaware	3.27
Michigan	3.26
Hawaii	3.09
Wisconsin	3.03
Iowa	2.59
Texas	2.34
Alabama	2.08
Arkansas	0.85

Category B Eligibility (18)	
Massachusetts	10.05
West Virginia	6.64
Rhode Island	6.54
Wyoming	5.91
New Hampshire	5.70
North Dakota	4.62
Indiana	4.58
New York	4.56
Illinois	3.77
California	3.47
South Dakota	3.31
Tennessee	3.17
Utah	3.06
North Carolina	2.96
Minnesota	2.94
Ohio	2.70
Nebraska	2.69
Mississippi	1.95

Category C Eligibility (16)	
Connecticut	4.94
New Jersey	4.61
South Carolina	3.18
Kentucky	3.17
Oregon	3.17
Missouri	3.16
Louisiana	3.05
Idaho	3.04
Nevada	2.97
Alaska	2.66
Georgia	2.51
Florida	2.47
Maine	2.46
Arizona	2.34
Montana	2.28
Oklahoma	1.73

FIGURE 18. PERCENT OF CHILDREN SERVED BIRTH TO AGE 1

Category A Eligibility (17)	
New Mexico	4.02
Pennsylvania	2.70
Vermont	2.06
Kansas	2.00
Washington	1.95
Maryland	1.68
Virginia	1.58
District of Columbia	1.37
Colorado	1.29
Michigan	1.27
Iowa	1.18
Texas	1.09
Wisconsin	1.04
Hawaii	0.85
Delaware	0.83
Alabama	0.69
Arkansas	0.62

Category B Eligibility (18)	
Massachusetts	5.05
West Virginia	3.30
Rhode Island	3.14
Wyoming	3.00
New Hampshire	2.38
North Dakota	2.35
Indiana	1.63
Illinois	1.42
South Dakota	1.40
Tennessee	1.38
North Carolina	1.15
Nebraska	1.09
New York	1.08
Utah	1.05
Ohio	0.99
Minnesota	0.93
Mississippi	0.92
California	0.63

Category C Eligibility (16)	
Alaska	1.71
Idaho	1.57
Louisiana	1.52
Missouri	1.35
Montana	1.24
Connecticut	1.19
Nevada	1.08
Oregon	0.98
South Carolina	0.98
Arizona	0.92
Oklahoma	0.83
New Jersey	0.81
Georgia	0.80
Florida	0.71
Maine	0.60
Kentucky	0.54

CDS has participated in the Developmental Systems Integration (DSI) project (a sub-group of Maine Quality Counts) with the goal of increasing the statewide rate of developmental screenings, to ensure the sharing of those results with appropriate agencies, and to support referrals of families to relevant resources. CDS also participated in the 'Report: Resolve, To

Improve Access to Early and Periodic Screening, Diagnostic, and Treatment Services for Children (Jan. 2020)[26] that addressed child find and includes specific recommendations increase developmental screening and referrals for early intervention.

CDS also participated in Maine's 'Needs Assessment: Vulnerable Children Birth to Age 5' which identified developmental screening, child find and referral of young children with potential developmental delays, as well as the low numbers of children served by CDS as challenges. These issues are included in the goals and indicators in the draft Preschool Development Grant Birth – 5 strategic plan to be published in the fall of 2020.

b) Service Coordination

As stated previously in the Governance section, service coordination is provided exclusively by CDS employees.

CDS uses a dedicated service coordination model (i.e. service coordinators do not provide other early intervention services) with generally accepted caseloads of around 45. CDS service coordinators are responsible for intake, coordinating the evaluation and eligibility determination, development and coordination of the Individualized Family Service Plan (IFSP) and transition at age 3. Currently not all service coordination activities are logged in CINC (Child Information Network Connection) which is the CDS data system. This will need to occur in order to bill MaineCare for service coordination activities.

c) Services Delivery Model

Under the leadership of the current director, CDS has implemented the Routines-Based Early Intervention (RBEI)[27] model developed by Robin McWilliam Ph.D. This model includes the following practices: Routines-Based Interview (RBI), Ecomap, Functional Outcomes/ Goals, Family Goals, Primary Service Provider, Collaborative Consultation, and Support-Based Home Visits (Family Collaboration) The RBEI model fundamentally focuses on supporting the child's development and learning within daily routines and activities through home visits with the family or caregiver. RBEI is recognized as an effective model for providing early intervention and was being utilized by 21 states according to a survey conducted in 2014[28] and in several countries around the world.

This report did not evaluate the extent to which CDS early intervention practitioners (both CDS staff and contractors) are implementing the RBEI model to fidelity or the outcomes for young children with developmental delays and disabilities and their families. However, CDS regional managers do conduct fidelity assessments with providers on a regular basis and those that are identified as struggling receive coaching more frequently and potentially refresher training. Fidelity assessment data is tracked in a data base. Fidelity on RBEI implementation is also tracked and reported under the federal State Systematic Improvement Plan (SSIP).

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[26] https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/documents/Early-Periodic-Screening-Diagnostic-Tx-Svs-for-Children-Birth-to-8-Years-LD-1635-Report-01-2020.pdf
[27] The Routines-Based Early Intervention (RBEI) model Robin McWilliam https://robinmcwilliam3.wixsite.com/ram-group/content1
[28] https://ectacenter.org/topics/eiservices/approaches-models.asp

Training / Workforce Capacity

CDS currently provides all training and technical assistance internally through CDS regional managers. CDS regional managers at the regional level are responsible for training SC using standard statewide training materials.

CDS has funded training from Robin McWilliam Ph.D. in the Routines-Based Early Intervention (RBEI) model (see above). Ongoing training in RBEI is provided by CDS managers and are offered on a quarterly basis, depending on the number of new providers. Focused refresher trainings are developed based on trends identified in fidelity assessments.

CDS currently does not have online training courses available that could be provided in tandem with in-person classroom-based learning and coaching.

CDS has experienced challenges in getting the states' largest university to create an undergraduate degree program for early childhood special education. This type of collaboration and degree path option would help support and develop the workforce.

PROPOSED LEGISLATION LD 1715 AND EARLY INTERVENTION PART C

L.D. 1715 'An Act To Reorganize the Provision of Services for Children with Disabilities from Birth to 5 Years of Age' was introduced in the 12th Maine Legislature in May 2019.

While the proposed legislation focuses on administration and provision of early childhood special education services to children 3 -5 under IDEA Part B-619, the legislation also proposes to move administration and provision of early intervention services for infants and toddler birth – 3 under IDEA Part C from CDS to the Department of Education. The L.D. 1715 legislation states:

> *7. Infants and toddlers with disabilities. On July 1, 2020, the responsibility for early intervention services for infants and toddlers with disabilities transfers to the office of special services within the Department of Education"*

L.D. 1715 does not include any language regarding how early intervention Part C services would be administered, including whether administration would be included be through a central and / or regional offices, would early intervention services be provided by state employees or contractors, would service coordination be provided by state employees or contractors, etc.

If the current CDS administrative structure for early intervention Part C were to move under DoE there would be little to no cost implications for the state, in fact, there are some potential cost savings and efficiencies that could be seen by more fully incorporating CDS (a current quasi state agency) into a state agency such as the DoE. These efficiencies would include:

- *Administrative services:* including contracting, payments, audits, accounting, purchasing, payroll, etc.
- *Human Resources:* including hiring; compensation and benefits, employee and labor relations, etc.
- *General Council:* including hearings, legal counsel, and representation; promulgation of rules, etc.
- *Communications:* including web and social media, press releases, etc.

- *Information Technology:* including network, data system, communications, desk top support, etc.

In the following section of this report we explore other changes in addition to a potential lead agency change for Part C.

EARLY INTERVENTION (PART C) RECOMMENDATIONS AND OPPORTUNITIES

PCG recommends that all of the following changes be made in the interrelated areas of 1) governance and administration 2) funding and 3) service delivery of IDEA Part C early intervention services to children birth to 3 with developmental delays and disabilities. These recommendations are made based on PCG's evaluation of qualitative data collected from stakeholder feedback, review of program and cost data, interviews conducted with peer states, review of national literature and evidence-based practices and models and our subject matter expertise.

Not all the recommendations require statute or policy changes, and the Phase II implementation report will provide more details on the steps Maine can take to successfully implement these changes.

PCG has provided a matrix (***Table 12*** below) of alternative changes that could be made should Maine not choose to follow the more comprehensive set of recommendations listed below.

1. Governance / Administration

PCG recommends:

1.1. ***State lead agency*** - DoE be officially designated as the lead agency for the administration of Early Intervention (EI) Part C and that CDS administration for the program be moved within the DOE. The lead agency having responsibility to implement a statewide system of early intervention in accordance with the federal IDEA Part C regulations, including: child find and public awareness; a comprehensive system of personnel development; personnel standards, data collection; required general supervision system to monitor for compliance, correct noncompliance, facilitate improvement, support practices that improve results and functional outcomes for children and families, as well as ensuring the provision and funding of all required early intervention services.

1.2. ***Administrative Office*** - EI Part C be administered within the early childhood education office, along with Head Start Collaboration and Pre-K

> Note: PCG also recommends that Maine consider exploring the development of a cabinet level early childhood department that would bring together all early care and education programs within a consolidated governance structure as is occurring in states across the country (see option

1.3. ***Consolidated regional office structure*** - EI Part C to establish a reduced number of regions each with 1-3 counties (regions to be aligned to county boundaries). Regional offices to include regional managers and staff to provide: 1) accountability and monitoring; 2) outreach and child find 3) training and technical assistance. Service

coordinators may also be located in satellite offices within the region or in home offices to maintain proximity to families and providers throughout the region.

1.4. ***EI provider agency contracts*** - EI Part C to contract with provider agencies through a Request for Proposal (RFP) process, aligned to state procurement rules. The EI Program should decide whether more than one provider agency can be awarded a contract for a county with a high service need or population. The contracted early intervention provider agencies would be responsible for conducting: child find (including screening); comprehensive developmental evaluations; ongoing assessments; and for ensuring the provision of all sixteen required early intervention services in accordance with IDEA Part C. Contracted EI agencies would utilize a mix of employees, sub-contracts and arrangements with other providers (e.g. health, medical, audiology) and would be monitored to ensure compliance with federal and state regulations, accurate data entry and performance measure achievement.

1.5. ***Service coordination*** - Service Coordination to continue to be provided by state employees through the regional offices, including intake, coordination of the evaluation and eligibility determination, development of the IFSP, coordination of services and supports and the transition to preschool at age 3.

1.6. ***EI program brand name*** - EI Part C program to develop a new brand name, reflecting the new governance (see 3.1 regarding branded campaign)

> Note: Other states have used names such a First Steps, Early Start, Early Steps, Birth To Three, etc.

1.7. ***EI program regulations*** - EI Part C to develop separate regulations for early intervention IDEA Part C that disentangle them for requirements for older children, making requirements clearer and easier to follow for staff, providers, collaborating partners and parents.

1.8. ***Reconstitute the Interagency Coordinating Council (ICC)*** – Ensure that required ICC members are appointed, meetings are held, and duties are carried out in accordance with IDEA Part C federal regulations. Support the effective functioning of the ICC using Federal IDEA Part C grant funds for meeting coordination, public notice, minutes and travel costs for members (especially parent members) to attend. Consider establishing local ICCs at the regional level to advise on regional Part C issues and to feed information and recommendations up to the state-level ICC.

2. Funding:

PCG recommends:

2.1 ***MaineCare billing expansion*** - EI Part C to renew billing to MaineCare for service coordination and special instruction (sometimes defined as 'developmental instruction' / 'developmental therapy' in state Medicaid policy). Under federal IDEA Part C regulations special instruction includes working with the infant or toddler with a disability to enhance the child's development across domains including communication, gross and fine motor, adaptive, social and emotional. Service coordination may be funded under targeted care management. Both services were funded by MaineCare in the past and are consistently funded in other states.

Note: Discussions have already begun with MaineCare regarding what it takes to bill service coordination (potentially under Targeted Case Management).

2.2 ***MaineCare early intervention policies*** – Continue collaboration with MaineCare to develop specific 'early intervention section' (separate from a school-based services section) of the MaineCare Benefits Manual that includes service definitions, billing codes, modifiers and rates for all reimbursable early intervention services. These can be used within the central billing system (see 2.5) to ensure that billing documentation and claiming processes meet MaineCare requirements and prevent audit exceptions. This will also ensure clear and consistent use of modifiers which is necessary for the accurate calculation of the state match (seed) associated with IEP authorized education services. These new codes and billing processes should be clearly and effectively communicated to all providers.

2.3 ***Early intervention rate study*** - Conduct a rate study to develop rates that address the costs of providing early intervention services, including preparation for services, travel and report writing. The development of rates for evaluation and assessment should also be included. If adopted, the EI program should engage with MaineCare in order to standardize rates of reimbursement for services provided to MaineCare eligible and non MaineCare eligible children.

2.4 ***Early intervention private insurance statute*** – Amend private insurance legislation 'Title 24-A Chapter 35§ 2847-S Coverage for children's early intervention services' to include: 1) coverage of additional early intervention services (including special instruction by developmental specialists); 2) removing or raising the annual cap; and 3) changes "referral from the children's primary care provider" to "for children who meet the state's eligibility criteria for early intervention and services provided in accordance with their Individualized Family Service Plan (IFSP)".

2.5 ***Central Billing System*** - Develop a central billing system to process claims to MaineCare and private insurance that maximizes revenue through automation and efficiencies. Delivered services data (e.g. <number of minutes> of <service> provided on <date> to <child> at <location> by <therapist name> <therapist number>) from SAUs and contracted providers would be collected through a central web-based electronic data system. The data is then converted and processed into claims by either state employees or through a billing agent. A decision would be made regarding whether the payment would go directly from the private insurance plan and / or MaineCare directly to the contracted provider OR on pay-and-chase basis where the state reimburses the contracted provider and 'chases' the 3rd party reimbursement from the private insurance plan and / or MaineCare. Both options are utilized in other states.

3. Service delivery:

PCG recommends:

3.1 ***Branded Campaign*** – Using federal IDEA Part C grant funds to develop a branded campaign for early intervention (using the new program name see 1.6 above) to include: new logo; website, social media, materials (posters, brochure, developmental chart, promotional materials etc.) and have regional offices conduct outreach and child find to

increase the number of infants and toddlers served, while promoting awareness and collaboration with local, potential referral sources.

3.2 ***Child Find Plan*** – Establish a standing committee of the ICC (with partners from public health, Academy of Pediatrics; child care, home visiting, etc.) to develop and oversee implementation of statewide child find plan.

3.3 ***Eligibility Criteria*** - Consider changing the state's eligibility criteria to enable more children with less significant developmental delays to be served.

> Note: Currently Maine is one of 16 states with such a narrow / restrictive eligibility criteria.

3.4 ***Competencies, training & practice-based coaching*** - Develop competencies and the associated training for all early intervention providers that incorporates the evidence-based Routines-Based Early Intervention (FBEI) model and other Part C key principles and practices referenced earlier in this report. It is also recommended that this training make use of web-based learning along with classroom-based instruction and incorporated practice-based coaching. Continue to ensure fidelity in implementing FBEI under the state's federal State Systematic Improvement Plan (SSIP).

The following table (***Table 12***) presents alternatives to adopting the full array of recommendations presented above. PCG believes that the recommendations listed in the table are not dependent on the full implementation of the recommendations made above for early intervention Part C and could result in significant positive outcomes for young children with disabilities and their families.

The recommendations could also be implemented on a staggered basis i.e. not all recommendations need be made at the same time and could be phased-in during the recommended transition period.

TABLE 12. ALTERNATIVE IMPLEMENTATION MATRIX

Alternative	Recommendations that could be implemented		
	Governance	Funding	Service Delivery
A. Move all CDS Administration (funding, contracting, staffing) under DoE, and maintain CDS' responsibility for IDEA Part C early intervention though a mixed delivery system (state staff and contracts) statewide.	1.1 – 1.3 1.7 – 1.8	2.1 - 2.5	3.1 - 3.4
B. Maintain CDS as quasi-state agency with administrative service delivery responsibility for	1.7 – 1.8	2.1 - 2.5	3.1 - 3.4

IDEA Part C early intervention though a mixed delivery system (state staff and contracts) statewide.			
C. Create a new cabinet-level early childhood department to include: EI IDEA Part C; child care; Pre-K; home visiting; Head Start Collaboration and with IDEA Part B-619 staff co-located in the new department (but with administrative and budget connection with DoE)	1.3 - 1.8	2.1 - 2.5	3.1 - 3.4
D. Move EI Part C to the Department of Health and Human Services – Office of Child and Family Services (along with child care and home visiting)	1.3 - 1.8	2.1 - 2.5	3.1 - 3.4

IV. EARLY CHILDHOOD SPECIAL EDUCATION – IDEA (PART B 619)

This section of the report will focus on early childhood special education services provided to preschoolers and their families (age 3 -5) in accordance with the Individuals with Disabilities Education Act (IDEA) Part B – Section 619.

NATIONAL EC SPECIAL EDUCATION (619) TRENDS, MODELS & OTHER STATES

Governance and Accountability

a) State Agency Administration for Part B, 619

Services for preschool children with disabilities aged three through five are governed in accordance with the Part B requirements, which apply to children with disabilities ages three through 21. In almost all states, IDEA 619 services are planned and delivered through local school districts, commonly referred to as local education agencies, or LEAs or through a combination of LEA and regional structures.

To direct these services, a state level 619 coordinator is designated in each state and territory providing IDEA, Part B, 619 services. All but one state report housing the 619 coordinators in the State Education Agency (SEA), most within the Special Education Unit, although thirteen (25%) of states, report that 619 is housed within the State Education Agency's 'Early Learning Unit'. A single state has two 619 coordinators that co-administer the program with one in the State Department of Health and the other in the Department of Education.

c) Service Delivery Structure

In a 2019 national survey of state IDEA 619 programs[29], in response to which category best describes how 619 services are delivered in each state, thirty-nine (75%) states (N=52) described that school districts are responsible for services to children ages three through five with disabilities. An additional seven states (13%) reported either regional or a combination of school district and regional entities provide these services. Three states (6%) reported other service structures, including a state that provides service *"in unorganized territories not associated with an LEA"*, which is a state's use of other approved providers, and a state that contracts with regional units. A single state reported the state functions as the LEA and is responsible for services for all children ages 3-5 with IEPs. Maine was the only state that reported the category of intermediary or regional units exclusively responsible for services to children (ages 3-5) with IEPs, though in reality, the state effectively functions as an LEA for most children with disabilities ages three through five.

[29] ECTA survey published July 2019 https://ectacenter.org/~pdfs/sec619/619-survey-2019.pdf

d) IDEA Required Data Reporting

IDEA requires each state to submit a state performance plan (SPP) every six years. An annual performance report evaluates the state's efforts to implement the requirements and purposes of the IDEA and describes how the state will make improvements.

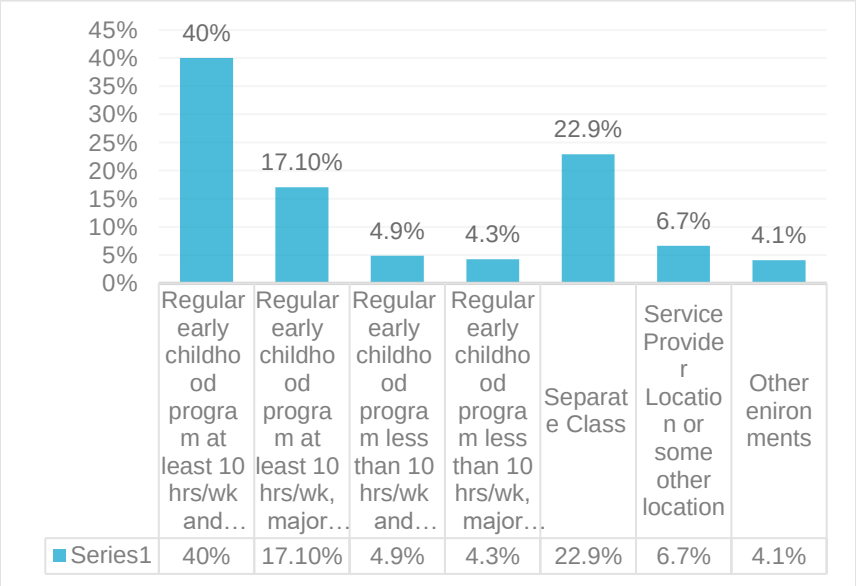
Each year information from the SPP/APR, monitoring outcomes and other considerations are used by the Office of Special Education Programs (OSEP) to determine the status of the state in implementing IDEA. States are rated in their performance and a determination is made in one of the following categories: 'meets requirements', 'needs assistance', 'needs intervention', or 'needs substantial intervention'. Data contributing to preschool performance in implementing IDEA services are collected and reported around child find, educational environments, transition from Part B, timely evaluations and early childhood outcomes. Preschoolers are also included in many of the other Part B required data collection and reporting collections.

Data on the number and percent of children with disabilities ages three through five, collected from all states and territories providing 619 services from 2018-19, report 815,010 children, (representing 6.75% of the population of children three through five) receive services[30]. This number has been steadily increasing since it hovered around 5.9% in 2012.[31]

Additional information from the Key Findings report 66%, of children ages 3 through 5 served under IDEA, Part B, attended a regular early childhood program for some part of the day. This includes children who attended childcare or other family selected early childhood program, but who may receive their services in some other location. Children receiving their special education and related services within regular early childhood programs was reported at 45%, while close to 30% of children received services in a separate class. Children who receive IDEA services in the environments of *separate school*, *residential facility*, totaled 4% percent.

[30] IDEA Static tables 1 and 7 https://www2.ed.gov/programs/osepidea/618-data/static-tables/index.html
[31] Annual Report to Congress, https://sites.ed.gov/idea/files/41st-arc-for-idea.pdf)

FIGURE 19. CHILDREN 3-5 IDEA EDUCATIONAL ENVIRONMENT



e) Data System

Data systems for Part B which account for children and collect data, including required data under IDEA, vary across the country. Many states use a combination of general and special education data systems of different levels of sophistication to collect data. Some states use an "IEP writing" system that allows for the development of and IEP and at the same time, collect required data.

TABLE 13. SUMMARY OF PEER STATE GOVERNANCE STRUCTURE FOR PART B-619

State:	State 619 Structure / Approach – Governance and Administration:
Connecticut	• The 619 Coordinator is housed in the Department of Education, Bureau of Special Education. • The Office of Early Childhood is a cabinet level office within a Family Support Division, along with home visiting, childcare and Pre-K. • In the new state workplan, the 619 coordinator has generalist responsibilities through the Department of Education Academic Office. • Collaboration is a strength between Part C and 619, along with other early childhood partners. • The Part B program, including 619 is administered and monitored from the State Office directly to LEAs.

Massachusetts	• The 619 Coordinator is located in the Department of Education, Special Education Unit, and state Pre-K is with the DOE Elementary and Secondary Unit. The DOE funds a position in the Early Care and Education Unit. • Child Care administration and the Head Start Collaboration Director are in the Office of Early Childhood, Part C resides in the Department of Public Health. • Administration for Part B, including 619, and is provided centrally from the DOE directly to LEAs, though there are two monitoring offices located in the east and west. • The state uses a vendor for reporting APR Indicator 7, and the state data system for other federal reporting.
Ohio	• The 619 Coordinator is located in the Ohio Department of Education, Early Learning and School Readiness office. • DOE EL office also houses the Head Start Collaboration Director, Kindergarten assessment and curriculum for K readiness, publicly funded preschool, preschool licensing and Step Up To Quality (SUTQ) program. • The 619 coordinator works closely with the Exceptional Children's office in the DOE to coordinate special education requirements and activities, which monitors the Part B program. Section 619 is monitored by the Office of Early Learning and School Readiness. • The Department of Education, Early Learning and School Readiness office works closely with the Department of Job and Family Services where state child care administration is located. • DOE administers the program directly to LEAs.
Wyoming	• Wyoming houses a 619 Coordinator position in both the State Department of Education and the Department of Health, Division of Behavioral Health, as 619 operations and services delivery are handled through the Department of Health. • All birth through five IDEA services are administered together in this division as one program and for 619, the unit functions as a state approved Independent Service Unit (ISU). • There has been exploration over time to move either Part C or 619 out of the Department of Health and exploration from time to time over a separate division where all early childhood programs might be housed. • The 619 program has monthly meetings with DOE, which administers and monitors them as any other LEA, using a Results Driven Accountability (RDA) process. • The 619 program operates 14 regional Child Development Centers serving children birth through five, across 23 counties.

Funding / Cost Study

a) Revenue

IDEA federal funds for Part B, often referred to as 611 funds, are allocated to each state educational agency to support the provision of special education and related services to children with disabilities ages three through 21. States also receive Part B, Section 619 funds which are allocated specifically as an additional funding source for children with disabilities ages three through five. These formula grant funds are determined for each state based on calculations required by the IDEA statute and include required processes for allocating funds to local SAUs. A portion of IDEA funds may be used for state level administration of the IDEA, including the provision of technical assistance, and other allowable state-level activities. These funds are commonly referred to as IDEA state set-aside funds.

FIGURE 20. STATE'S FUNDING SOURCES USED FOR 619

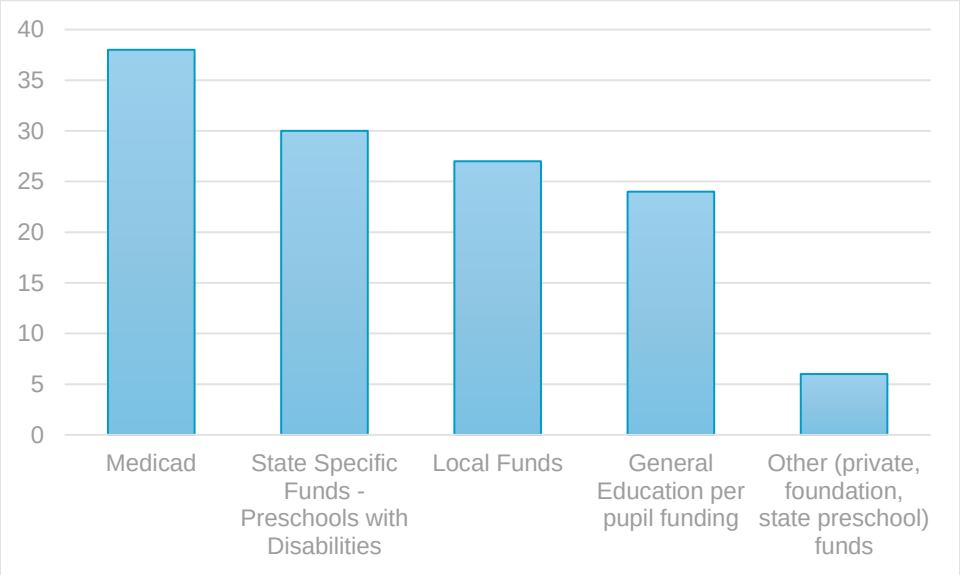


Figure 20 above shows the variety of funding mechanisms and structures to support IDEA requirements and services for children with disabilities ages three through five in addition to federal Part B 611 and 619 funds. In a 2019 survey[32] of state 619 programs, thirty-eight (76%) reported access to Medicaid funds by some or all districts in the state, though the extent of the use of this revenue source when accessed locally is unknown. State specific funds for preschoolers with disabilities were reported in thirty states (60%); local funds were used in twenty-seven states (54%); as well as general education per pupil funding, which included preschoolers with disabilities in twenty-four states (48%). Six states reported the use of other funding sources for preschoolers with disabilities including private funds, foundation funds, and state regular preschool funds.

[32] Early Childhood Technical Assistance Center – 619 National Survey (July 2019) https://ectacenter.org/~pdfs/sec619/619-survey-2019.pdf

b) Costs

In 2004, the federal Department of Education funded a report based on 1999-2000 data, the State Education Expenditure Project (SEEP)[33] to answer the question, "What are we spending on special education services in the United States?" The SEEP report found the average expenditures for students without disabilities to be $6,556 compared to $12,474 for students with disabilities. The report did establish a common premise that special education funding is approximately double the cost of educating a student without disabilities.

An undated estimated cost of service reported by the National Education Association in the spring of 2020 stated "the current average per student cost is $7,552 and the average cost per special education student is an additional $9,369 per student, or $16,921. Also, a recent study of special education finance[34] found that *"… educating students with disabilities costs on average more than twice as much as educating general education students".*

There is no national estimate of per child costs for preschools with disabilities.

TABLE 14. STATE 619 FUNDING SUMMARY

State:	State 619 Funding – in Addition to IDEA Part B 611 and 619 Funds:
Connecticut	• Children receiving 619 services are included in state general education funding and supplemented with local dollars. • Children who are 3 and 4 years old without disabilities are included in cost sharing formula if the district is not charging tuition for these children. • LEAs have strong local control, and it is completely their responsibility if they access and bill Medicaid. • Most district are accessing Medicaid for school plans - OT, PT Speech and Language services, but not for specially designed instruction.
Massachusetts	• State funding for 619 is through chapter 70, a state formula which considers child count and district size, includes three and four-year old's and takes into account high needs factors. • State Pre-K is included in this funding formula, receiving funding for half-day preschool which disincentivizes full-day programs. • Districts bill Medicaid for OT, PT and Speech and Language services, but not for specially designed instruction.

[33] https://www.air.org/sites/default/files/SEEP1-What-Are-We-Spending-On.pdf
[34] Public Policy Institute of California -- Special Education Finance in California (2016) https://www.ppic.org/content/pubs/report/R_1116LHR.pdf

Ohio	• Ohio provides state funding for multiple early childhood programs, including 619, and has guidance on how these funds can be braided to support coordinated early childhood programs serving children with and without disabilities. • LEAs bill the state for Medicaid reimbursement using a web portal. The billing process, what can be billed, and payment rates are in administrative code. There is no state or local education match.
Wyoming	• A state appropriation is provided from the state legislature on a two-year cycle to the Department of Health, and accounts for approximately 90% of 619 funds. • These funds go to 14 regional Child Developmental Centers, contracts based on December 1 child count, serving 23 counties. • Each region is required to have a 3% match - either in kind or funds, donations. • WY 619 bills Medicaid through the state Medicaid Billing Division, with a state match of 50/50. Several regions don't bill due to reported administrative burden.

Service Delivery

a) Child Find

Locating, identifying and providing services to children with disabilities is a requirement in the IDEA referred to as Child Find. Each state must have in effect policies and procedures to ensure that all children with disabilities residing in the state, including children ages three though five, and those who are homeless, highly mobile, migrant, or wards of the state, (regardless of the severity of their disability), are identified, located, and evaluated to determine if they are children eligible and in need of special education.

IDEA specifies 13 categories under which children ages three through twenty-one may be eligible for services. These categories are 1) autism 2) deaf-blindness 3) deafness 4) emotional disturbance 5) hearing impairment 6) intellectual disability 7) multiple disabilities 8) orthopedic impairment 9) other health impairment 10) specific learning disability 11) speech or language impairment 12) traumatic brain injury 13) visual impairment (including blindness).

"Early Intervention is very important, and Maine must address these issues now or it becomes a K-12 issue which means increases in special education spending." -SAU Stakeholder

Some disabilities are considered by their definition, as life-long disabilities, and should only be used when there is no doubt of a diagnosis, or a change in diagnosis. Other categories of eligibility such as specific learning disability is not appropriate for young children as they have not yet reached the age of development when these learning expectations and subsequent learning delays are appropriate. Many early educators consider 'emotional disturbance' in the same way and use the category sparingly or not at all with young children.

In addition to the 13 Part B 3-21 eligibility categories, developmental delay is an optional area of eligibility for children ages three through nine, or a sub-set of those ages. This eligibility category requires documented delays of a child's abilities across the five developmental domains of cognition, language, motor, adaptive (or functional ability) and social-emotional development.

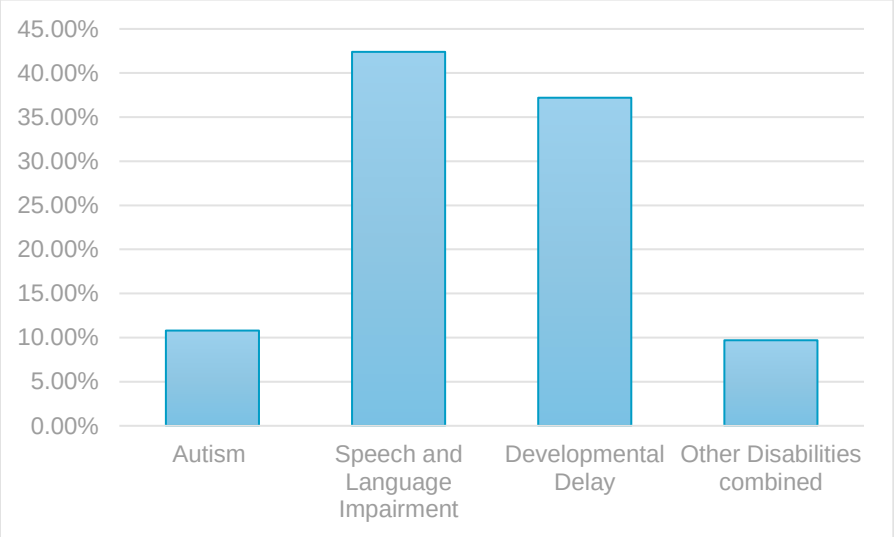
Though this category is optional for states, most states use this category of eligibility. In some states, developmental delay is used almost exclusively for many or most young children with disabilities. In other states the philosophy is to consider the category of eligibility that best describes the child and to use developmental delay only when one of the more traditional categories doesn't fit. The specific IDEA special education and related services an individual child eligible for special education requires are not dependent upon a specific category of eligibility, rather, should be based on the needs of the child and the decisions of the IEP team.

"Local providers and families need to have the ability to help determine services when 'the' IEP is being developed. Often when parent input is provided, it's not a real choice. There may be two options and one is full. Services are driven by what's available, rather than what the child needs. It's a real workforce and access issue."
– Advocate.

The most prevalent disability category of children ages 3 through 5 served under IDEA, Part B, was *speech or language impairment* (328,051 of 773,595 children, or 42.4%). The next most common disability category was *developmental delay* (37.2%), followed by *autism* (10.8%). The children ages 3 through 5 represented by the category "Other disabilities combined" accounted for the remaining 9.7% of children served under IDEA, Part B [35]

[35] Ibid

FIGURE 21. CHILDREN 3-5 IDEA DISABILITY CATEGORY



b) Case Management/IEP Development

To provide special education and related services for children who have been determined eligible, IDEA requires an individualized educational program (IEP) to be created to meet the unique educational and developmental needs of each child.

IEP teams are comprised of parents of the child, a regular education teacher, a special education teacher or provider of the child and a representative of the public agency who is qualified to provide, or supervise the provision of specially designed instruction, is knowledgeable about the general education curriculum; and availability of resources of the public agency, as well as others with expertise of the child. Case managers are not required, though most districts assign the main special education provider of the child to assume this responsibility. Case managers of the IEP ensure the IEP is implemented as intended, provided to staff in regular education programs, is updated with progress reports, and redeveloped annually.

Families should be meaningfully involved in all aspects of the IEP process, with consideration of the family's culture, priorities, and as appropriate, preferences. An IEP begins with a discussion of the present levels of the child, respectfully reflecting the child's individual strengths and needs. Areas to be addressed in the IEP are determined and discussed and annual goals are written to address each area of need. Goals should be individually crafted, developmentally appropriate and functional, and written in a way that they could be implemented and met across settings, including inclusive settings.

Only after a child's individual goals have been determined should a conversation of services to implement those goals, and the placement in which they will occur, take place. Similar to a tiered education delivery approach in differentiating instruction and support for children, the

levels and intensity of IEP services, which are individually determined by the IEP team should be based on a child's unique strengths and needs and should be determined with input from the child's parent or caregiver. Children do not need to be in a specific category of eligibility to receive the IDEA services they need. Some types of providers, services and payment structures, often referred to as 'medical model' services and therapies are supported by medical practices that do require a particular diagnosis or criteria in addition to or in lieu of educational services provided under the IDEA. Services should not be determined based on provider availability or cost reimbursement. A child eligible for special education and related services, under IDEA requirements, should receive services based on the agreed upon areas of need as documented in their IEP, the document of record for the child.

c) Determining placement in the LRE

A free, appropriate public education (FAPE) in the least restrictive environment (LRE) is a basic requirement under IDEA. The LRE is an environment where children with disabilities spend as much time as possible with children who do not have disabilities, with access to the general curriculum. This is a required and key tenant of the IDEA for all children ages three through twenty-one, including children with the most significant disabilities.

The U.S. Departments of Education and Health and Human Services reiterated that LRE also applies to preschool children and developed a *Policy Statement on Inclusion of Children with Disabilities in Early Childhood Programs* to promote the Departments' position that all young children with disabilities should have *"access to inclusive high-quality early childhood programs, where they are provided with individualized and appropriate support in meeting high expectations."*

The majority of parents surveyed for this report indicated they do not have inclusive opportunities for their children.

IDEA requires that IEP services should be delivered in least restrictive environments, by considering regular early childhood placements first, especially those environments where young children without disabilities already attend. Placement discussions should begin with a meaningful conversation of any supplementary aids and services the child would need to have in order for their IEP to be implemented in a regular program with access to the general curriculum before considering other placements. Teams must consider the benefits and any possible negative of effects of the placements that are discussed and must document the extent to which the child will participate with peers in the regular class or provide the reasons why they do not. This should be documented on the IEP, the child's primary document of record for all services.

Across the country, school districts utilize a variety of service delivery options in order to provide children with disabilities with inclusive preschool options including programs such as: Head Start, state Pre-K, Title I preschools, child care and other community early learning programs that align with state standards or guidelines, implement evidence-based practices, grounded in accepted developmentally appropriate principles, shown to meet the needs of all children.

These programs should demonstrate these instructional approaches and should demonstrate high-quality teaching and learning approaches to instruction.

This is often referred to as an 'itinerant model', when children are served in these inclusive early childhood settings, and the special education teacher and / or related service provider serves children there – These services may also be referred to as 'push-in' services. This model is considered a best practice when provided in collaboration with the regular early childhood classroom teacher allowing for shared expertise, modeling, and embedded instruction across activities and routines. This approach is generally a cost-effective service delivery model, in addition to following national standards of best practice.

> *"Inclusion is an IEP team decision, and it needs to be happening. Inclusion should be the preferred education placement 'for children in Maine'."*
> *– Advocate.*

The Federal policy statement on inclusion of preschool children with disabilities in early childhood programs[36] lays out the research, best practices, state requirements and recommendations for state and local policy makers, providers and families to take together to create strong systems of coordinated effective early childhood systems, and includes:

> *"Like all children, it is critical for children with disabilities to be exposed to a variety of rich experiences where they can learn in the context of play and everyday interactions and engage with their peers with and without disabilities. In partnership with families, high-quality early childhood programs can facilitate the experiences that foster learning for all children... It is critical when expanding the availability of high-quality early childhood programs to ensure that children with disabilities are included in these opportunities, so they too reap the benefits of high-quality early learning experiences. Systems should be built and expanded to support the learning and development of all children. This means that a "high-quality" early childhood program should be one that is inclusive of children with disabilities and their families, ensuring that policies, funding, and practices enable their full participation and success".*

The Early Childhood Technical Assistance Center (ECTA)[37] has compiled the inclusion guidance and resources that have been developed by a number of states to support local districts and early childhood providers regarding inclusive practices and how policies and funding mechanisms can be used to create inclusive settings for young children with disabilities. The ECTA also includes research and studies on inclusion and financing strategies and collaborative funding, including a Preschool Inclusion Finance Toolkit and a resource Braiding Funds How Districts Can Create Inclusive Placement Opportunities for Young Children with Disabilities[38].

[36] https://www2.ed.gov/policy/speced/guid/earlylearning/joint-statement-full-text.pdf (2015)
[37] https://ectacenter.org/topics/inclusion/stateexamples.asp
[38] https://ectacenter.org/topics/inclusion/funding.asp

d) Tiered Model of Behavioral Supports

Multi-tiered Systems of Supports, (MTSS), Positive Behavioral Interventions and Supports (PBIS) are commonly known educational tiered systems of behavioral support. An early childhood example of this is the evidence-based Pyramid Model[39] that promotes social - emotional competence in young children and addresses challenging behavior. Implementing tiered systems of support with fidelity have been shown to reduce the need for more intensive special education supports and services. Research on implementation of the Pyramid Model shows:

- Children have better social skills and fewer challenging behaviors in Pyramid Model classrooms.
- Teachers are able to implement Pyramid Model practices better if they receive training and practice-based coaching.

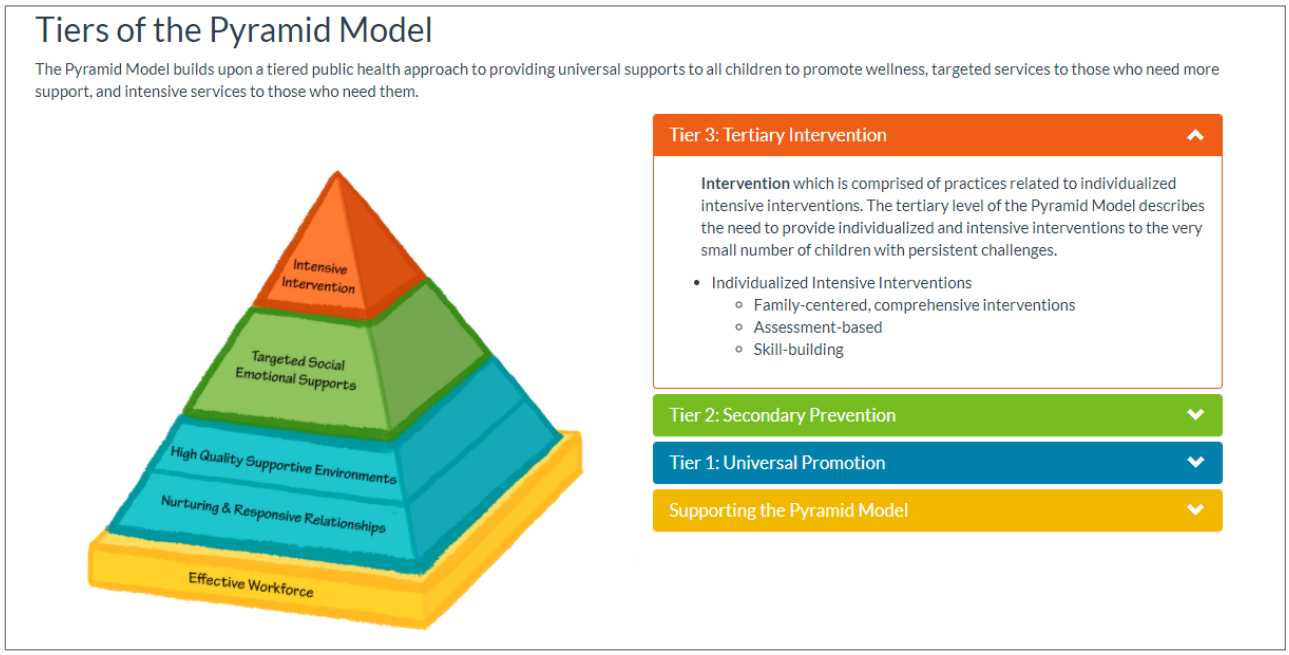
A number of states have implemented the Pyramid Model both with the 619 program and across their early childhood education and care system with great success in supporting even the most challenging behaviors. Rather than layering on supports or funding costly educational placements, supporting children in inclusive settings with targeted social-emotional learning strategies is not only a best practice from the field, but is an approach that follows developmentally appropriate practices (DAP) for young children.

Support for states is available from the National Center for Pyramid Model Innovations (NCPMI). NCPMI provides support in implementing the Pyramid Model framework with fidelity through:

- Practical guidance
- Professional development materials and trainings
- Tools and informational resources
- Technical assistance partnerships for targeted state needs for Pyramid Model implementation within inclusive programs
- Intensive technical assistance partnerships to build state and local capacity for Pyramid Model implementation and scale-up within inclusive programs

[39] https://challengingbehavior.cbcs.usf.edu/Pyramid/overview/index.html

FIGURE 22. PYRAMID MODEL FRAMEWORK



Training / Workforce Capacity

A 2019 IDEA Part B, Section 619 National Survey Summary Report[40] provided data on the credentials, certifications or licensure categories that are required or allow an individual to provide special education classroom or itinerant services to preschoolers with disabilities, selecting all categories that were appropriate for their state. Of the 49 state respondents:

- 69% (34 states) allow Early Childhood Special Education
- 45% (22 states) allow Early Childhood dual or blended Special Education and regular Education
- 41% (20 states) allow general Special Education
- 24% (12 states) allow Speech/Language, and
- 14% (7 states) allowed providers in the other category.

Paraprofessional degree requirements reported across 48 states were 48% (23 states) had a minimum requirement of a high school diploma;10% (5 states) required a Child Development Associate Degree (CDA); 44% (21 states) reported a required state para-professional certificate, 17% (8 states) reported that paraprofessional/aide requirements are determined by district, and 23% (11 states) reported “other”, which included a work Keys assessment, a proficiency assessment, completion of training, or a professional development plan.

[40] https://ectacenter.org/~pdfs/sec619/619-survey-2019.pdf

Agreed upon common early care and education competencies used by all sectors (Head Start, Child Care, Pre-K, etc.) was reported by 9 states, with 17 states having common competencies used by some sectors.

When asked to describe the state preschool special education professional development (PD) and/or technical assistance (TA) system 52 state respondents provided the following data:

- 16% (8 states) reported a PD/TA system embedded in a larger state cross-sector early childhood system, with two of these states including coaches;
- 19% (10 states) reported a PD/TA system embedded in the larger state department of education, with two of these states including coaches
- 30% (11 states) reported a separate special education PD/TA system, with four of these states including coaches;
- 19% (10 states) reported state 619 staff provide PD/TA; and
- 17% (9 states) reported "Other" descriptions, including delivery through university systems, education cooperatives, contracts, and local districts

TABLE 15. STATE EXAMPLE 619 SERVICE STRUCTURE

State:	619 Service Structure / Approach:
Connecticut	• LEAs are responsible for delivering the IDEA Part B, 619 program. • Local control dictates how services are delivered. • The Office of Early Childhood encourages districts to braid funds and programs to work together and provides coaching materials. • DOE is working hard to ensure districts understand special education is a service and not a place. • The DOE has provided encouragement for itinerant services to be provided in the locations where children with disabilities are being served. Due to building capacity and COVID-19, there is an increased interest and successful experiences relating to this. • CT has two Pre-K opportunities: State Pre-K, referred to as School Readiness, is a grant held and administered jointly by district and community partners. Smart Start, the second option, is a preschool option that allows public schools to draw general education funds to provide preschool programs for children for whom the district is not charging a tuition.
Massachusetts	• LEAs are responsible for delivering the IDEA Part B-619 program to all children ages 3-5 and may organize into regional programs. • Districts vary on how they provide services, but most districts serve their own children. • IDEA services may be provided in state Pre-K settings. • There is a state budget line item that provides funding for universal Pre-K in six districts in which the LEA receives the funds and contracts with childcare for inclusive programs. DOE is encouraging

	districts to serve children with IEPs in the childcare programs they may already attend. • LEAs often run their own early childhood programs and charge tuition for typically developing peers.
Ohio	• School districts in Ohio are responsible for delivering 619 services. • Most have lead teachers and paraprofessionals working together. • OT, PT and Speech and Language services are provided under the supervision of the lead teacher. • The state Pre-K program serves 3 and 4-year old's, when 4-year old's have first been located. Ohio is participating in the ECTA Inclusion cohort. • The Autism Scholarship Program (ASP) gives the parents of children with autism, who qualify for a scholarship, the choice to send the child to a special education program other than the one operated by the school district of residence to receive their education and the services outlined in the child's individualized education program (IEP). Children who are at least three years old but less than twenty-two years old, who qualify for special education under the autism category, and who have a current, finalized IEP with their district of residence are eligible to apply for the autism scholarship. If a student is eligible for the autism scholarship program, the first step is to register for services with a participating autism scholarship provider. If a student meets the eligibility requirements, they will be awarded a scholarship. The autism scholarship amount is the lesser of the fee charged for the child by the special education program or up to twenty-seven thousand dollars per program year. The child must be in the program for the full academic year to receive the full amount.
Wyoming	• Many of the 619 program's Child Development Centers provide itinerant services and classrooms with typically developing children, while others have separate special education classrooms. • Some Centers hold the Head Start and TANF grants. • The Centers utilize teachers and paraprofessionals, particularly CODAs OT assistants and SLPAs. • Some regions use teachers to be case managers to review IEPs and function as administrative staff. • Children receiving service who are eligible in the category of autism receive services determined and delivered in any of the CDC programs. At one time there was a separate autism classroom, but it was decided best for children to be integrated in other programs, where staff have seen children make great progress. Most all staff have received specialized training. • There are also public non-profit regular early childhood programs run by some LEAs, where CDCs provide itinerant teachers.

REVIEW OF CDS - EARLY CHILDHOOD SPECIAL EDUCATION (619) SERVICES

Governance and Accountability

a) Lead Agency and Regional Structure

As stated in the Early Intervention Part C section above, Child Development Services (CDS) is a quasi-state entity that is administratively attached to the Department of Education (DoE). While the budget for the program is coordinated through the DoE, CDS currently independently procures and develops contacts, hires and pays staff and makes payments to contractors and vendors. CDS has its own accounting system and is audited separately from DOE. Collaboration and alignment with special education services under the DOE has significantly increased over the past year.

CDS coordinates with the DoE with regards to data submission and the Annual Performance Report to the US Office of Special Education Programs that is required for the IDEA Part B.

CDS has a regional structure with 9 regions that are somewhat aligned with counties although some towns in a neighboring county that are closer geographically to a CDS regional office have been assigned to that region. This mix of counties and towns does not allow for county population comparisons. While there is a town look up Excel spreadsheet on the CDS website a closer alignment to counties may help informing medical providers and other referral sources where to refer.

Due to the current service provision system (addressed below) CDS currently has a number of administrative staff and special education staff (therapists, case managers, special education teachers) in each regional office, with a total of 303 FTEs (including Part C and Part B-619).

CDS has made changes to exert significant oversight over the regions and centralizing all high-level administrative functions at the state office including, contracting and rate setting process.

IDEA Part B 619 services in Maine are provided utilizing a unique structure in which CDS operates as an SAU but provides all early childhood services to children with disabilities ages three through five throughout the state. State 619 administrative and service provision responsibilities have rested solely within the CDS program, including child find, eligibility determination, IEP development and implementation, distribution of funds, collection and reporting of data, accountability and monitoring.

b) Service Delivery Structure

CDS provides 619 services through a mix of CDS employees and contracts. All case management and IEP development is conducted by CDS employees. Case managers also coordinate evaluations and assessments, transitions and communication with families and contracted providers.

Because CDS functions as a statewide SAU it has to both provide the special education and related services on the child's IEP and coordinate a developmentally appropriate and Least Restrictive Environment for services to occur. This is done though:

> *"Families haven't seen another model. They don't know that they could be advocating for other/ different service placements that are more inclusive, such as in Head Start… many parents don't understand what options they have." – Advocate*

- Contracts with SAUs (that provide special education and related services often within Pre-K classrooms.
- Early Childhood Education Tuition Agreements (ECETA) with Head Start grants, childcare providers to fund one or more children.
- Head Starts, childcare, Pre-K and other community preschools, where there is another funding source.
- Special Purpose Preschools (SPP)
- CDS operated preschools
- Family's Home

CDS and contractors often utilize an itinerant model where they will provide services at the early childhood setting, whereas Special Purpose Preschool tend to provide the majority of the special education and related services on the child's IEP, although sometimes a therapist or other provider will travel to the SPP setting.

> *"Programs and providers aren't willfully NOT serving children, it's a system issue that is driving the delay in services." - Advocate*

Staff in each regional office develop collaborative relationships and contract with a network of SUAs, service providers and programs in order to provide special education IEP services. Despite efforts to recruit providers there has been a capacity issue that has resulted in eligible children with disabilities with an IEP being placed on a waiting list for services. In FY19 CDS had a waiting list of 632 children (10.4%) that didn't receive services timely and in accordance with IDEA due to lack of provider capacity. While these children eventually were provided services during the summer months this is a violation of their rights under IDEA and presents the potential for costly due process hearings and potential lawsuits if the wait list issue is not addressed.

c) Data System

Part C and Part B 619 data is collected in the CINC system. For 619 the CINC collects demographic data, IEP and service log data that is used for billing purposes by CDS. CINC can also generate reports for planning and performance management, including the federal Annual Performance Report (APR). The Department of Education data collection systems for general and special education students five through twenty-one are also used to collect and report IDEA data for some children in the 619 reporting categories.

d) Performance Measures

IDEA data are collected and reported in the 618 collection of child count and educational environments, and the in state's Annual Performance report for children three through twenty-one. Data contributing to preschool performance in implementing IDEA services are collected

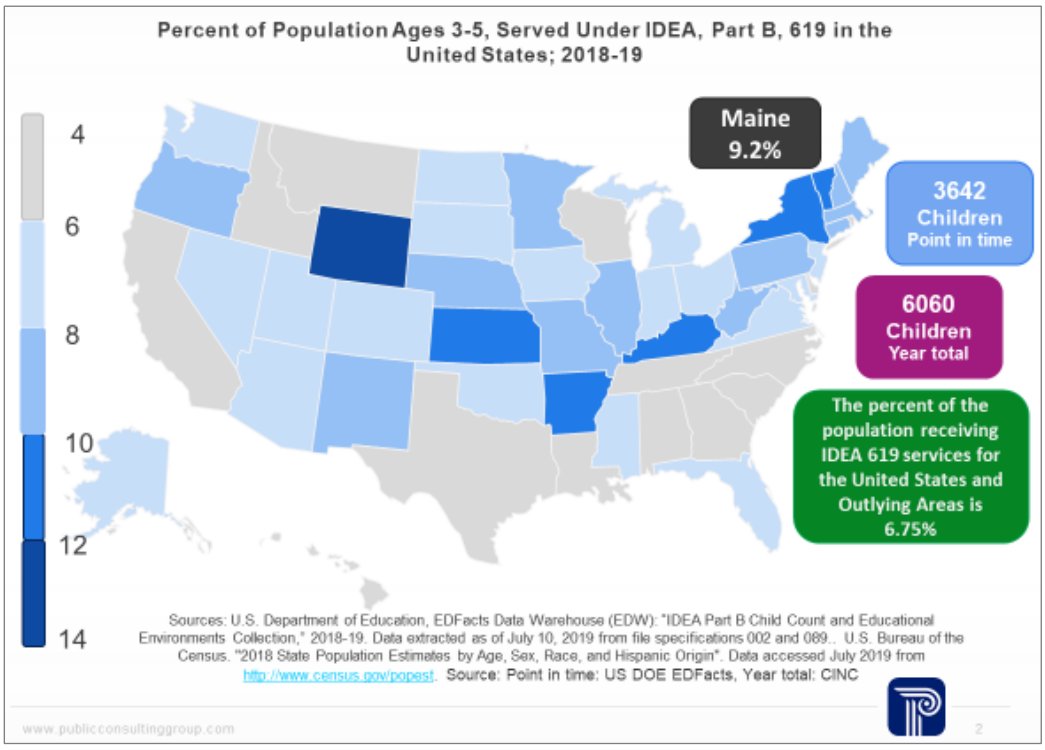
and reported around child find, educational environments, transition from Part B, and early childhood outcomes. Preschoolers are also included in many of the other Part B three through twenty-one required data and reporting collections.

Maine's Part B system is currently designated by the Office of Special Education Programs as 'meets requirements'. Maine's performance on IDEA required preschool data collections and indicators contribute to this designation.

Maine reported serving 6,060 children during 2018 point in time reporting. Data on the number and percent of children with disabilities ages three through five, collected from all states and territories providing 619 services, 2018-19, report 815,010, children, representing 6.75% of the population of children three through five, with Maine identifying and serving 9.2% of their state population three through five[41].

The figure below shows Maine's 619 child find program has been locating a higher percent of children in need of special education and related services than the national average.

FIGURE 23. PERCENT OF CHILDREN AGES 3-5 SERVED UNDER IDEA



Maine does not widely use the category of developmental delay, which is a decision states and local entities are allowed to make under the IDEA, however Maine does report a higher than the

[41] IDEA Static tables 1 and 7 https://www2.ed.gov/programs/osepidea/618-data/static-tables/index.html

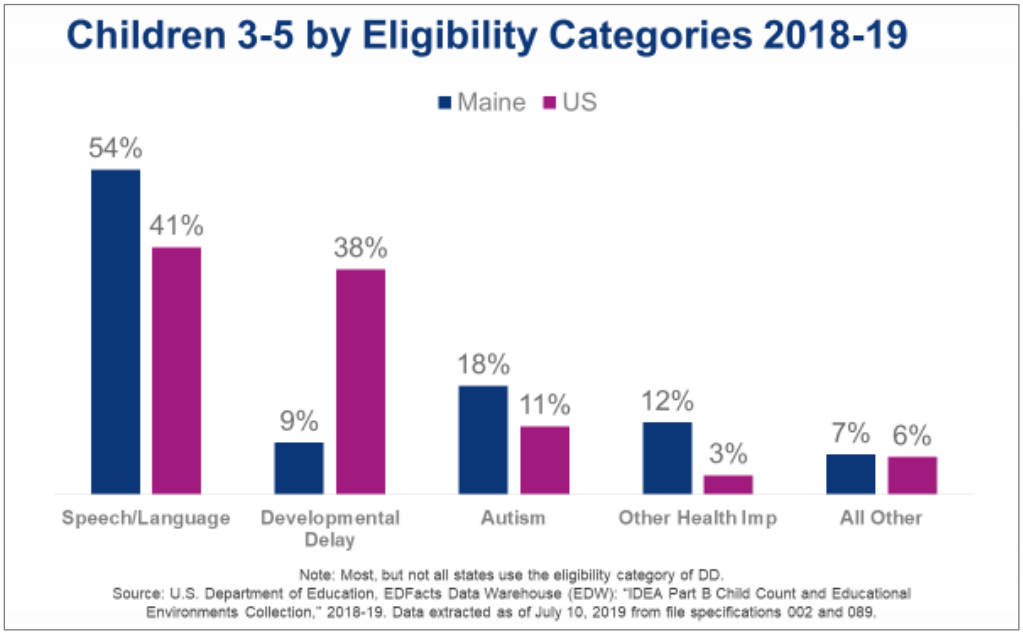
national average percentage of young children in the eligibility categories of speech language, autism and other health impaired. When compared to the population of same age children nationally, Maine is serving the highest percentage of children in the eligibility category of other health impaired, serving the second highest percent of children in the eligibility category of autism, and the third highest population of children in the speech language category of eligibility. Even when taking into account Maine's limited use of the category of developmental delay, these patterns bear further analysis. A review of child find practices, evaluation and the determination of eligibility practices would be appropriate.

TABLE 16. STATE EXAMPLE 619 SERVICE STRUCTURE

Eligibility Category	Maine	US	Range
Other health impaired	1.11	.22	**1.11 (ME)**, .56 (NY) - .01 (IA)
Autism	1.67	.77	1.85 (MA), **1.67 (ME**) - .07 (IA)
Speech Language	5.01	2.80	10.39 (WY), 5.37 (KY), **5.01 (ME)** - .24 (VT)
All disabilities	9.2	6.75	14.20 (WY) - 4.36 (TX)

The following figure looks Looking more closely at the IDEA categories of eligibility for children ages 3 - 5 in Maine, compared to the distribution of children across eligibility categories across states.

FIGURE 24. PART B ELIGIBILITY CATEGORIES



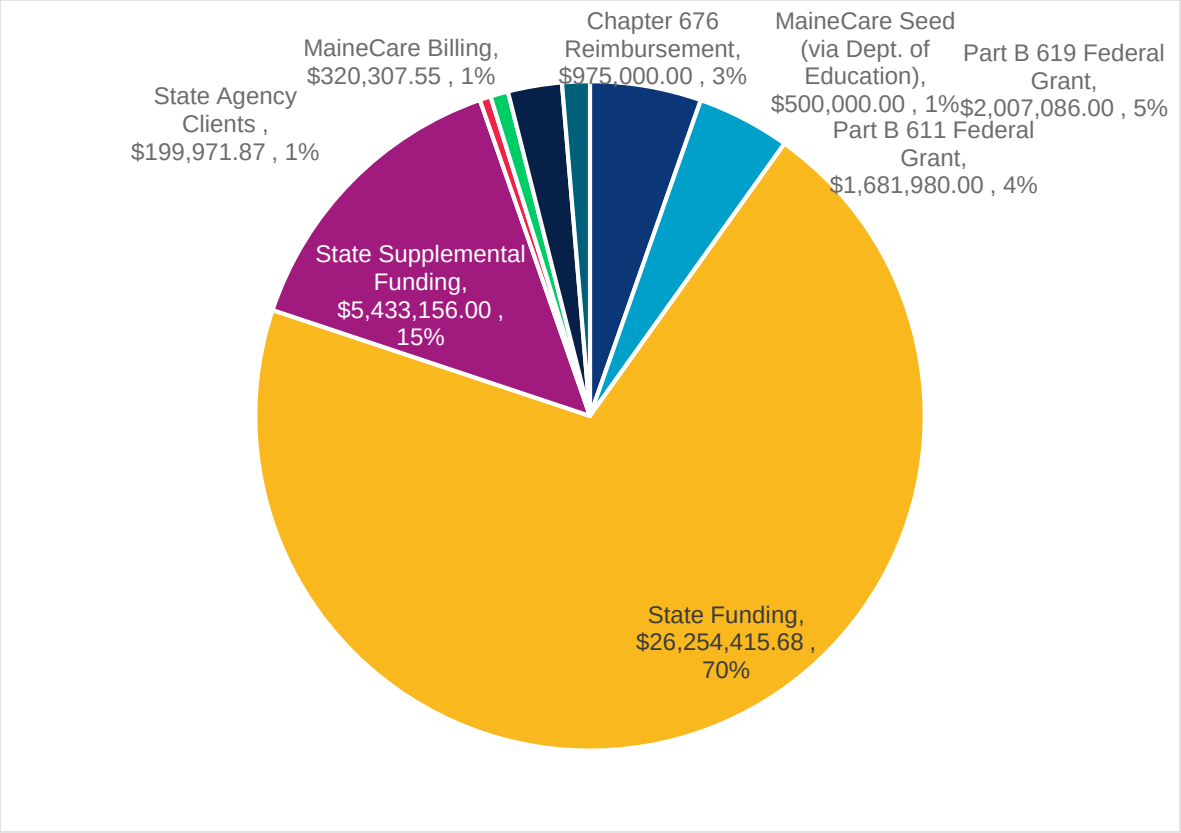
CDS 619 Funding / Cost Study

The following section includes data and analysis that was collected and reported more fully in the published Maine Early Childhood Special Education Cost Study.

a) Revenue

CDS revenues for IDEA Part B-619 have a far greater mix of funding sources than Part C as illustrated in ***Figure 25*** below. However, state funds and the federal IDEA Part B-619 grant and Part B 611 grant make up the make up the majority of the revenue.

FIGURE 25. CDS REVENUE - PART B-619



Due to the greater mix of funding sources for Part B-619 services in Maine, we have further elaborated the sources and funding amounts in ***Table 17*** below:

TABLE 17. CDS REVENUE - PART B-619

Funding Source	Funding Amount
Part B-619 Federal Grant	$2,007,086.00
Part B 611 Federal Grant	$1,681,980.00
State Funding	$26,254,415.68
State Supplemental Funding	$5,433,156.00
State Agency Clients	$199,971.87
MaineCare Billing	$320,307.55

Funding Source	Funding Amount
Chapter 676 Reimbursement	$975,000.00
MaineCare Seed (via Dept. of Education)	$500,000.00
Total	**$37,371,917.10**

MaineCare billing in this chart is only for services provided by CDS staff and billing that CDS does on behalf of a few 619 contracted providers. It does not include billing by private providers directly to MaineCare (which is addressed in the MaineCare section). Still, the MaineCare amount $320K (1%) is smaller than would be expected.

CDS ended fiscal year 2017 with a $3.7 million dollar deficit (for both IDEA Part C and IDEA Part B-619), the primary drivers of which were contractual arrangements, a lack of adequate oversight of agency expenditures, and a failure to maximize third-party revenue. In Fiscal Year 2018 CDS leadership reduced expenditures in several areas, most significantly a $804,000 reduction in commercial transportation and a $541,000 reduction in specially designed instruction. In the same fiscal year, the agency also increased its third-party revenue by 16%. As a result, CDS ended breaking even in FY18 and then based on continued fiscal management ended FY19 with a surplus.

CDS reported no revenue from private insurance despite Maine having passed insurance coverage for children with autism 'Title 24-A Chapter 35: §2768. Coverage for the diagnosis and treatment of autism spectrum disorders' [42] that includes coverage up to $36,00 per year.

For FY20, CDS worked closely with DoE to secure a significant increase in its state allocation. As a result, it was able to provide competitive salaries and affordable benefits which impacted CDS' ability to recruit and retain qualified personnel. In addition, CDS increased the number of budgeted positions and contracted providers, including a tripling the number of SAUs who contract with CDS, to expand its capacity to meet the needs of all children in a timely manner.

b) Costs

CDS Costs

CDS both provides direct Part B-619 services through CDS staff, as well as contracts for some services. CDS-contracted Part B-619 was $11,459,574.51, which is just 40.3% of the overall CDS budget of $28,436,014.16 (not including MaineCare provider billing).

An array of special education and related services, as required under IDEA Part B-619, are provided and are detailed in the following table, including average cost per hour of service.

[42] http://legislature.maine.gov/statutes/24-A/title24-Asec2768.html

TABLE 18. SERVICE UTILIZATION - PART B-619

Service Type	# of Children	# Services	Hours/ Event	Contracted Payments	CDS Costs	Total Cost by Service Type	Avg/Instance	Avg/Hr.
Assistive Technology	254	1,066	841.75	$29,361.80	$0.00	$29,361.80	$27.54	$34.88
Audiology	206	245	227.25	$25,105.24	$0.00	$25,105.24	$102.47	$110.47
Occupational Therapy	1,771	34,063	24330.25	$544,557.77	$554,455.94	$1,099,013.70	$32.26	$45.17
Physical Therapy	375	5,236	4316.25	$150,747.81	$122,257.66	$273,005.47	$52.14	$63.25
Psychology	812	1,485	4827.5	$404,611.02	$0.00	$404,611.02	$272.47	$83.81
Social Work	102	1,264	1052.75	$28,105.10	$150,057.43	$178,162.53	$140.95	$169.24
Specially Designed Instruction	3,162	153,286	440788	$6,374,480.39	$3,603,307.46	$9,977,787.85	$65.09	$22.64
Speech/ Language	4,430	108,962	62887.75	$3,752,117.74	$792,357.46	$4,544,475.20	$41.71	$72.26
All Other Services	142	2,090	4667.25	$150,487.64	$0.00	$150,487.64	$72.00	$32.24
Total	6,060	307,697	543938.75	$11,459,574.51	$5,222,435.94	$16,682,010.45	$54.22	$30.67

Other revenue and cost data sources that were reviewed as part of the Cost Study for Part B-619 Services. These are summarized in the following table and more fully discussed in the full Cost Study Report.

TABLE 19. AVERAGE COSTS PER CHILD - PART B-619

Item or Service Type	# Children Served	Total Cost by Type	Average Annual Cost Per Child
Assistive Technology	254	$29,361.80	$115.60
Audiology	206	$25,105.24	$121.87
Occupational Therapy	1,771	$1,099,013.70	$620.56
Physical Therapy	375	$273,005.47	$728.01
Psychology	812	$404,611.02	$498.29
Social Work	102	$178,162.53	$1,746.69
Specially Designed Instruction	3,162	$9,977,787.85	$3,155.53
Speech/Language	4,430	$4,544,475.20	$1,025.84
All Other Services	142	$150,487.64	$1,059.77
Case Management	6,060	$3,327,344.33	$549.07
Provider Transportation*	6,060	$997,527.77	$164.61
Child Transportation*	6,060	$2,594,150.28	$428.08
ECETA (Tuition) **	235	$485,009.04	$2,063.87
Site Directors*	6,060	$426,328.52	$70.35
Admin Salaries*	6,060	$1,342,036.69	$221.46
Administrative and Support Costs	6,060	$2,581,607.09	$426.01
Total Program Average Costs	**6,060**	**$28,436,014.17**	**$4,692.41**

*These services are not provided to all children.

** Early Childhood Education Tuition Agreements (ECETA) are payments made to community early childhood education providers to serve young children with developmental delays and disabilities eligible under IDEA Part B-619. This includes Head Start, childcare and other community settings, where a child may attend full or part time.

Special Purpose Preschools

In addition to the analysis of revenue and cost data for CDS, the Cost Study also included a cost reporting process with Maine's Special Purpose Preschools (SPPs) and CDS-operated preschool locations to gather overall operating expense and revenue information for these programs. All SPPs and CDS sites were invited to participate in the cost reporting process. All CDS preschool sites participated, and 14 (67%) of the 21 SPPs participated. In FY19, 1,309 total children are served by the 21 eligible programs, and 875 children are served by participating programs. This equates to a +/- 1.91 confidence interval at a 95% level, which is represents a high degree of certainty in the data. This allows us to make assumptions about the whole population of SPPs based on the information we have received.

One of the most important pieces of data we were able to learn from the cost reports was the breakdown of MaineCare revenue these programs receive for providing services to children, most prominently children receiving Part B-619 services, and to a much lesser extent Part C eligible children. SPPs receive revenue from CDS based on the services on the children's Individual Education Plans (IEPs) and in addition, if a child is eligible for Medicaid, SPPs will often also receive additional MaineCare revenue based on the child's Individual Treatment Plan (ITP). SPPs can bill MaineCare under an ITP for services beyond what is listed on the IEP, typically up to 30 hours per week. ITP services are typically billed year-round as compared to IEP services which are billable during the school year, unless the IEP includes a provision for Extended School Year (ESY) services (allowable under IDEA if the IEP team can demonstrate that the requires services during the school break to maintain skills and not lose the progress made toward IEP goals). SPPs bill these services to MaineCare as many preschool children with the appropriate diagnosis are eligible under the Katie Beckett Medicaid wavier in Maine; as such, MaineCare pays for all services under both an IEP and ITP, although services included on the ITP are not tracked, nor are they part of the child's document of record, the IEP. As part of the cost report, programs were asked to report on total expenses, including both personnel and other expenses (such as occupancy, transportation, training, etc.). Providers were asked to report on total program expenses, expenses specific to the rendering of services to both Part B-619 and Part C children.

> *"Inconsistencies exist between the education plan (IFSP) and treatment plans being created by provider agencies."*
> *– CDS Staff*

Regarding revenues, we asked programs to provide total program revenues, as well as revenues specific to Part B-619 children and Part C children. Revenues were asked to be identified from Maine CDS, MaineCare (broken up by IEP/IFSP services and ITP), third parties (such as commercial insurance), and any other revenues sources. MaineCare was reported to make up the bulk of revenues for these programs, with CDS also contributing substantial revenue. Most importantly regarding program revenues, we were able to identify the proportion of revenue split from MaineCare for IFSP/IEP services versus ITP services, which as noted previously, go beyond the services approved on a child's IEP/IFSP.

When looking at program profit margins, we examined expenses and revenues by program tax status. We should note that CDS sites comprised the government status, and most programs were classified as nonprofit. Overall, for-profit programs reported taking the largest loss in operating expenses for IDEA Part B-619 services, while non-profit programs were able to generate enough revenues at a total program level to cover services for children.

Finally, we examined average per child costs for serving Part B-619 and Part C children, using total child counts of children served who had either an active IEP or IFSP.

In ***Table 20*** below we show that Part B-619 annual costs per child were approximately $25,000 and Part C were $13,000. In the case of Part B-619 children, many of those served are attending a program on a year-round basis, and potentially full-time, which drive average costs up.

TABLE 20. REPORTED AVERAGE EXPENSES PER CHILD

Line Item	Part B-619	Part C
	Avg Expense per child	Avg Expense per child
Total Personnel Expenses	**$19,602.59**	**$9,841.66**
Total Other Expenses	**$5,437.91**	**$3,003.28**
Total Expenses	**$24,893.60**	**$12,844.94**

MaineCare Costs

Currently, CDS bills MaineCare for eligible children birth through five served by CDS staff and at CDS preschool sites. CDS bills MaineCare on behalf of a select few Part C and Part B-619 providers; however, the majority of Special Purpose Preschools and Part B-619/Part C independent contractors rendering services bill MaineCare directly for the eligible children they serve.

MaineCare provided PCG with a large dataset of information at the per child, per claim level for FY19. At PCG's request, MaineCare filtered this data for children ages six and under and by procedure codes which are used to submit MaineCare reimbursement claims for special education and related services. Due to the way the MaineCare data system captures billing and claiming information, there are limitations to the data MaineCare was able to provide around Part C and Part B-619 MaineCare reimbursements.

The two primary data limitations are:

1. **MaineCare data does not distinguish between Part C and Part B-619 children or claims.**
   - MaineCare currently does not track within its data system whether a child is receiving Part C or Part B-619 services.

2. **MaineCare data does not distinguish between IDEA services and services provided and reimbursed outside of IDEA**. When providers submit a claim under MaineCare Section 65, there is a place for them to include a modifier to indicate whether a claim is for an IDEA service which is written on a child's IFSP or IEP ("TL" for IFSP

and “TM” for IEP); however, these modifiers are not consistently used by providers. Based on PCG’s conversations with several Special Purpose Preschools, some providers are unaware these modifiers exist at all.

MaineCare Seed Match When MaineCare pays a school-based claim, approximately 64% of that claim is paid by the federal government and 36% is considered a state match, or Seed. The percentages of responsibility change each year according to the Federal Medical Assistance Percentage (FMAP). Currently, the Maine Department of Education pays the Seed on behalf of CDS; however, recent conversations indicate that CDS may be held responsible for its portion of Seed in the upcoming fiscal year. MaineCare’s inability to distinguish between IDEA services and ITP services presents a challenge for CDS and the Department of Education as the Seed report includes children and services that are not on a students’ IFSP or IEP. CDS believes that the Seed amount for young children under IDEA Part C and Part B-619 exceeds the amount that should be paid. Currently the state match (Seed) for children in preschool through grade 12 paid by DOE is unofficially capped at $15 million per year; however, it is unable to be determined whether additional Seed would be needed for Part C and Part B-619 services.

In total, MaineCare funded $49,036,129 for 4,730 children to receive Early Childhood Special Education Part B-619 services in FY19. This funding represents approximately 97% of total MaineCare funding for Parts C and B 619 services; whereas the 4,730 Part B-619 children served represents 85% of total MaineCare children served. This data confirms that MaineCare funded significantly more per child for a Part B-619 child than a Part C child in FY19.

MaineCare funded the most services made by Behavioral Health Clinicians at $14 million. Based on further analysis, this $14 million is comprised of approximately $10.5 million for ‘children’s behavioral day treatment’ hours and $3.5 million for ‘community-based wrap around services’ for Part B-619 children.

Table 21 below captures high-level data metrics around FY19 MaineCare funding for Part B-619 children. The average amount per child funded by MaineCare in FY19 was $10,367.05, however the most MaineCare paid for one child was $162,888, which is significantly higher than expected for a preschool child. We should note that the children receiving services in the higher range of payments are receiving services based on an ITP, exceeding those services authorized on the IEP. Funding ranges for the year are represented in the table below:

TABLE 21. FY19 619 ANNUAL FUNDING PER CHILD

Metrics	Amount per child
Mean	$10,367.05
Median	$1,182.48
Minimum	$7.72
Maximum	$162,888.74
Standard Deviation	$19,967.74

Table 22 below shows that approximately 1,138 children (24%) of total Part B-619 MaineCare children received over $10,000 in MaineCare funded services in FY19. Of these children for whom MaineCare funded over $10,000 in FY19, the majority were four (4) or five (5) year-olds

as seen in the table below. It is surprising to see that 332 (6.9%) received over $50,000 in funding and 16 preschool children received over $100,000 per year.

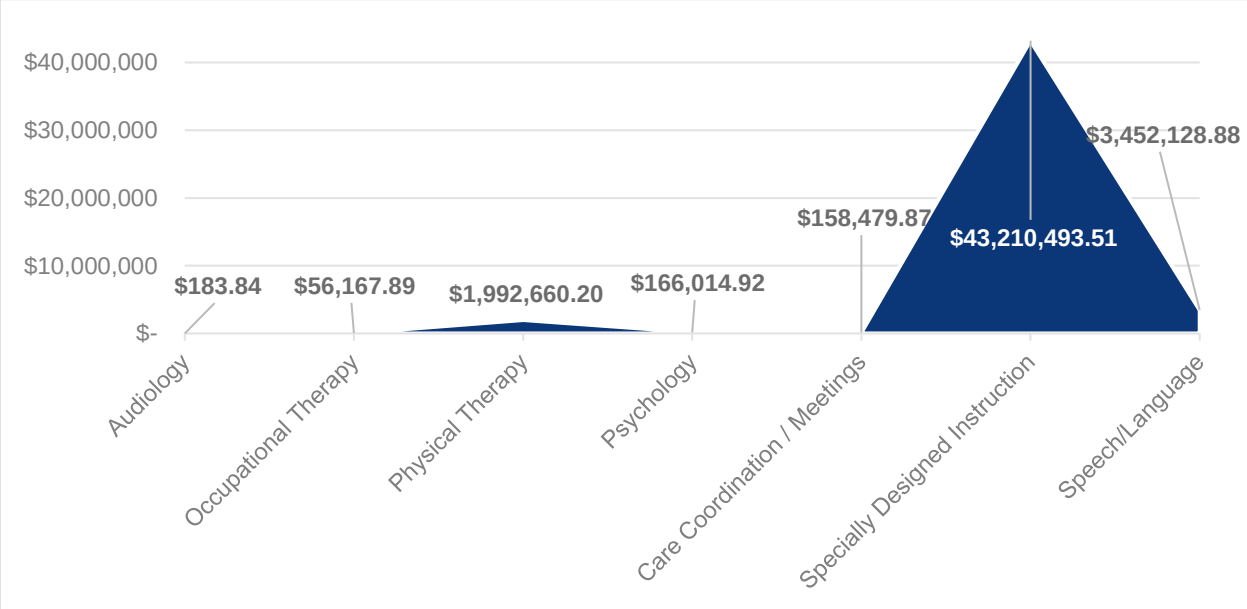
TABLE 22. RANGES OF FY19 PART B-619 MAINECARE FUNDING PER CHILD

Range	Count	Percentage
$100,000 +	16	0.3%
$75,000 - $100,000	92	1.9%
$50,000 - $75,000	224	4.7%
$20,000 - $50,000	453	9.6%
$10,000 - $20,000	353	7.5%
$5,000 - $10,000	317	6.7%
$500 - $5,000	1,619	34.2%
< $500	1,656	35.0%
Totals	**4,730**	**100%**

Figure 26 below shows FY19 MaineCare funding by service. The vast majority - $43.3 million (88%) - of MaineCare funding for Part B-619 children was for specially designed instruction (including 'community-based wrap around services' and 'children's behavioral health day treatment'). These services are predominantly provided by Special Purpose Pre-Schools.

Speech/language services accounted for 7% of funding and physical therapy was 4% of funding for Part B-619.

FIGURE 26. FY19 PART B-619 MAINECARE FUNDING BY SERVICE



Private Insurance

Nationally, private health insurance is not a major funder of IDEA Part B special education other than for the purchase of assistive technology, where the child can use the device for mobility,

adaptation or communication in the classroom and throughout the school environment in addition to at home and in the community. Therefore, we would not have expected private health insurance to be a significant funding source for IDEA Part B-619 under CDS.

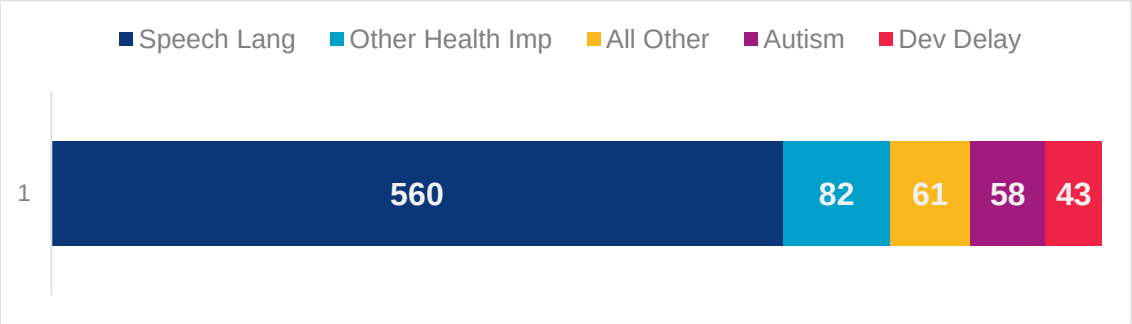
Pre-Kindergarten (Pre-K)

Maine Prekindergarten (Pre-K) is a voluntary program for children whose 4th birthday falls before October 15th. Maine's Pre-K system continues to expand with 152 (59%) of SAUs now operating Pre-K and with a total of 457 classrooms. Forty-seven (31%) of the SAUs have partnerships with community early learning settings including Head Start Programs, childcare, and community-based preschools. Like Maine, several states utilize this 'mixed delivery' system for their Pre-K programs, with services provided by both public school and community early learning providers.

In 2019 – 2020, the Department of Education (DoE) approved 7,312 slots / seats, and 6,822 children were served. Fifty-two percent of Maine's estimated 13,119 4-year-olds are currently served in Pre-K. An additional 253 slots / seats have been approved by the DoE for 2020 – 2021 based on applications submitted by SAUs.

Currently, 764 children with developmental delays and disabilities who have an Individualized Education Plan (IEP) are served in Pre-K, which represents 11% of the children served in the state's Pre-K program statewide. Children with disabilities in Pre-K settings were provided special education and related services through CDS or through contractual agreements between CDS and SAUs. ***Figure 27*** below shows the number of children attending the state's Pre-K program by disability category.

FIGURE 27. NUMBER OF 619 CHILDREN ATTENDING STATE PRE-K BY ELIGIBILITY CATEGORY, 2018-19



Funding for Pre-K is through the EPS (Essential Programs & Services) education funding formula, which requires a local contribution that ranges from 0 – 100 percent with an average local contribution of 57.6%. Maine is one of nine states that funds public preschool programs through their funding formula rather than a direct appropriation or other funding source (Tobacco tax).

FIGURE 28. FUNDING FOR MAINE'S STATE PRE-K PROGRAM

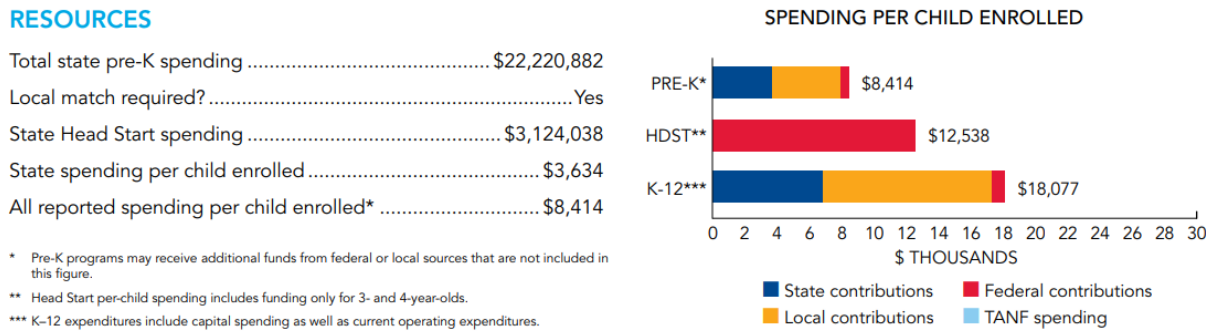


Figure 28 above shows[43] that the average cost per child services in Pre-K is $8,414, which is made up of state, local and federal funds.

While braiding and blending funding at the local level can be effective, it is typically more efficient and cost effective to do this at the state level by aligning policies and funding across programs to enable communities (public schools and community providers) to effectively meet the early learning needs of young children throughout the year as well as parents needs for child care. With eleven Head Start grantees operating 24 programs and 242 classrooms in Maine in 2019 and licensed capacity in childcare centers across Maine at 31,357 and 1,108 Family Child Care Homes in Maine, there are opportunities for an expanded mixed delivery system of services.

Pre-K in Maine is currently only provided for 4-year-olds, whereas IDEA Part B-619 services are for children 3 through 5. However, providing Pre-K for 4-year-olds provides a focus for SAUs on the education of young children that previously began only at Kindergarten. With SAUs serving 4-year-olds, often in partnership with community providers, it increases their ability to create inclusive early learning settings for 3-year-olds, either at the elementary school or at a community partner site.

619 Total costs

As previously discussed MaineCare revenues reported by Special Purpose Preschools (SPPs) and CDS sites providing 619 services were claimed as an authorized part of the child's IEP developed by CDS and as additional Individual Treatment Plan (ITP) services developed and managed outside of the IEP, including not being reported as services provided to Part B eligible children. The total MaineCare revenues were 55.5% for IEP authorized services and 44.5% for ITP authorized services, indicating nearly half of MaineCare revenues for these children served by these programs were generated outside of what is authorized by an IEP. We therefore present the data for both IEP authorized services only and then including ITP services.

[43] National Institute of Early Education Research (NIEER) *'The State of Preschool 2019'*

TABLE 23. TOTAL PART B-619 EXPENDITURES, IEP SERVICES ONLY (WITHOUT ITP)

Funding Source	Total Expenditures	% of Total
Part B-619 Federal Grant	$1,527,176.83	2.8%
Part B 611 Federal Grant	$1,279,806.09	2.3%
State Funding	$19,976,789.90	36.1%
State Supplemental Funding	$4,134,048.05	7.5%
State Agency Clients	$152,157.11	0.3%
MaineCare Billing (CDS)	$243,719.64	0.4%
Chapter 676 Reimbursement	$741,870.26	1.3%
MaineCare Seed	$380,446.29	0.7%
MaineCare Billing (Providers IEP)	$26,971,332.02	48.7%
Total	**$55,407,346.18**	**100.0%**

TABLE 24. TOTAL PART B-619 EXPENDITURES, IEP AND ITP SERVICES INCLUDED

Funding Source	Total Expenditures	% of Total
Part B-619 Federal Grant	$1,527,176.83	2.0%
Part B 611 Federal Grant	$1,279,806.09	1.7%
State Funding	$19,976,789.90	25.9%
State Supplemental Funding	$4,134,048.05	5.4%
State Agency Clients	$152,157.11	0.2%
MaineCare Billing (CDS)	$243,719.64	0.3%
Chapter 676 Reimbursement	$741,870.26	1.0%
MaineCare Seed (via Dept. of Education)	$380,446.29	0.5%
MaineCare Billing (Providers IEP)	$26,971,332.02	34.9%
MaineCare Billing (Providers ITP)	$21,821,077.45	28.3%
Total	**$77,228,423.63**	**100.0%**

619 Total Costs Per Child

Below are two tables showing the total expenditures for a Part B-619 child; The first table includes only special education and related services authorized on a child's IEP and the second table includes non-CDS authorized services. Adding in the ITP services increases the cost per child by 39.3%.

TABLE 25. AVERAGE TOTAL PART B-619 COSTS PER CHILD, IEP SERVICES (ITP EXCLUDED)

Component	Total
Total Part B-619 CDS Expenditures	$28,436,014.16
MaineCare Billing (IEP)	$26,971,332.02

Component	Total
Total Part B-619 Expenditures	$55,407,346.18
Total Children Served	6,060
Average Cost per Child	**$9,143.13**

TABLE 26. AVERAGE TOTAL PART B-619 COSTS PER CHILD, IEP AND ITP SERVICES INCLUDED

Component	Total
Total Part B-619 CDS Expenditures	$28,436,014.16
MaineCare Billing (IEP)	$26,971,332.02
MaineCare Billing (ITP)	$21,821,077.45
Total Part B-619 Expenditures	$77,228,423.63
Total Children Served	6,060
Average Cost per Child	**$12,743.96**

Service Delivery

a) Case Management/IEP Development

As stated above, CDS provides case management for all 619 services. Dedicated 619 case managers guide children and families through the IEP process, from referral, evaluation, eligibility determination and in most cases, contracting for services.

b) Preschool Environments

An important measure of whether children are being provided services in the least restrictive environment in accordance with IDEA are 'preschool environments' i.e. where children with receive their special education and related services. Educational environments data are collected in the 618 data collection and reported in the state Annual Performance Report (APR). In the current IDEA required educational environments data collection all children three through five with IEPs in a state are included in a point in time or snapshot count on a state selected date in the fall, even those children who are five and in kindergarten.

Data[44] is synthesized into two categories, a) children who attend regular early childhood programs (RECPs) and receive the majority of special education and related services in the program, in the context of everyday activities and routines, and b) children who do not attend any regular early childhood program, and receive their special education and related service in a special education classroom, separate school or residential facility. The most recent published data is from 2018-19.

a) [44] Ed.gov Static Tables: https://www2.ed.gov/programs/osepidea/618-data/static-tables/2018-2019/part-b/child-count-and-educational-environment/1819-bchildcountandedenvironment-12.xlsx

The national average for children in category a) children who attend regular early childhood programs with services in the program is 45%. Maine reported 46%.

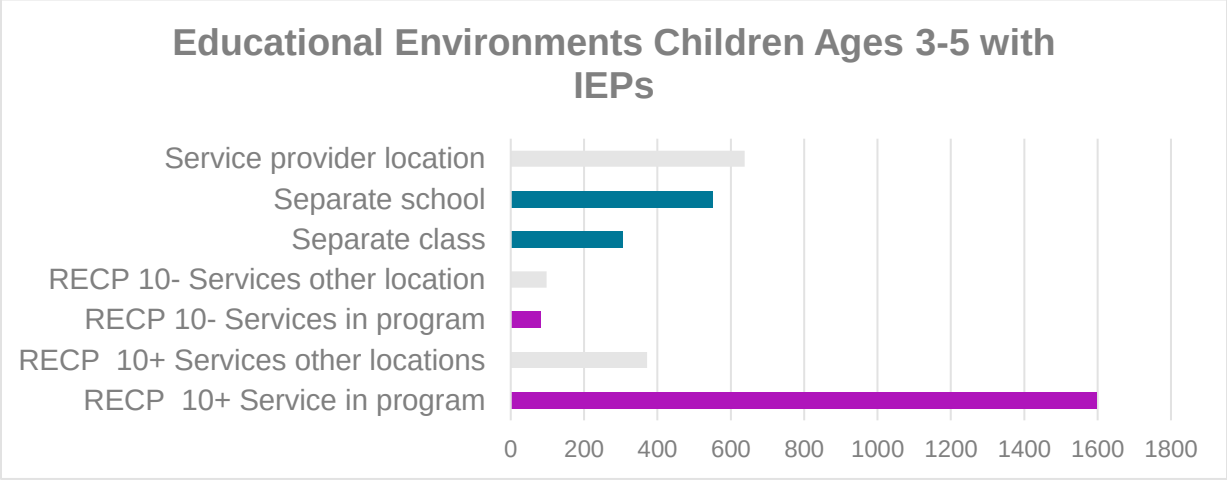
In ***Figure 29*** below, the purple bars represent a) children in regular programs, receiving services in the program. The longer purple bar shows children attending regular programs 10 hours or more (44%), the shorter bar, those children attending less than 10 hours (2%). These children receive the majority of their IDEA services in the regular program, in the context of everyday activities and routines.

The national average for children who attend separate special education classrooms, schools, or residential programs is 25%. Maine reported 24% children in separate special education programs, specifically 8% in separate classrooms, 15% in separate schools, and less than 1%, suppressed in the chart, in residential facilities.

It is notable that only Arkansas provides more services for children three through five with disabilities in separate schools (23%), run separately by the department of developmental disabilities. Maine is far above the national average of 2% of children served in separate schools, serving 15% of preschool children through the use of special purpose preschools, a setting not typically used in other states as settings for preschool children with disabilities.

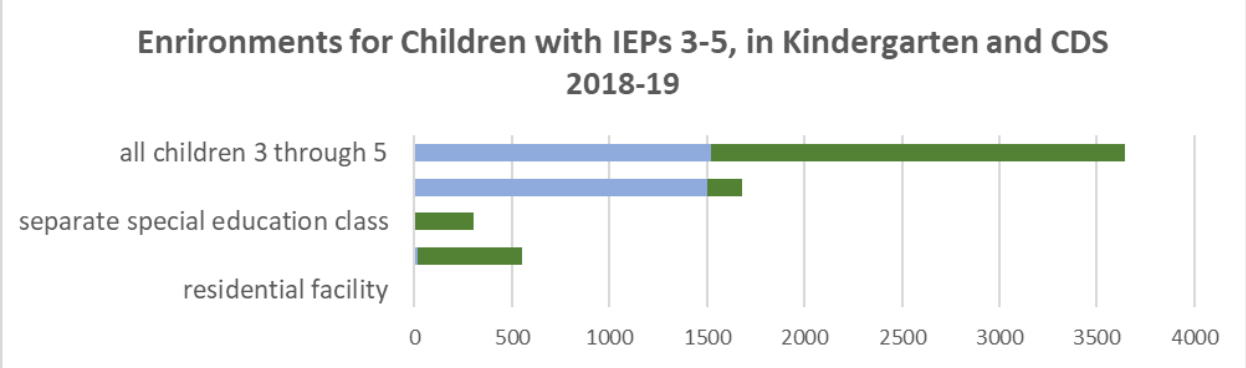
Children represented in the gray bars (32%) make up the rest of the service locations, some attending regular programs such as child care, but receiving their special education and related services in locations other than the program, often a separate program, while other children do not attend any regular program and receive IDEA services in a service provider location such as a speech therapy group, or their homes. Home can be considered an appropriate setting for a young child with health or medical needs or other reason that prevents them for participating in a classroom setting.

FIGURE 29. EDUCATIONAL ENVIRONMENTS FOR CHILDREN (AGES 3-5 WITH IEPS)



Looking more closely at the children within those reporting categories, by breaking apart the children reported being served by CDS, and those children included in the reporting who are five on the state reporting date in the fall, served in kindergarten, there are differences.

FIGURE 30. ENVIRONMENTS FOR CHILDREN WITH IEPS (AGES 3-5, IN KINDERGARTEN AND CDS)



	residential facility	separate school	separate special education class	regular program w services in the program	all children 3 through 5
Kindergarten	0	17	4	1,501	1,524
CDS 3-5	0	533	300	177	2,118

[Due to low numbers of children reported in residential facility, that number is reflected as 0].

Figure 30 data reported for the total number of children with IEPs three through five in Maine (one-day count)[45] looking at those environments for children receiving services through CDS and those children who are five and in kindergarten, being served by their SAUs. Almost all of the 1,524 children five and in kindergarten, in an SAU are attending kindergarten and receiving the majority of their special education and related services in the program. In contrast, for many children, CDS relies primarily on services provided in separate settings, special education classrooms or separate schools. It is important to note that these data do not include all children in kindergarten, and do not necessarily represent the distribution of special education and related services for all children in kindergarten, however, they do show the clear contrast in the settings for children three through five.

Data regarding the location / environments where children received their special education and related services was challenging. These data were gathered from several sources. Counts in ***Table 27*** below represent cumulative data for the year, except for those children who were five in kindergarten on the state fall count date, and children in service provider locations.

The number of children with disabilities served throughout the year in child care, Head Start, or other early childhood program without receiving ECETA (Early Childhood Education Tuition Agreement) payment, cumulative counts of children served in other locations, and those children served in service provider locations is unknown.

[45] Maine APR https://sites.ed.gov/idea/idea-files/2020-spp-apr-and-state-determination-letters-part-b-maine/

TABLE 27. SUMMARY OF SERVICE LOCATIONS

Service Locations	Number of children
CDS Preschool Programs	81
ECETA	235
Service Provider location	638
State Pre-K	764
Special Purpose Preschool	1,309
Kindergarten	1,524

In order to provider IDEA Part B-619 services CDS develops an array of contracts, agreements and service arrangements in order to provide the services on a child's IEP.

In addition to hiring special education and related services employees, CDS contracts statewide with an array of providers, including therapists, psychologists and Special Purpose Preschools to provide direct services. Additionally, CDS has developed Early Childhood Education Tuition Agreements (ECETA) where they fund the 'slot' for the child to attend a Head Start, community child care or preschool and then supports the child in that setting through itinerant special education and related services. CDS is in the process of standardizing the ECETA rates paid to community early childhood providers across the state.

As reported in the cost study report - over the past several years CDS has increased the number of contracts it has with School Administrative Units (SAU). Currently, CDS has contracts with 33 (17%) of SAUs statewide. These contracts generally include therapy services including occupational, physical and speech and language therapies, as well as the costs of educational technicians to support the child in the classroom. Some contracts with SAUs include the costs of special education teachers and transportation costs. Reimbursement for these services under these contracts is generally fee-for-service, although some include the cost of an FTE (e.g. the salary and fringe for an education technician), and at least one SAU is funded quarterly with a reconciliation of costs at the end of the year. Only one of the SAUs bills MaineCare directly, the others being billed by CDS to MaineCare on their behalf.

In PCG's interviews and correspondence with SAUs they reported that are not billing the DOE for special education services in addition to the funding received under their contract with CDS. In all cases CDS was responsible for developing the IEP and providing all case management activities. SAUs are generally serving the children who are eligible for Part B-619 in inclusive Pre-K classrooms at their elementary schools and some at community partner settings (Head Start or community preschool / child care) through itinerant services where SAU staff serve the child at that setting.

Training / Workforce Capacity

Training and technical assistance for the 619 system has been provided by CDS regional managers. More recently the DoE has been providing online webinars. There are currently no training requirements for contracted 619 providers to ensure that they are providing early childhood special education services in accordance with the Free and Appropriate Public

Education (FAPE), Least Restrictive Environment (LRE), Individual Education Program (IEP) and other requirements of IDEA Part B.

ASSESSMENT OF THE PROPOSED LEGISLATION (LD 1715)

L.D. 1715 'An Act To Reorganize the Provision of Services for Children with Disabilities from Birth to 5 Years of Age' was introduced in the 12th Maine Legislature in May 2019.

The proposed legislation includes moving the administration and accountability for early childhood special education services to children 3 -5 under IDEA Part B-619 from CDS to the Department of Education. It also would move the responsibility for the provision of special education and related services under IDEA Part B-619 from CDS "to the school administrative unit where the child resides."

L.D. 1715 provides for a 5-year "implementation phase-in, fiscal years 2020-21 to 2024-25" with differing percentages of 3-year-olds and 4-year-olds to be served by SAUs each year. The legislation also allows for SAUs to be 'early adopters' that take responsibility for services to all eligible children 3 -5 under 619 in either 2019-20 or 2020-21 to receive start-up funds.

PCG believes that the long 5-year transition period articulated in L.D. 1715 could present a significant challenge to CDS to continue to provide special education and related services in accordance with IDEA Part B-619 due to the shrinking number of children each year, as more and more children begin to be served through SAUs. The CDS operating budget would be reduced over time and it is very possible that CDS staff would begin to leave in large numbers due to the job stressors and changes associated with the extended transition. These factors would make it harder for CDS to provide services on the IEPs of those children who remain and has the likelihood of increasing due process hearings, complaints, and potential lawsuits, resulting in unwanted financial and federal non-compliance issues for the state. PCG recommends a transition period of 2 years that addresses the needed planning, funding, facility, policy changes, and workforce issues in order for SAUs to be ready to begin to effectively provide inclusive preschool special education to all children ages 3 through 5 with developmental delays and disabilities.

While SAUs would certainly need to hire staff (early childhood special education teachers, additional therapists, etc.), based on the experience of other states, services will include partnerships with other early childhood programs – Pre-K, Head Start, child care and contracted providers. This cross-sector approach not only helps address the capacity issue, but helps to strengthen the service delivery system, building collaborative relationships and program structures that promote a more inclusive and responsive delivery system. Undoubtedly classroom space would be an issue in some SAUs, even those with strong community early childhood partnerships, that will need to be addressed during the transition period, including potential capital outlay funding to make these changes.

SAUs will have a broad array of funding revenues streams to utilize in order to provide free and appropriate public education services to children 3-5 with disabilities in their catchment areas. Fiscal planning for each SAUs would need to occur and a 'fiscal toolkit' for SAUs would be developed that would enable them to look how to braid funding streams and maximize partnerships to serve the preschool children with disabilities in their catchment area. Funding streams that can be utilized by SAUs to fund IDEA Part B-619 services are shown in ***Table 28*** below:

TABLE 28. FUNDING SOURCE ANALYSIS

Fund Source	Amount	Implications
619 IDEA Funds	$2.6 million	Majority of funds would be allocated to SAUs with some for state-level administration and support.
611 IDEA Funds	$1.6 million (CDS current revenue)	These funds could be allocated to SAUs. IDEA 611 may be utilized for preschool children with disabilities.
EPS Funding Formula	Estimated maximum $34.8 million (2,827 eligible children x $12,320 avg. cost per child) Average annual special education per student K- 12 cost FY18 was $12,320 ($391.4 million / 31,768 children)	The special education EPS funding formula can be utilized to fund IDEA Part B-619 services to children 3-5 with disabilities. See analysis below related to the local cost. Note: The maximum funding through the EPS funding formula would be offset with funding from MaineCare.
State Preschool Special Education funds	$29.9 million state appropriation (currently to CDS) The FY21 state appropriation made to CDS is $38.2 million. 78.17% was applied to this amount (based on historical CDS program expenditure for IDEA Part C and Part B-619).	State funding for IDEA Part B 619 services need to be utilized for these services due to federal maintenance of effort requirement. State preschool special education funding could be applied to offset the EPS local share or allocated to SAUs on a per child basis.
MaineCare	Estimate $7.9 million 1,527 MaineCare eligible children (2,827 child count x 54%) x $5,184* *4hrs per week x 40 weeks x $32.40 average per session rate = $5,184	Billing to MaineCare is projected to generate significant revenue, especially if billing is centralized. It will likely not be as high as the current MaineCare expenditure for children 3-5 with disabilities which exceed $49 million, mostly due to number of children receiving services through Special Purpose Preschools. Current state match (seed) = $17.8 million.

	estimated annual per child MaineCare billing	Average annual per K-12 child MaineCare billing = $1,317.40 ($22.6 million / 17,155 (54% MaineCare eligible children)). This is thought to be low due to many SAUs not billing MaineCare. $2.9 million state match (seed) would be applied to the estimated $7.9 million MaineCare expenditure x 36.33% (FY21 state match rate / seed).
Title 1	Unknown	SAUs that receive Title 1 funding can utilize these funds for preschool services, e.g. to expand the number of preschool slots.
Chapter 676 Funding	$1 million (Current CDS state appropriation)	State funds appropriated for the approximately 200 children that remain in 619 services for an additional year if this option is kept.
Pre-K	$6.4 million (764 x $8,414)	Currently ~764 children with an IEP are funded under Pre-K through the EPS funding formula. SAUs would be responsible for special education and related services for children with disabilities enrolled in state Pre-K.
Head Start	$4.4 million ($44.3 million statewide funding x 10%)	310 children with disabilities (with IEPs) are estimated to be served in Head Start (10% of Head Start population of 3,087). Additional children are likely to be eligible to attend Head Start based on income eligibility and other eligibility criteria. SAUs would be responsible for special education and related services for children with disabilities enrolled in state Head Start.
Child Care	$892K ($6,373 average subsidy x 140 children)	140 children with disabilities are estimated to be served in under the child care subsidy (1,140 3 and 4-year-olds in subsidy statewide x 10%). This percentage could be higher, especially if it includes private pay child care for working parents who need full day / extended day and year-round child care.

		SAUs would provide itinerant special education services for children with disabilities at served at Child Care in their catchment area.

PCG conducted an analysis of the potential impact of the use of the EPS funding formula for 619 preschool special education services and the potential impact on local town costs. This included sorting the 2,827 children served by CDS by town. PCG then applied the average special education annual cost for K-12 of $12,285 (FY18 expenditures of $391.4 million / 31,860 eligible children K-12) to the number of children served by CDS for each town to calculate a total cost per town. The local cost percentage for each town (which ranges from 1 – 50%, with an average of 42%) was then applied to the total allocation amount to calculate the local cost estimate per town. Based on these calculations, the total maximum local cost would be $14.7 million; however, these costs would be offset by increased MaineCare revenue, as well as state preschool special education appropriation ($29.9 million that is currently appropriated to CDS) and federal IDEA funds. ***Table 29*** below shows ranges in the number of children and the number towns that would serve them as well as the range and average local cost maximums.

TABLE 29. RANGE OF NUMBER OF CHILDREN WITH DISABILITIES 3-5

Number of 619 eligible children	Number of towns	% of towns
1 - 10	296	86%
11 - 49	45	13%
50 - 99	4	1%
100+	1	0%

TABLE 30. RANGE OF PROJECTED LOCAL SHARE AND CORRESPONDING NUMBER OF TOWNS

Range of local cost share	Number of towns	% of towns
$0.00 - $4,999.00	23	7%
$5,000.00 - $19,999.00	164	47%
$20,000.00 - $49,999.00	92	27%
$50,000.00 - $99,999.00	37	11%
$100,000.00 +	30	9%

As noted in ***Table 28*** Maine could choose not to use the EPS special education funding formula for IDEA Part B -619 services, but instead allocate funds on a per child basis based on child count by SAU. This funding option would mitigate the increased local cost. PCG would recommend using a child count at two points in time e.g. Oct 01 and May 01, to account for the increase in the number of preschool children with disabilities identified and determined eligible and the children transitioning throughout the year based on their third birthdays.

PCG determined that in 2019 – 2020 there was a 51.7% growth in the number of children served by CDS over the year. PCG would recommend using an average of the two counts which accounts for the fact that not all children would be enrolled for the full year. In 2019 – 2020 this would mean using a child count of 2,827 (2,247 Oct 01 + 3,408 June 01 = 5,655 / 2).

If we assume that $1 million of the $30 million state preschool special education appropriation would be needed for state administration (salaries and benefits, operating, contracts, training etc.) then $29 million / 2,827 = $10,258.00 per child allocation for SAUs. SAUs would also be able to utilize IDEA 611 and 619 funds along with MaineCare claiming and placement of a number of children in inclusive state PreK, Head Start and Child Care.

Another funding cost that comes up the provision of 619 services to children 3-5 with disabilities is transportation. CDS expenditures for transportation in FY19 were $2.6 million, provided through a variety of private transportation companies. This cost includes significant transportation for children to attend special purpose preschools and other early childhood settings outside of their local communities or school districts. If 619 services are by SAUs, it is likely that an increased percentage of preschool children with disabilities will receive special education services in their local communities, eliminating the need for longer distance daily transportation. If 619 services are provided by SAUs to preschool children within their catchment areas, transportation can be funded through the EPS funding formula which is funded based on a budget submission. Bus purchases fall outside of the transportation allocations and can be made through an application through the state if additional buses were needed with preschool children able to ride regular school buses with appropriate child safety seats / restraints.

Another area with funding implications is facility / space costs. SAUs often look to community partners to expand the provision of Pre-K, a process that has been encouraged as the state looks to implement a statewide universal Pre-K system. These same partnerships can also be used to expand inclusive early learning settings for young children with disabilities. Even with this, there are likely to be some SAUs that will need to make additional preschool classroom space available on their elementary school campuses. SAUs would need to apply through the DoE's 'Major Capitol School Construction Program' for the state subsidy for these projects that would need to occur during the transition period.

L.D. 1715 would likely increase the number and percentage of preschool children with developmental delays and disabilities who receive inclusive educational services alongside their same age peers and within their home communities. A more restrictive placement should be considered only if an IEP team determines the child cannot be educated satisfactorily in a regular early childhood environment based on the child's individual needs and with appropriate supports. Data shows that this occurs for only a small number of Kindergarten students.

A statewide transition plan would need to address state level implementation (planning; guidance, statute and policy chances) and include a clear communication plan regarding how parents, providers, partners and advocates will be informed of timelines, approaches, what to expect and where to go for more information. This information would reduce anxiety and help stakeholders understand that while change of this magnitude is hard, that together, Mainers can build a strong early childhood system for young children and their families.

PCG will develop a detailed phase transition plan with timelines and planning activities that would need to occur to address whatever governance, administration, and service delivery system that the Maine State Legislature decides to endorse and move forward. This will be included in the Phase II Report.

EARLY CHILDHOOD SPECIAL EDUCATION (619) RECOMMENDATIONS

PCG recommends that all of the following changes be made in the interrelated areas of 1) governance and administration 2) funding and 3) service delivery of IDEA Part C early intervention services to children birth to 3 with developmental delays and disabilities. These recommendations are made based on PCG's evaluation of qualitative data collected from stakeholder feedback, review of program and cost data, interviews conducted with peer states, review of national literature and evidence-based practices and models and our subject matter expertise.

Not all the recommendations require statute or policy changes, and the Phase II Implementation Report will provide more details on the steps Maine can take to successfully implement these changes.

PCG has provided a matrix (***Table 31*** below) of alternative changes that could be made should the State decide not to follow the comprehensive set of recommendations listed below.

1. Governance / Administration:

PCG recommends:

1.1. ***Designated state agency:*** Designate in state statute the Maine Department of Education (DoE) as the state agency for the administration of Part B-619 services for children with developmental delays and disabilities 3 through 5. PCG recommends a transition period for this change of administration from CDS to DOE, as described in 1.6 below.

1.2. ***Administrative Office:*** Administration of Part B-619 services at the DoE to be within the Office of Special Services, along with K-12 special education services. Regular planning and coordination with staff from the Office of Early Childhood Education is also recommended.

1.3. ***619 state staff:*** Administration of Part B-619 services at the DoE to include a 619 Coordinator and team of early childhood special education specialist staff to assist in the statewide implementation of Part B-619 services by SAUs, including: 1) accountability and monitoring; 2) inclusion support and community systems building; and 3) training and technical assistance.

1.4. ***Designate SAUs to provide 619 services*:** Designate in state statute SAUs as responsible for the provision of Part B-619 services in accordance with federal and state

regulations for all eligible children with developmental delays and disabilities ages 3 through 5 in their catchment area.

1.5. ***Revise state regulations:*** Revise the current Maine Unified Special Education Regulation (MUSER) to include the new administrative structure, including the provision of Part B-619 services by SAUs.

1.6. ***Transition Period:*** Establish a transition period of 3 full school / fiscal years (e.g. if legislation was passed in March 2021 – the transition period would be July 01, 2021 – June 30, 2024), providing support and direct funding options for 'early adopter' SAUs to provide IDEA 619 services to children 3-5 after 2 years.

1.7. ***State-level transition leadership team:*** Establish a state-level transition leadership team to work during the transition period to address identified state-level funding, facility, statute and policy changes, workforce and training and professional development, technical assistance. The state-level transition leadership team be assigned complete 'ECTA Systems Framework' IDEA Part B 619 self-assessment, including the governance, accountability & quality improvement and finance sections and using the results during the transition period as part of the implementation planning.

1.8. ***SAU Transition planning:*** Support all SAUs to develop a preschool special education transition plan in year 1 through a team process to include parents and community partners. Each transition plan to address: number of children 3-5 with disabilities projected to be served; their current placements; projected placements; community partner agreements with Head start and child care; opportunities to expand Pre-K; any needed space / facility needs; personnel needed (hiring / contracts); identification of technical assistance needs for topics such as, recommended practices for serving young children, early childhood outcomes, reporting required data and the use of the fiscal toolkit to address opportunities to braid funding.

1.9. ***Inclusive early childhood education guidance document:*** Develop state guidance document for SAUs and community early childhood providers regarding the implementation of inclusive early childhood services (drawing on national and other state documents).

1.10. ***619 representation:*** Ensure IDEA Part B-619 representation on the state IDEA panel, Children's Cabinet and other early childhood planning initiatives.

2. Funding:

PCG recommends that Maine:

2.1. ***Central billing system:*** Develop a central billing system to process claims to MaineCare that maximizes revenue through automation and reduction in administrative burden on SAUs. Delivered services data (e.g. <number of minutes> of <service> provided on <date> to <child> at <location> by <therapist name> <therapist number>) from SAUs and any contracted providers would be collected through a central web-based electronic data system. The data is then converted and processed into claims by either state employees or through a billing agent. SAUs and contracted providers would receive payment directly from MaineCare.

Note: PCG also recommends that Maine consider a central claiming for K-12 special education that has the potential to generate significant review statement, due the current reluctance of many SAUs to process claims to MaineCare, citing the administrative burden and fear of audit paybacks. PCG was also informed of a current disincentive to MaineCare claiming in the EPS funding formula as a result of special education staff costs being reimbursed retrospectively.

2.2. ***MaineCare 'special education services' section:*** Continue working with MaineCare to develop a new 'special education services' section of the MaineCare Benefits Manual that includes clear service definitions, billing codes, modifiers and rates for all special education and related services reimbursable services. These can be used within the central billing system to ensure that billing documentation and claiming processes meet MaineCare requirements and prevent audit exceptions. This will also ensure clear and consistent use of modifiers which is necessary for the accurate calculation of the state match (seed) associated with IEP authorized education services.

2.3. ***Rate Study:*** Work with MaineCare to conduct a rate study to determine the costs of providing reimbursable special education and related services.

2.4. ***Funding of 619 services:*** Fund 619 preschool special education services though SAUs utilizing either:

2.4.1. EPS special education funding formula by SAUs – with use of the $30 million state appropriation currently received by CDS to offset the local cost (no more than 50% local cost for special education). SAUs would also receive MaineCare; IDEA 611 and IDEA 619 funds and can utilize inclusive Pre-K, Head Start and child care placements.

2.4.2. Per child allocation to SAUs utilizing the current $30 million state appropriation currently received by CDS. SAUs would also receive MaineCare; IDEA 611 and IDEA 619 funds and can utilize inclusive Pre-K, Head Start and child care placements.

2.5. ***Review of current children with high costs:*** Conduct a review of the current children with high annual cost to determine the appropriateness of the intensity of services they are receiving and determine whether they could be served in a less restrictive environment. Currently, 785 children aged 3-5 eligible for IDEA Part B-619 have annual costs over $20,000.

2.6. ***Fiscal toolkit:*** Develop a fiscal toolkit for SAUs to look at how to braid funding streams and maximize partnerships with other early childhood providers (Head Start, child care, Pre-K) and contracted providers to effectively serve preschool children with disabilities under IDEA Part B-619.

3. Service Delivery:

PCG recommends that Maine:

3.1. ***Training and professional development:*** Develop training and other professional development opportunities (webinars, online asynchronous course) on inclusion of children with disabilities in early childhood education for a variety of audiences, including school administrators and boards; teachers and other instructional staff; parents and community partners. Training and professional development to include development of

IEPs including the special education and related services to address the individualized developmental needs of each child and the determination of the least restrictive environment / setting for the child.

3.2. ***Pyramid Model:*** Develop a cross early childhood program (Head Start, Pre-K, child care, IDEA Part B-619) leadership team to develop a plan for implementation of the Pyramid Model in order to promote the use of evidence-based practices for promoting young children's healthy social and emotional development and effectively addressing challenging behaviors through a tiered intervention approach.

3.3. ***Chapter 676 training:*** Include in training consideration of Chapter 676 (which currently allows children who turn 5 between July 01 – Oct 15 to remain in IDEA Part B-619 services and to transition to Kindergarten the following year) as it applies to the IEP Individualized Education Program (IEP) decisions made individually for each child. With IDEA Part B-619 services provided through SAUs it is likely that fewer IEP teams will determine the need for a child to continue to receive 619 preschool special education rather than transition to Kindergarten

3.4. ***Use of developmental delay eligibility category:*** Consider using the eligibility category of developmental delay more widely. Train and encourage evaluation teams in the use of the developmental delay category of eligibility.

The following (***Table 32***) presents alternatives to adopting the full array of recommendations presented above. PCG believes that the recommendations listed in the table are not dependent on the full implementation of the recommendations made in this report and could still result in significant positive outcomes for young children with disabilities and their families.

Recommendations could also be implemented on a staggered basis i.e. not all recommendations need be made at the same time or in a phased approach during the recommended transition period.

TABLE 32. ALTERNATIVE IMPLEMENTATION MATRIX

Alternative	Recommendations that could be implemented		
	Governance	Funding	Service Delivery
A. Move all CDS Administration (funding, contracting, staffing) under DoE, and maintain CDS' responsibility for IDEA Part B-619 service delivery statewide.	1.1 – 1.3 1.10	2.1 - 2.2 2.5	3.1 - 3.4
B. Maintain CDS as quasi-state agency with administrative and service delivery responsibility for IDEA Part B-619 statewide	1.10	2.1 - 2.2 2.5	3.1 - 3.4

C. Implement alternative A. or B. and require SAUs to contract with CDS / DoE for children in their catchment area – with per child monthly reimburse rate (utilizing state, Federal IDEA (611 and 619) and MaineCare - based on child's eligibility)	1.10	2.1 - 2.2 2.5	3.1 - 3.4
D. Designate SAUs have responsibility for IDEA Part B-619 but are allowed to contract with a regional or statewide entity such as CDS to coordinate and provide special education and related services to children 3-5 within their catchment area.	1.1 – 1.10	2.1 – 2.5	3.1 – 3.4
E. Allow children to remain in Part C until the beginning of the next school year or the year in which the child is age eligible for Pre-K. Some additional funding is available through the IDEA extended Part C option (states can include in their annual application) Note: A state must still administer IDEA 619 services from age 3.	1.1 – 1.10	2.1 – 2.5	3.1 – 3.4

APPENDICES

A.1 INTERVIEW AND FOCUS GROUP PROTOCOLS

The master list of questions for focus groups and interviews is included below. Variations of the questions were asked which allowed each unique stakeholder and stakeholder group to respond. The guiding questions asked across all groups are included below.

Question	Part C	Part B	SAUs	SPPs	Advocates	Families	State Staff	State Admin
Administration								
Agency Structure: Currently the Lead agency is CDS under DOE with 9 regions. How is this administrative structure working and how could it be improved? Do you have thoughts and recommendations about a different structure?	x	x	x	x	x	x	x	x
Collaborations: How are the collaborations between CDS and other state agencies and organizations? How could they be improved? Do you have thoughts and recommendations about how a different structure could affect collaborations?	x	x	x	x	x		x	x
Accountability: CDS is required to collect data, report on performance measures, monitor for compliance and respond to complaints. How has this been going? What thoughts and recommendations do you have about how this could be improved?	x	x	x	x			x	x
Service Delivery System: Currently service delivery under CDS is through a combination of state employees and contracted providers (individuals and agencies). What thoughts and recommendations do you have regarding the most effective service delivery system?	x	x	x	x	x	x	x	x
ICC and IDEA Advisory Panel: How effective are these federally mandated bodies at advising and assisting the lead agency in the administration an effective service system? What opportunities are there for improvement?	x	x	x	x	x	x	x	x
Qualified Workforce: CDS has faced challenges in hiring qualified special education, early intervention and therapy staff. What recommendations to you have regarding how to train, recruit and retain qualified staff?	x	x	x	x	x		x	x
Funding and Data Collection								
Database: Currently the CDS is utilizing a database Yaha soft for case management and performance measure reporting. How is this system working for case management, performance reporting and billing?	x	x	x	x			x	x

Medicaid Billing: Currently CDS bills MaineCare for their services and contracted providers bill separately. Also, case management / service coordination and developmental instruction / therapy are not billable under the MaineCare state plan. What are your thoughts and recommendations regarding accessing funding for these services? Do you think that all children eligible for Medicaid are billed to MaineCare? What other opportunities to expand MaineCare billing exist?	x	x	x	x	x		x	x
Private Insurance Billing: Currently CDS bills private health plans for their services and contracted providers bill for their services. What opportunities are there to increase revenue from private insurance?	x	x	x	x	x	x	x	x
Braided funding: What opportunities are there for braiding funding (federal and state) to build effective and inclusive early childhood services.	x	x	x	x	x		x	x
Public school funding of Early Childhood Special Ed: What challenges and opportunities exist? What would need to get addressed?		x	x		x		x	x
Overall funding of early intervention and early childhood special Ed: How would you describe the overall funding levels and budgeting process? What opportunities are there for improvements?	x	x	x	x	x		x	x
Service Delivery:								
Eligibility: Current eligibility for early intervention is one of the strictest in the country (requiring 2 standard deviations). What thoughts or recommendations do have regarding changes to the eligibility criteria?	x	x	x	x	x	x	x	x
Child find and Public Awareness: Currently CDS is serving a low percentage of children compared to other states nationally. What thoughts and recommendations do you have for promoting increased referrals of children with and at risk for developmental delays and disabilities.	x	x	x	x	x	x	x	x
Inclusion: To what extent are CDS early childhood special education services being provided in inclusive settings (>50% typically developing peers)? Are there examples of where this is going well? What opportunities exist to promote increased inclusion?	x	x	x	x	x	x	x	x
Evidence-based services: CDS is promoting a 'routines-based early intervention' (Dr. Robin McWilliam) approach. How is this being implemented in the regions? Do you have recommendations for improvement?	x	x	x	x	x	x	x	x

Case Management / Service Coordination: These are currently provided by CDS employees. How is caseload size? How are the functions of: 1) facilitation of the evaluation and eligibility determination 2) coordination and monitoring of all services on the IFSP / IEP 3) referral and coordination with other supports and services (health, childcare, family support services)	x	x	x	x	x	x	x	x
Transition: How is the process of transition from IDEA Part C to 619 and from 619 to Kindergarten going? What opportunities are there for improvement?	x	x	x	x	x	x	x	x

A.2 REVIEW OF PREVIOUS REPORTS AND RECOMMENDATIONS

The following is a review of previous reports conducted on CDS and Early Childhood Special Education in Maine and implementation status regarding the recommendations made.

1. Taskforce to Study the Cost-effectiveness of the Child Development Services Systems (February 1998)

Recommendations / Findings	Implementation status
1. Develop and use a common form and methodology to determine cost of either employing on contracting with professional therapists	CDS determines the cost/unit of each service based on the number of units delivered divided by average cost when delivered by contracted providers and employed providers. Standard rates align with State Medicaid reimbursement rates. Until FY19, no objective measure was used to determine if a nonstandard rate was justified and, if so, what the amount of the nonstandard rate should be. As a result, statewide equity in nonstandard rates was not in place and some we very inflated. In addition, the significantly depressed salaries for employed providers resulted in a comparison in cost/unit between contracted and employed providers that lacked context and clarity.
2. Develop and implement a quality assurance initiative for the CDS System with report biennially to the Commissioner of Education & the Joint Committee on Education and Cultural Affairs.	For the past several years, CDS has completed a Annual Legislative Report which is an in-depth review of CDS' performance in a given year.
3. Provide parents with information on contracted and employee service providers during the evaluation process.	CDS develops IFSPs and IEPs using a process that includes generating outcomes (goals) for the child and the team, including the parents agree on the services to reach those outcomes and finally the settings where the services will be provided. Parent should not be selecting providers at the time of evaluation
4. Improve collaboration among all involved public agencies to increase efficiency in the provision of services.	CDS has MOUs are in place with the Maine Education Center for the Deaf and Hard of Hearing, the Division of the Blind and Visually Impaired, all SAUs, Head Start, and the Department of Health and Human Services.
5. CDS regions to address high case manager workloads.	Although an official caseload size has not been established, CDS does have a 'generally accepted caseload' for CMs and SCs. Recent increases in CDS funding in the current State biennial budget allowed for the addition of CM/SC positions. Also, the move to 'wage an hour' status for these positions created the potential of overtime and an inherent incentive to maintain an adequate number of these staff to avoid costly overtime.

2. Subcommittee to Study Early Childhood Special Education (January 2007)

Recommendations / Findings	Implementation status
1. Improve and build on current systems' demonstrated strengths and make changes where needed.	CDS has increasingly become a data-driven agency and there is a concerted effort to reinforce a continuous improvement mentality among State and regional leadership and frontline providers.
2. Keep CDS intact to coordinate early intervention and early childhood special education	CDS remains intact at this time for both Part C and Part B-619. In 2019 L.D. 1715 was introduced to move CDS to DoE
3. Maintain the Department of Education as the lead agency for CDS	CDS is a quasi-state agency under the Department of Education for budget and accountability to the US Department of Education.
4. CDS to expand connections of Child find and service delivery with School Administrative Units, with the DHHS and medical providers.	CDS has increase outreach to potential referral sources including medical providers– especially in Part C – but without a significant increase in the number and percentage of children served, especially birth to age 1. CDS has increased contracts with SAUs
5. CDS to submit an annual report to the public, legislature and governing bodies including performance on national standards	For the past several years, CDS has completed a Annual Legislative Report which is an in-depth review of CDS' performance in a given year.
6. Develop common 'early childhood standards' across departments birth to 8 based on National Association for the Education of Young Children, the Individuals with Disabilities Education Improvement Act, and the Division of Early Childhood of the Council for Exceptional Children, including: curricula; personnel standards; personnel training; inclusion; family centered approach; system access; facilities; credentialing; ratios; accreditation; and eligibility for contracts.	*Supporting Maine's Infants and Toddlers: Guidelines for Learning & Development* and the *Maine Early Learning Developmental Standards* have been developed. Contracted preschools are required to have implement an established curriculum. Credentialing, accreditation, ratios, and contract requirements for contracted providers are aligned w/ MDOE, relevant licensure boards. Part C implements Routines-Based Early Intervention (RBEI) model with fidelity checks statewide. CDS has a central referral phone number, an electronic referral option, a referral email, and a faxed referral option.
7. CDS to transfer child records to the public school at the time of transition, with parent permission.	CDS implements this as part of preschool transition to Kindergarten
8. Develop Interagency Agreement, rules and policies between DHHS and DOE to address referrals (newborn hearing and birth defects registry); Components of quality early childhood system (listed in report); positions in DHHS and DOE to implement interagency agreement.	Room for improvement in this area that could be supported by the Children's Cabinet to publish policy guidance of referral and components of a quality early childhood system CDS is active in the Developmental Systems Integration group and the Maine Preschool Development Grant Birth – 5 needs
9. Establish a State Interagency Coordinating Council (SICC) for Birth-5 that reports to the Governor and Legislature annually incl recommendation and implementation of the	Membership and functioning of the current ICC needs to be strengthened. IDEA Part B 619 is covered by the State Advisory Panel.

interagency agreement. Add 3 additional members: new born screening; mental health and DHHS employee.	
10. SICC shall report and advise the Commissioners of DOE and DHHS, the legislative Education Committee and Health & Human Services Committee	This is not currently occurring.
11. Maine Educational Policy Research Institute (MEPRI) to develop a report to the Joint Committee on Education and Cultural Affairs regarding linking data between DoE and DHHS.	No information whether this was completed by MEPRI. There is no established mechanism for sharing data between DOE and DHHS.
12. CDS to develop strategies to maximize the usage of a broad base of community resources, including private providers, public schools, resources from other agencies, and other available resources serving children and families	CDS has expanded the number of contracted providers and has tripled the number of SAUs (33) that hold contracts in the last three years. Early Childhood Education Tuition Agreements in place with other early childhood providers.
13. CDS shall make appropriate referrals of all children birth to age 5 to appropriate public and private resources, regardless of a child's eligibility for CDS services; and other responsibilities as outlined in Department of Education regulation Chapter 180 as in effect in December 2006.	No data available to determine if implemented.
14. DOE shall develop and present to the Legislature and to the SICC required by IDEA a plan for improving training and support to CDS regional boards of directors.	Regional boards are no longer in existence.
15. Public schools shall continue to be allowed to develop 4-year-old programs at their own pace, but these programs will be mandated to be inclusive.	Approximately 75% of SAUs have public 4-year old programs and a push by the Governor's office to move to universal Pre-K
16. DOE shall achieve fiscal centralization required 20-A MRSA § 7209(3)(C) by September 30, 2007	All fiscal has been centralized to the state office. Budget planning, in collaboration with DOE and CDS Regional Leadership, occurs at the state office and State Office and regional site budgets are monitored throughout the year. Contracts, accounts billable, accounts payable, and all HR functions are centralized at the state office.
17. DOE shall report to the Education Committee of the CDS Centralization process required under Public Law 2005 Chapter 662	No information available as to whether this occurred.
18. DOE shall develop a funding formula for CDS sites, based on criteria determined in report	This has not occurred. State allocation is theoretically based on child count. Currently CDS is a budget line in the larger MDOE budget and funding is dependent on the Department being in agreement and communicating funding needs to the Legislature.
19. Amend Title 20-A MRSA § 7209(1)(E) to require a report and to the SICC on CDS sites that	No official 'report' is currently in place, although this may have occurred in the past.

are under an Action Plan, including progress and slippage.	
20. DOE to develop and pilot a way to review unmet needs in School Administrative Units	Unsure if this ever occurred. Also, I'm not sure what the intent of this recommendation is given that any unmet needs are currently the responsibility of CDS
21. DOE to explore a consistent process for transition for children moving from CDS to Kindergarten.	This has been established for a number of years.

3. Strategic Priorities Plan for Maine's Young Children (December 2007)

Recommendations / Findings	Implementation status
Implement Community Collaboration Coach Model across preschool services (incl. programs for children with disabilities), including formation of Early Learning Councils	No information available

4. Office of Program Evaluation & Government Accountability (OPEGA) Report on Child Development Services (July 2012)

Recommendations / Findings	Implementation status
1. Organizational Structure and Capabilities in Key Management Functions Should be Reassessed and Adjusted as Necessary	
1.1 Improve fiscal and programmatic capabilities and information technology functionality and support.	New data base in place (7/1/16) CINC which acts as the child's record and the vehicle for contractors to submit invoices.
1.2 Strengthen human resources management to capture, maintain and monitor data on the number and status of CDS positions statewide.	CDS HR's maintains data on all statewide budgeted positions.
1.3 Review effectiveness of CDS mechanisms established to control the number of positions and employees.	CDS monitors efficiency percentages of providers, case management / service coordination caseloads, and IEP/IFSP determination to determine the necessity of adding a new position or filling a vacancy. A justification form is completed and vetted at multiple levels at the State level.
1.4 Establish account codes to capture, analyze and report of all costs and revenues associated with operations and staffing	CDS implemented this but does not know the reimbursement amount of contracted providers receive when the directly bill third parties.
2. Greater Emphasis Needed on the Responsible Stewardship of Resources in the Delivery of Appropriate, Quality Services	
2.1 Establish training, mentoring and supervision for employees authorized to commit CDS funds to help ensure desired outcomes for children are	CDS implemented a minimum set of qualifications has been established for those authorized to commit funds. In Part B, only IEP Team Administrators may commit funds. In Part C, only Service Coordinators may commit funds. The

reasonable and service levels are not higher than needed to produce those outcomes.	commitment of funds aligns with the determinations of the IFSP/IEP team.
2.2 Conduct regular monitoring of the fiscal management activities and compliance with fiscal administrative directives by CDS regions.	Fiscal monitoring is centralized; an annual fiscal audit is conducted by an outside entity.
2.3 Improve annual budget process to include new program and staffing requests by regions.	Implemented
3. MDOE Should Adjust CDS Budget Processes and More Actively Monitor CDS Program Finances	
3.1. Improve budget and fiscal monitoring of CDS by DOE, including CDS submitting a biennial budget that accurately reflects projected needs; CDS financial report comparing actual to budgeted expenses; DOE access to CDS financial detail.	In the last couple of years, CDS has worked closely with DOE in assessing past trends and developing regional site level and State level budgets.
4. CDS Should Improve Monitoring of Staff Resources Used in Delivering Services	
4.1. Develop standard methods to track and monitor CDS direct service staff time by activity and services provided, as well as related costs.	CDS has established efficiency/productivity standards and monitors it on an ongoing basis. Activities identified as 'productive' are clearly defined.
4.2. Compare service units provided by CDS employees against IFSPs and IEPs	This occurs on an ongoing basis and is included in the annual audit. Also, CDS' database CINC has safeguards that prevent a provider from exceeding frequency and intensity.
4.3. Establish process for calculating and monitoring staff productivity and costs per unit of service provided	This has been implemented by CDS
4.4. Utilize data to develop statewide and regional budgets and understand the true cost of services provided by CDS staff and to make choices about the most cost-effective ways to deliver quality services.	This has been implemented by CDS
5. Key Data Important for Managing Program Should be More Reliable and Consistent	
5.1 Improve or establish policies, processes and procedures to ensure that data is current, standardized and accurate.	CDS implemented a new data CINC statewide data system July 1, 2016. It allows real time data. Continued refinement efforts are aimed at reducing opportunities for human error and resolving any lingering issues with report glitches.
6. Contract Management for All Contracts Should be More Centralized and Professional Administrative Services Should be Competitively Procured	
6.1 Centralize contract management for direct service and transportation providers, including competitive procurement, negotiating rates and establishing a statewide contact template (with performance expectations), maintain a contract list and contract files	Contracting is centralized, the RFP process is used when applicable, standard rates align with current MaineCare rates, and approval of nonstandard rates involves an objective, standardized process.
6.2 Coordinate with regions to monitor the performance of contracted providers.	Monitoring occurs through the database and regional office oversight and through the service coordinator / case managers work with providers

6.3 Employ rather than contract with, individuals who provide regular, ongoing administrative services in order to ensure compliance with federal labor and tax laws.	All individuals who perform administrative duties are employed by CDS.
7. CDS Should Explore Potential Opportunities to Maximize Revenue and Mitigate Fiscal Impact of MaineCare Rule Change	
7.1 Improve capability for billing private insurance companies.	Private insurance billing remains low and is a area of opportunity
7.2 Abolish family fees so that families across the State are treated equitably, unless there is intent to more constantly collect fees based on researching other state's fee system experience	A family fee policy for Part C was drafted, but not implemented. The ICC and stakeholders felt that it would decrease participation, be administratively burdensome, and not generate enough revenue to justify its implementation.
7.3 Explore opportunities for maximizing revenue from MaineCare/insurance companies	CDS has begun discussions with MaineCare regarding service coordination billing. Special Instruction is another service that was billed in the based and could be billed.
8. DHHS and MDOE Should Address Risks of Potential Fraud and Abuse in MaineCare Program Associated with Claims for CDS Services	
8.1 DHHS' Program Integrity Unit, in conjunction with DOE, should analyze MaineCare claims paid for services provided to children in the CDS program to determine whether there are indicators of fraud, abuse or error.	The use of modifiers for MaineCare services is not in place for all MaineCare sections and has not been mandated. Therefore, there is no clear way to track IFSP and IEP services.
8.2 DHHS Internal Audit group to assess the effectiveness of the preauthorization process conducted by the Office of MaineCare Services regarding Section 28 providers and services associated with children in the CDS program.	MaineCare is currently allowing for billing under Section 28 beyond the services authorized on a child's IFSP or IEP. MaineCare introduced Section 106 to establish clear definitions, requirements, codes and modifiers for educational services, but these were rescinded
8.3 MDOE and DHHS to establish policies, processes and procedures to mitigate the risks of fraud, abuse or error on an ongoing basis	See 8.2 above.