

State Update

Hundreds Turn Out for Early Childhood Action Day

Nearly 500 early childhood education advocates joined forces in Harrisburg May 13 in support of early childhood and in celebration of the 10th anniversary of the T.E.A.C.H. early childhood teacher scholarship program. Delivering apples in remembrance of the importance of early education, advocates moved throughout the Capitol visiting the offices of their members in the General Assembly. The energetic rally in the Capitol Rotunda was led by Diana Dixon (Pennsylvania Child Care Association Board Chair) and featured speakers Rep. Tony Payton (D-Phila); Rep. Paul Costa (D-Allegheny); Bruce Clash (Fight Crime: Invest in Kids); Julie Kincak, Director of the UPMC Children's Hospital; Joan Benso (Pennsylvania Partnerships for Children) and Rev. Sharon Easterling (Delaware Valley Association for the Education of Young Children). All speakers noted the importance of and need for continued support for early childhood programs, teachers and the families served.

Prior to Early Childhood Action Day, more than 800 activists sent letters to their members of the General Assembly urging the legislature to support the early childhood funding proposed by the governor as well as

an additional \$9 million investment to reduce the subsidized child care waiting lists.

For those unable to attend the event at the Capitol, they participated in a Virtual Action Day by sending faxes that reached 98 percent of the members of the Senate and 77 percent of House members.



STEVE DOSTER: FIGHT CRIME

PPC President & CEO Joan Benso addresses the crowd in the Capitol Rotunda

Helping High School Graduates be College and Job Ready

On May 17, the State Board of Education published a proposed rulemaking that would revise high school graduation requirements to establish a consistent statewide measurement of the minimum knowledge and skills that a public high school diploma signifies as well as a system of academic supports to help students achieve. A 30-day public comment period began upon publication.

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Published by Pennsylvania Partnerships for Children, a strong, effective, and trusted voice to improve the health, education, and well-being of the Commonwealth's children. Joan L. Benso, President and CEO.

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Prior to publication, the Senate Education Committee held a public hearing to discuss the proposal. PPC's President & CEO Joan Benso testified that many high school graduates are not prepared for the next phase in their lives. In data reported to the PA Department of Education by Pennsylvania's 14 community colleges, about 53 percent of first-year community college students (who were 18 to 21 years of age and recent high school graduates enrolled this past fall semester) required remediation.

Furthermore, the 14 universities that make up the Pennsylvania State System of Higher Education (PASSHE) report that nearly 22 percent of entering freshmen required remediation. Students who take

remedial courses are much less likely to graduate. Only 17 percent of college freshmen who take even one remedial reading course will receive a bachelor's degree within eight years of high school completion versus 60 percent of students who don't need remediation.

Since 1999 students in Pennsylvania have been required to demonstrate achievement of the state standards by scoring proficient or above on the 11th grade PSSAs or a local assessment that is aligned to the state standards to graduate from high school. Slightly more than 44 percent of our 2007 high school graduates failed to demonstrate proficiency on the PSSA in 11th grade, the 12th grade retake, or did not take the PSSAs but graduated based on local

New Poll Shows Majority Support GCA's

Pennsylvania Partnerships for Children (PPC) released poll results May 14 from Susquehanna Polling and Research that show a majority of respondents — 58 percent — support proposed high school graduation regulations from the State Board of Education as a way to ensure all high school students graduate with a minimum level of knowledge and skills.

Poll respondents were informed that Graduation Competency Assessments (GCAs), scheduled to take effect in 2013-2014, would replace traditional end-of-course final exams and that remediation courses would be required for students who do not pass the tests initially. Despite resolutions from school boards across the Commonwealth opposing GCAs, supporters outnumbered opponents by nearly a 2.5 to 1 margin. Support was equally strong among Republicans, Democrats, liberals, conservatives and voters who are the age of parents with school-age children. The poll was conducted May 1-7 and included 800 registered voters.

Only 24 percent indicated they were opposed to exit exams because they felt the proposal would take away local control from school boards.

Also in the poll, voters were asked this question: *Pennsylvania community colleges widely report that about half of incoming freshmen must take at least one remedial course in math or reading prior to taking college-level courses. Should the state do more to assure that high school graduates are better prepared for college and career?* Eighty-two percent responded favorably and said they agreed the state should do more to assure high school graduates are better prepared for college and career.



assessments. Benso remarked, “PPC has been repeatedly criticized that the data we were using was old and didn’t reflect the gains schools have been making. We updated this data recently as the graduation information on last year’s high school class became available. Statewide, we saw a very slight improvement of one percent more students being proficient, but more school districts did worse than the year before.”

These students live in communities all across our state – 473 school districts graduated at least 20 percent more students than demonstrated proficiency on the 11th grade PSSA or the 12th grade retake.

To support the proposed regulation, please click below: http://ga3.org/campaign/education_proposal/

To view PPC’s testimony and other information that supports the State Board’s proposal, please click <http://www.papartnerships.org/readyat21/index.asp>

Legislation Introduced to Improve Safety of Family Day Care Homes

To better ensure the safety of children who are cared for in residential-based child care centers, State Sen. Jeff Piccola (R-15) and Rep. John Payne (R-106) unveiled legislation in May that would require all family day care home providers to have liability insurance as a condition of their certification.

“Mandating providers to carry this insurance not only covers the day care in the event of an accident, but it also provides the parent with an additional level of security by ensuring that the facility is safe for their child,” Piccola said.

In addition to requiring liability insurance, the legislation will also require family day care providers to disclose certain information to parents upfront, prior to enrollment.

Senator Piccola’s legislation was introduced as Senate Bill 1421. Rep. Payne’s bill will be formally introduced soon.

Final Child Care Regulations to be Published

The Department of Public Welfare is publishing its final child care facilities regulations and comment and response document in the May 24 Pennsylvania Bulletin. The majority of the provisions will take effect Sept. 22. The rulemaking amends 55 Pa. Code Chapters 3270 (child care center), 3280 (group child care homes) and 3290 (family child care), and deletes Chapter 3300 (specialized day care services for children with disabilities). The regulations update and codify Department-issued statements of policy, reflect current state and federal laws regarding certificates of occupancy, vehicle safety, childhood immunizations, and children with special needs. In addition, the regulations address changes to health and safety requirements as recommended by new research regarding Sudden Infant Death Syndrome (SIDS) prevention, playground safety, and tuberculosis testing. Some specific changes in the regulations include redefining a child enrolled in kindergarten as a young school-aged child; requiring orientation to the child care regulations prior to commencing operation of a child care facility; and requiring family child care providers to have at least a high school diploma or General Equivalency Diploma (G.E.D.).

<http://www.pabulletin.com/secure/data/vol38/38-21/1011.html>

Dropout Prevention Bill Moving

The numbers are troubling – more than one in five ninth graders fails to graduate from the same high school four years later. While it’s likely not surprising those dropouts are a serious problem in our urban school districts where two out of five kids fail to graduate, it extends to our suburbs and rural areas as well. In Pennsylvania’s rural school districts, one out of six kids fails to graduate; and in our suburban districts, one in eight do not graduate.

Research tells us that young people who drop out of high school are much more likely than their



diploma-holding peers to be unemployed, live in poverty, become teen parents, suffer from substance abuse, receive cash assistance and serve time in prison. High school dropouts earn almost \$10,000 less per year than graduates and the lifetime lost earnings of dropouts from just one year's graduating class in Pennsylvania is more than \$9.2 billion.

Pennsylvania Rep. Jim Roebuck (D-Philadelphia) hopes to stem the tide of dropouts. He has introduced House Bill 2466, which would establish the Office for Dropout Prevention and Data Collection under the Department of Education. The Office would be responsible for implementing a high-quality detailed data collection and reporting system for dropout and graduation rates in all public school districts. The Office also would award grants to help create dropout prevention plans and for programs to recover students once they have dropped out.

The House Education Committee reported the measure on May 14. House Bill 2466 now moves to the House floor for further consideration.

News from PA School Funding Campaign

With the state budget taking the spotlight in June, the PA School Funding Campaign is stepping up its commitment to secure a permanent, adequate and equitable funding formula this budget year.

To view positive media coverage in support of a new school funding formula that is fully funded with no less than \$2.6 billion in no more than six years, click below:

http://www.paschoolfunding.org/about_the_campaign_media_recent.shtml

CHIP Enrollment a Positive Trend

CHIP enrollment increased to 172,671 in May, an 8.7 percent increase since May 2007. The bulk of the increase occurred in Free CHIP, which expanded to 150,469. Free CHIP was at an all-time high for the

second month in a row. Reduced-cost CHIP enrollment totaled 20,924 and At-Cost CHIP grew to 1,278. As of May, there were 7,490 children enrolled in CHIP who would not have been eligible before the program's expansion in March 2007.

Pennsylvania Revenue Update

The Pennsylvania Department of Revenue reported that the Commonwealth collected \$1.8 billion in General Fund revenue in May, \$142.2 million, or 7.2 percent, less than anticipated. Fiscal year-to-date General Fund collections total \$25.3 billion, which is \$294.4 million, or 1.2 percent, above estimate. Pennsylvania Revenue Secretary Wolf noted: "As reported last month, a portion of May's lower-than-estimate income tax collections are because annual income tax returns were processed much more quickly in April than in prior years."

Child Care Works Waiting List Update

The Department of Public Welfare reports that the Child Care Works waiting list as of mid-May consisted of approximately 8,400 low-income children from across the state waiting to be enrolled in the subsidized child care program. Approximately 800 children were moved from the waiting list into service during March and about 800 additional children were enrolled from the waiting list during April. In total, more than 1,600 children were removed from the waiting list and placed into child care.

June General Assembly Session Dates

The House and Senate will be in session on the following remaining days in June: 4, 9, 10, 11, 16, 17, 18, 23, 24, 25, 26, 27, 28 (House only), 29 (House only), 30.



Federal Update

Can Harmful Medicaid Regulations and SCHIP Directive be Stopped?

Legislators from the U.S. House and Senate are working to stop or delay the series of harmful Medicaid regulations being advanced by the Administration. As previously reported, the House passed legislation (H.R. 5613) last month delaying the regulations. However, the measure has not seen any action in the Senate and it seems doubtful that such a bill could survive a veto.

Seizing the moment, legislative leaders in the House and Senate are including the H.R. 5613 provisions in seemingly must-enact legislation that provides emergency supplemental appropriations for the war in Iraq. In the House, the provisions were combined with a number of other domestic issues and passed as an amendment to the emergency supplemental bill by a vote of 256-166. The following Pennsylvania members of the House voted in the affirmative: Altmire, Brady, Carney, Dent, Doyle, English, Fattah, Holden, Kanjorski, Patrick Murphy, Tim Murphy, Murtha, Platts, Schwartz and Sestak. Representatives Peterson, Pitts and Shuster voted in the negative and Representative Gerlach was not present for the vote.

The Senate's version adopted May 22 contains the moratoria on the Medicaid regulations as well as a stay of the 2007 CMS SCHIP Directive. The measure also extends unemployment benefits for 13 weeks. Both Senators Casey and Specter voted in the affirmative. The measure passed by a veto-proof margin of 75-22 (the president has threatened to veto the measure). The measure now goes back to the House for further consideration. PPC strongly supports delaying the Medicaid regulations and the 2007 SCHIP consideration.

CMS Seeks to Clarify 2007 SCHIP Directive

The Centers for Medicare and Medicaid Services (CMS) sent a letter May 7 to state health officials to address and clarify issues that have arisen with respect to the 2007 SCHIP Directive that could halt the use of federal funds to cover children from families earning above 250% FPIG (\$51,625 for a family of four) in state CHIP programs and impose harmful requirements on state programs.

Highlights of the new letter include:

- *Current enrollees above 250% FPIG are grandfathered with regard to the August 2007 SCHIP Directive. However, the grandfathering only applies as long as children remain continuously enrolled in SCHIP. This is troublesome to PPC because a fair amount of churning of enrollment is commonplace.*
- *The various conditions spelled out in the 2007 SCHIP Directive – 12-month go-bare period and cost sharing requirements – need only apply to children above 250% FPIG, but a state could choose to apply the requirements across the board to all children. It also notes that states can always choose to use state funds to cover children above 250% FPIG if they do not wish to abide with the requirements. PPC believes that a 12-month go-bare period is harmful regardless of one's income.*
- *CMS will consider alternatives to the 12-month go-bare requirement from states. CMS will also consider exceptions for categories of individual enrollees if a state furnishes justifications and data demonstrating a low crowd out risk. PPC believes that the Commonwealth already met these requirements when CMS approved its 6-month go bare period for children from families above 200% FPIG and above the age of two.*



- *CMS will work with states to document the enrollment status of children below 200% FPIG. As a reminder, one of the hurdles that the 2007 Directive imposed was requiring states to enroll 95 percent of eligible children from families below 200% FPIG in Medicaid or SCHIP. Regardless of whether Pennsylvania can show that it can clear this hurdle, another one remains that can stop the Commonwealth from using federal funds to help cover children from families above 250% FPIG – the requirement that states must show that the number of children insured through private employers has not decreased by more than two percent over the prior five years. This is completely beyond the control of the Commonwealth and is seemingly insurmountable.*

Pennsylvania is one of 14 states directly impacted by the Directive because we use federal funds to help provide coverage to children from families with incomes up to 300% FPIG (\$61,950 for a family of four). According to May CHIP enrollment, about 4,400 Pennsylvania children could be in jeopardy of losing their coverage. At a time when states and families are faced with the various impacts of the economic slowdown, we need a strong SCHIP program more than ever. Unfortunately, the clarification letter raises more questions and concerns for PPC. It is clear that Congress needs to address the 2007 Directive once and for all.

Despite Veto, Farm Bill Enacted

House and Senate negotiators worked out the differences between two versions of the Farm Bill and passed a conference agreement (H.R. 2419). The House passed the measure by a vote of 318-106 and the Senate passed it 81-15. Pres. Bush vetoed the measure, but both chambers voted quickly to override the veto.

Of interest, the measure includes more than \$10 billion over 10 years in new investments in domestic nutrition assistance, including about \$7.8 billion for the Food Stamp Program, \$1.25 billion for the

Emergency Food Assistance Program, and \$1 billion for the free fresh fruits and vegetable snack program (which is targeted to schools with high shares of low and moderate income families).

The bill also includes numerous provisions that reauthorize and improve the Food Stamp Program and various commodity distribution and other nutrition programs, including increasing the standard deductions from \$134 to \$144 and indexing them to inflation and increasing the minimum benefit from \$10 to \$14 and indexing it to inflation.

Of interest, both Senators Casey and Specter voted for the conference report in the Senate and also voted to override the president's veto. The following Representatives voted to pass the conference report: Altmire, Brady, Carney, Doyle, English, Fattah, Holden, Kanjorski, Patrick Murphy, Tim Murphy, Murtha, Peterson, Platts, Schwartz, Sestak and Shuster. Representatives Pitts and Dent voted against the conference report and Representative Gerlach was not present for the vote. The House members voted in the same manner to override the President's veto. Representative Gerlach voted to override as well.

Federal Budget Bill Taking Shape

House and Senate Budget negotiators unveiled a conference report on the FFY 2009 Budget Resolution. The House and Senate acted quickly to vote on the Resolution before recessing for Memorial Day. As a reminder, the Budget Resolution sets the denominator for overall federal spending and sets goals for broad categories of spending. The actual budget is made up of the 13 or so appropriations bills that actually direct funds to particular programs.

Of interest, the conference agreement targets \$1.016 trillion for discretionary spending. This category covers defense and other non-entitlement categories of spending. It amounts to a little more than \$25 billion above the amount the president proposed in February. Since the Budget Resolution and president's proposal are quite similar in terms of defense spending, the major difference between the



two falls under the important category of non-defense discretionary spending. Therefore, the Congressional Budget Resolution funds the broad category of spending which includes programs of importance to PPC and its supporters at a much higher level than the president proposed.

U.S. House Extends Child Tax Credit

Under legislation approved by the U.S. House of Representatives, millions of working poor families will get more relief under the Child Tax Credit. Currently, millions of children whose parents work in low-paying jobs get little or no help from the Child Tax Credit. Families who earn less than \$12,050 this year are ineligible for the refundable Child Tax Credit. Millions of others receive only a partial credit because the value of the credit is based on the amount of earnings above \$12,050. For example, a single parent who works for 40 hours a week, 50 weeks this year at the minimum wage would earn \$12,260 – and be eligible for a Child Tax Credit of just \$32.

H.R. 6049, the Energy and Tax Extenders Act of 2008, would lower the income eligibility threshold for the refundable Child Tax Credit to \$8,500 for tax year 2008. This would make 2.9 million children in families earning between \$8,500 and \$12,050 eligible for the credit and increase the credit for 10.1 million families with modest incomes above the threshold, according to estimates from the Tax Policy Center. The measure is now in the Senate.

Afterschool Supporters Rally in DC

More than 500 parents, children, educators and advocates from across PA – including more than 100 city officials, mayors and school board members – rallied in Washington recently to ask Congress to increase funding for afterschool programs and reject a White House proposal that would slash funds and transform the federal afterschool initiative into a voucher program.

The seventh annual Afterschool for All Challenge celebrated the 10th birthday of the 21st Century Community Learning Centers and also included a special ceremony to honor afterschool champions. Pennsylvania's State Rep. Jake Wheatley was among the honorees recognized for his support for afterschool and youth development programming.

Attendees met with hundreds of members of Congress and aides to discuss the benefits of afterschool programs. They urged Congress to increase support for quality afterschool programs and to reject the White House proposal to cut \$281 million from the federal afterschool budget next year. If enacted, the cut would result in 300,000 students losing access to afterschool programs. No Child Left Behind authorized \$2.5 billion for the program and it is currently being funded at just \$1.1 billion.

New Report Details Needs of Foster Care Children

First Focus, a bipartisan advocacy organization launched by America's Promise Alliance that is committed to making children and their families a priority in federal policy and budget decisions, has released a new report detailing the healthcare needs of children in foster care.

The report notes that children who have been abused or neglected often have a range of unique physical and mental health needs, physical disabilities and developmental delays, far greater than other high-risk populations. For instance, foster children are more likely than other Medicaid children to experience emotional and psychological disorders and have more chronic medical problems. In fact, studies suggest that nearly 60 percent of children in foster care experience a chronic medical condition, and one-quarter suffer from three or more chronic health conditions.

The brief analyzes some of the key health care issues facing foster care children:

<http://www.firstfocus.net/pages/3421/>



Pennsylvania Ranks 19th in New Health Care Report Card

The first-ever state-by-state health system "scorecard" to focus on children's health care finds wide differences across the country in the quality of care delivered, as well as disparities in access to services, insurance costs, and health outcomes, among other areas. Pennsylvania ranked 19th in the study that highlights the differences in states' child health systems across 13 indicators.

According to The Commonwealth Fund report, U.S. Variations in Child Health System Performance: A State Scorecard, millions more children would have insurance and adequate health care, and would avoid developmental delays, if all states performed as well as the top states. Leading the state rankings are Iowa, Vermont, Maine, Massachusetts, and New Hampshire.

The report estimates that if all states performed as well as the top states:

- *an additional 4.6 million children nationwide would have health insurance;*
- *11.8 million more children would get their recommended yearly medical and dental check-ups;*
- *1.6 million fewer children would be at risk for developmental delays;*
- *10.9 million more children would have a medical home; and*
- *nearly 800,000 more children would be up-to-date on their vaccines.*

States are ranked on 13 indicators of access, quality, costs, equity, and healthy outcomes. There is room for improvement in even the highest ranked states, the authors found.

To access the report, click below:

http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=687113