

Federal Update

Budget Reconciliation on Hold – for Now

Before Hurricane Katrina roared through Louisiana and Mississippi, Congress was to reconvene last week with an agenda topped by cutting spending in domestic programs. In April, Congress directed House and Senate committees to cut \$10 billion from Medicaid and up to \$3 billion from the Food Stamp program over the next five years.

The committees were to report reconciliation legislation to achieve these cuts by Sept. 16. But now, Congressional leaders have decided to change the reconciliation schedule and cost-cutting plans in the wake of Hurricane Katrina. Congress has postponed committee action until after Columbus Day recess.

Though the decision to delay reconciliation is a welcome reprieve, it does not take domestic programs off the chopping block altogether. Further compounding the decision to cut Medicaid and Food Stamps are poverty statistics released recently by the U.S. Census Bureau. New data demonstrate a continued need to maintain and strengthen public programs like Food Stamps and Medicaid, which help low-income families meet basic needs.

The amount of attention given to the Katrina disaster and the number of people living in poverty in those states brings more attention

to the need to protect low-income programs. More than 25 million people, including more than one million people in PA, depend on Food Stamps each month to help feed their children. Eighty percent of Food Stamp households are families with children. Nationwide, Medicaid provides health insurance to 38 million children and their parents. In Pennsylvania, approximately 1.8 million people receive Medical Assistance benefits.

Ten percent of all Pennsylvanians are now listed as those living in poverty, according to the U.S. Census Bureau. And more than 10 percent of Pennsylvanians are enrolled in Medicaid.

TANF Reauthorization Extended

Temporary Assistance for Needy Families (TANF) was set to expire on Sept. 30, but with the delay in budget reconciliation, so too was TANF reauthorization. Last week, the House passed H.R. 3672, which extended TANF for three more months to Dec. 31. (This marks the 11th time TANF has been

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extended.) At press time, the Senate had not taken action on the TANF extension.

The bill includes:

- 3-month extension through Dec. 31;
- Waived work requirements and time limits for families affected by Katrina (regardless of their current location, but for one-time nonrecurrence);
- Waiver of penalties for the states directly impacted by Katrina;
- Instruction that the Bush Administration should advance “as soon as practical” the payment of the first quarter grant to states, which would otherwise have been available after Oct. 1;
- Reimbursement to states providing assistance to families affected by Hurricane Katrina (this is the tapping of the contingency fund so that states do not have to provide a state match to offer assistance to Katrina-affected families receiving TANF);
- A provision to hold states harmless for costs incurred;
- Up to 20 percent in additional TANF funds for states directly affected by Katrina (Louisiana, Mississippi, and Alabama).

Helping Children’s Advocates in Storm–Ravaged Louisiana

Voices for America’s Children has set up the Fund for Agenda for Children to help Louisiana’s Agenda for Children rebuild following the destruction of Hurricane Katrina. Agenda for Children, based in New Orleans, is similar to Pennsylvania Partnerships for Children in its mission and advocacy work on behalf of children. Donations collected will help Agenda for Children rebuild operations and continue its important work

to ensure that policies and programs are in place for Louisiana’s children.

To contribute, send your check or money order to the Fund for Agenda for Children c/o Voices for America’s Children at 1522 K Street, NW, Suite 600, Washington, DC 20005-1202. For VISA or Mastercard transactions, please visit <https://secure.ga3.org/03/LouisianaChildAdvocates>

Services and Benefits to Aid Katrina Refugees

The Coalition on Human Needs has compiled information about access to Medicaid, Food Stamps, Head Start, unemployment benefits, and other services for people displaced by Hurricane Katrina. <http://www.chn.org/issues/katrina/index.html>

Crisis Hotline Available for Victims of Hurricane Katrina

The Department of Health and Human Services has created a toll-free hotline for people in crisis in the aftermath of Hurricane Katrina. By dialing 1-800-273-TALK (1-800-273-8255), callers will be connected to a network of local crisis centers across the country committed to crisis counseling. Callers to the hotline will receive counseling from trained staff at the closest certified crisis center in the network.

“We have all been touched by this tragedy, and profound sadness, grief, and anger are normal reactions that many people may experience,” HHS Secretary Mike Leavitt said. “We want people to know that we have a nationwide team of crisis counseling experts available to help people through their grief and loss.”

The network is run by HHS’ Substance Abuse and Mental Health Services Administration and involves more than 110 certified crisis centers. People who are in emotional distress or suicidal can call at any time from anywhere in the nation to talk to a trained worker who will listen to and assist callers in getting

the mental health help they need. People will be provided with immediate access to local resources, referrals and expertise.

Early Head Start in PA

The reauthorization of Head Start is still pending in Congress and as key decisions about the future of the program are made, Zero To Three, a national nonprofit organization that promotes the healthy development of infants and toddlers, is asking child advocates in Pennsylvania to gain attention about the need for Early Head Start services in the Commonwealth.

Zero To Three has been working to secure legislative language to be included in the Senate Head Start reauthorization bill that would allow Head Start programs that are under-enrolled to serve infants and

toddlers, if they can show community need for such services and meet the same eligibility criteria as Early Head Start programs. Since only 3 percent of eligible infants and toddlers receive Early Head Start services, this conversion language is an important way to increase access to the program through Head Start.

Please contact Senator Specter's and Senator Santorum's offices (staffers listed below) and urge them to support legislative language that would allow Head Start programs that are under-enrolled to serve infants and toddlers.

Senator Santorum
Heather McLean
202-224-6324

Senator Specter
Jen Castagna
202-224-4254

State Update

Ready for School in PA

Last month Pennsylvania Partnerships for Children (PPC) released a report on school readiness designed to show gains achieved – and improvements needed – in key areas of preparing young people for school and assuring their success when they get there. The report details 14 indicators that will be used as benchmarks for gauging educational preparedness and progress. The indicators are divided into four categories that assess school readiness: Ready Communities & Families; Ready Services – Health; Ready Services – Early Care & Education; and Ready Schools.

Some of the markers featured in “School Readiness Indicators – 2005” include the number of children living in low-income families; the number of children born to mothers with less than a high school degree; public pre-school enrollment; and class size. One of the gains highlighted in the report

is that 51 percent of public school kindergarteners attend full-day classes, compared to 33 percent just three years ago. Children who attend full-day kindergarten score higher on achievements tests, experience fewer grade retentions and require less remediation and special education than peers attending half-day programs.

In contrast, an area cited as needing improvement is in the high-quality child care indicator. It shows that out of all children 0-4 in Pennsylvania who require child care services while their parents are working, there is only enough space among high-quality child care providers to serve 3.9 percent of children, demonstrating a critical unmet need. Children who receive high-quality child care show better literacy skills and score higher on tests of both cognitive and social skills than children cared for in other arrangements.

Each August, PPC will update these indicators, measuring improvements against the benchmarks

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established in the initial report.

The school readiness indicators are designed to give policymakers and community leaders the information they need to evaluate the outcomes of their investments in early care and education and to target resources for the future. These issues are not only in the domain of state government – a child's family and community play a key role, along with the services available to meet the unique needs of each child. How ready our elementary schools are to educate all children when they arrive will help determine success, too.

Here is a sample of school readiness indicators.

The full report can be accessed at

<http://www.papartnerships.org/sr/index.asp>

- **One in three children ages 0-4 in PA lives in households earning less than 200 percent of the federal poverty guidelines, or \$38,700 for a family of four.** Children living in poverty are more likely to have poor nutrition; chronic health problems; be less prepared for and have more difficulty in school.
- **One in six children in PA was born to a mother with less than a high school degree.** Children living with mothers with low education level are less likely to receive cognitive stimulation and high-quality child care and are more likely to have diminished reading skills.
- **Fifty-one percent of kindergarteners in district and charter schools in PA attend full-day programs.** Students who attend full-day kindergarten score higher on achievement tests, receive better report cards, experience fewer grade retentions and are more involved in learning. These students make more successful transitions to first grade.

Premiums for Children with Disabilities

The Department of Public Welfare submitted an 1115 waiver request to allow the Department to charge a premium to families whose child or children are enrolled in Medicaid through the PH-95 disability category. Currently in this category, parental income is not counted when calculating eligibility for Medicaid. Only the child's income counts, with the exception of any Social Security Survivor's benefit or court-ordered child support.

The proposed change would allow the Department to assess a premium based on the custodial parent's income and family size. Families with income less than \$40,000 or 200 percent of the poverty guidelines (for a family of four: \$38,700) would not pay any premium. For families above 200 percent, a premium would be assessed on a graduated scale beginning at \$24 a month for families with income between 40,000 and \$50,000 a year. Families of four making between \$100,000 and \$110,000 a year would pay a premium of \$135. Families of four making more than \$250,000 a year would pay a premium of \$903 a month. No family would pay more than the state's cost of Medicaid or about \$1000 a month.

Based on income data collected last year, 42 percent of families in the PH-95 category will not pay any premium. Of the 58 percent families that will pay a premium, 83 percent will pay less than \$100 a month.

Families can deduct from their gross income the medical expenses shown on their most recent IRS 1040. The IRS 1040 can also be used as proof of income.

Families with more than one disabled child will not pay more than one premium.

Comments on the waiver were due by September 12. The premiums are tentatively set to begin in November. DPW must receive approval from the

Capitol Watch for Children

Center on Medicaid and Medicare before they can begin. Notices will be sent out to families informing them of the premium assessed, based on information provided, and providing an opportunity to correct any errors in calculating income. Families will later receive a billing notice with 15 days to pay the premium. Premiums may be waived for good cause such as job loss, illness, etc.

This group of children will continue with 12-month renewal.

For more information, contact Ann Bacharach, CKF Project Director, 717-236-5680.

Medical Assistance Hearings

Governor Rendell is convening a series of Medical Assistance panel discussions throughout the state to seek suggestions for innovations and savings that will enable the Commonwealth to meet the growing demands of this program. The panels will target community members, elected officials, consumers, providers and other stakeholders; the panel discussions will focus on short-term solutions that can be implemented in SFY 06-07 as well as innovative, long-term strategies to contain costs while maintaining access to quality health care for beneficiaries.

The panels will be composed of senior-level state officials (including Department of Public Welfare Secretary Estelle Richman and Medicaid program executives, the Governor's Deputy Chief of Staff, Secretary of Policy and Planning, and the Secretary of the Budget), legislative leaders, and national experts on Medicaid policy and practice.

The most critical component of the panel discussions is the testimony offered by stakeholders. The Department of Public Welfare is inviting the public to submit written testimony that offers solutions and ideas for both short-term and long-term approaches to address this crisis. Oral

testimony will be presented, with consideration for time constraints. The Department will notify submitters who are invited to give their testimony orally at the panel.

Written testimony submissions should not exceed five (5) double-spaced pages in length.

Submissions must include the following:

- ☛ The city/town where you will attend the discussion;
- ☛ Your name, professional/volunteer affiliation (if any), and daytime phone number/e-mail address;
- ☛ Whether you require any special accommodations.

Testimony must be submitted one week in advance of the panel you plan to attend. You may submit via email to cfruhwirth@state.pa.us, or via US Mail to Welfare Communications Office, P.O. Box 2675, Harrisburg, PA 17105, or via fax (attn: MA Panels) to 717-787-1229.

The tour schedule is as follows:

- Sept. 23 – Pittsburgh
- Sept. 29 – Allentown
- Sept. 30 – Scranton
- Oct. 6 – State College
- Oct. 7 – Somerset
- Oct. 14 – Erie
- Oct. 21 – Harrisburg
- Oct. 28 – Philadelphia

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■ Education News

State Board Early Childhood Committee

The State Board of Education's Early Childhood Committee received a briefing Tuesday afternoon on a series of three roundtable discussions across the state in August. The roundtables were designed to elicit input from interested parties on potential regulations for state-funded prekindergarten programs. The committee was told Tuesday that PDE staff would use the committee's discussions during the past year and the roundtable input to draft a set of proposed regulations that are expected to amend Chapters 4 (curriculum, standards, assessment, student-teacher ratios, and planning), 11 (student age and length of program), 12 (comprehensive services), and 49 (teacher induction and professional development and requirements for staff in contracted programs). Draft regulations should be ready for initial State Board consideration in November. PDE intends to hold public hearings on the proposal it makes to the Board – also in November in Allentown, Harrisburg, and Pittsburgh. Board and PDE leaders have expressed hopes that the regulations could be adopted by the summer of 2006. The state has never regulated pre-K programs in the past.

State Board Chapter 49 Committee

The State Board's Chapter 49 (teacher preparation and certification) Committee was briefed Wednesday morning on a series of meetings PDE staff have conducted this summer on potential changes in certification for early childhood, elementary, and special education. PDE sought input on six potential options growing out of work done over the past year by groups of practitioners to revise program approval standards for the early childhood, elementary, and special education certificates. Complicating the process has been the federal

requirement under No Child Left Behind that special education teachers assigned as the teacher of record in elementary or early childhood classes also have elementary or early childhood certificates. The Committee was told that PDE will prepare regulatory revisions for the Board's consideration in November that change the scope of certification in the future. PDE will propose that the early childhood certificate continue to be good for Pre-K through third grade, and that the elementary education certificate be good from grades 3 through 6 (it is now good from K4 through sixth grade). Both would need to be combined with special education, and the academic rigor of both would be increased, with emphasis on literacy, subject knowledge, and assessment of learning.

PSSA Results and AYP

Later this month, PDE will release results from the state's spring 2005 PSSA tests. The Department also will release information about which schools did and did not meet their adequate yearly progress (AYP) targets under the federal No Child Left Behind Act. This year, the state increased the percentage of students – in the school and in each subgroup of students in the school - needing to score proficient or advanced in order to meet AYP. Among the states that had released data by the end of August, 14 saw gains in both the proportion of students scoring proficient or better on state tests and the percent of schools making AYP; 11 saw their proficiency rates rise, while the proportion of schools making AYP fell; one state had the reverse pattern; and four saw declines in both categories.

Kindergarten Standards

The Departments of Education and Public Welfare recently released the first set of state

kindergarten standards, covering reading, writing, speaking, listening, mathematics, and personal social development. The standards can be accessed from PDE's website at

http://www.pde.state.pa.us/early_childhood/cwp/vi/ew.asp?Q=101706&A=179.

Legislative News

The Pennsylvania Senate is back in session the week of Sept. 19th while the House reconvenes the week of the 26th. House and Senate calendars have not been posted.

Gov. Rendell Asks Legislature for Swift Action

Earlier this week, Gov. Rendell released his legislative priorities for the fall legislative session focusing on property tax relief and protecting Pennsylvania's families, seniors and communities. The governor laid out five major proposals requiring urgent action this fall. The two initiatives of primary interest to PPC and its advocates include:

- Property tax relief;
- Raising incomes of the lowest-paid workers in the state

Property tax relief – Gov. Rendell has proposed changes to Act 72 – which legalized slots and will use state funds generated from slots to cut property taxes – to remove language that gave school districts the power to decide if their homeowners would get property tax relief and to remove the mandatory Earned Income Tax hike. As PPC has said in the past, Act 72 promises no additional resources for students. Instead, it provides relief for homeowners and it strips much of the funding authority from school boards by requiring local voters to approve

spending increases that exceed inflation.

Raising incomes – Gov. Rendell proposes raising the state's minimum wage to \$6.25 an hour by Jan. 2006 and to \$7.15 an hour by Jan. 2007. In Pennsylvania, one in three children ages 0-4 in PA lives in households earning less than 200 percent of the federal poverty guidelines, or \$38,700 for a family of four.

Meeting Notice

The House Children & Youth Committee has scheduled a public hearing on H.B. 511 regarding certain rights of foster care children. The meeting will be held Tuesday, Oct. 11 at 1 p.m. in Room 60 East Wing.

In addition, the House Education select sub-committee on Student Academic Freedom has scheduled an informational meeting on Monday, Sept. 19 to hear from David French, Executive Director of Foundation for Individual Rights in Education. The meeting will be held at 1 p.m. in room 140 of the Main Capitol building.