



Capitol Watch for Children

An update on state and federal policies affecting Pennsylvania's children

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Pennsylvania Partnerships for Children

State Update

PA Student Achievement Improving

According to the Department of Education, results of the 2006-2007 PSSA show student achievement rising. Students met this year's proficiency goals, and are well on their way to meeting the 2014 mandate of 100 percent of students on grade level in reading and math, according to PDE.

This year, 69.2 percent of Pennsylvania students were on grade level (defined as either proficient or advanced) in math. In reading, students on grade level reached 67.7 percent. No Child Left Behind requires states to set gradually increasing proficiency levels in order to reach 100 percent student proficiency by 2014. Pennsylvania's target for math proficiency was 45 percent for 2007, while its goal for reading was 54 percent. For the next three years, the targets will be 56 percent in math and 63 percent in reading.

On the three tests that have been given the longest, grades 5, 8 and 11, Pennsylvania students are doing better today in both reading and math at all grade levels than in 2002-2003.

No Child Left Behind also requires the Commonwealth to evaluate all public schools and districts annually for Adequate Yearly Progress (AYP) based on the results of the PSSA and other factors, including test participation, attendance and graduation. According to the Department of Education, 92 percent of Pennsylvania's school districts and 77.5 percent of its schools made AYP or were classified as making progress in 2006-2007.

To view PSSA statewide, school district and school results, please click here: http://www.pde.state.pa.us/a_and_t/cwp/view.asp?A=3&Q=129181

PPC Publishes New Report on Graduation Rates and Proficiency

In "Ensuring Success for All High School Graduates," Pennsylvania Partnerships for Children (PPC) recommended recently that the Commonwealth take steps to assure that all Pennsylvania high school graduates have

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	2002-2003			2006-2007		
	5th grade	8th grade	11th grade	5th grade	8th grade	11th grade
Above proficient						
Reading	57.0	58.8	59.0	59.9	75.0	65.4
Math	53.1	51.7	49.6	71.0	67.9	53.7

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the academic foundation they need by improving our statewide accountability system. PPC urges the Commonwealth to develop and require that every student take a series of statewide end-of-course exit exams called Graduation Competency Assessments (GCAs) that are aligned to state standards in English/language arts, math, science and social studies to graduate from high school. The proposal should be phased in by 2014.

One of the requirements to graduate from public high school in Pennsylvania is that students must demonstrate achievement of the state standards either by scoring proficient or advanced on the 11th grade PSSA or a local school district assessment that is aligned to the state standards. In 2006, 45 percent of public high school seniors (nearly 57,000 students) who graduated in Pennsylvania did not score proficient on the 11th grade reading and math PSSAs or 12th grade re-take, or did not take the PSSAs – yet received high school diplomas based on local assessments. The report shows that 461 of Pennsylvania's 498 school districts that awarded high school diplomas in 2006 graduated at least 20 percent more students than scored proficient on the 11th grade PSSAs and 12th grade re-take.

The report concludes that the state has a responsibility to ensure that all high school students receive a diploma that confirms their achievement to the state standards and creates the same opportunity for all students everywhere to be successful.

The report can be found online at http://www.papartnerships.org/ensuring_success/index.asp

TANF Recipients at Lowest Levels in 50 Years

The Department of Public Welfare announced that the number of Pennsylvanians receiving Temporary Assistance for Needy Families is lower than anytime since 1961. Of the 217,562 individuals receiving TANF, about 70 percent are children and almost 14,000 are adults with disabilities.

According to the Department, Pennsylvania's work participation rate continues to exceed the federal requirement of 50 percent. The work participation rate in July stood at 51.6 percent. This marked the fourth consecutive month that the Commonwealth exceeded the federal benchmark.

DPW Secretary Richman commented: "Our county assistance office staff and employment and training partners have been working tirelessly with families to provide the support they need to help them move from the welfare rolls into permanent employment. As a result, fewer families are relying on TANF and more hard-working parents are achieving independence every day."

Children Benefiting from Pre-K Counts Grants in New School Year

Just weeks after the enactment of the Commonwealth's FY 07-08 budget with its historic investment in high-quality pre-K, the Department of Education awarded Pre-K Counts grants that will provide access to pre-K for 11,000 children. Pre-K Counts enables school districts, Head Start Providers, child care centers and nursery schools to deliver high-quality pre-K to children with an emphasis on those who are at risk of future academic failure. Any public or private school meeting the state's standards for educational quality were eligible to apply for funding.

Pre-K Counts requires grantees to provide a qualified teacher and teacher's aide, small class sizes, a curriculum that is aligned with the Pennsylvania Early Learning standards, regular assessment of the children's progress and reporting of the program's performance. Education Secretary Zahorchak commented: "Our mission is to provide Pennsylvania's children with an education that prepares them for life. Making investments in early childhood education is one of the wisest and most rewarding ways we can accomplish this goal."

A total of 145 grants were awarded to grantees in



55 Pennsylvania counties, giving young learners across the Commonwealth a wonderful opportunity to get their educational careers off on the right track.

“A few weeks ago thousands of preschoolers across Pennsylvania were able to start pre-kindergarten thanks to the successful passage of Pre-K Counts,” said Joan L. Benso, President and CEO of PA Partnerships for Children. “PPC is pleased to have worked so hard to help achieve a victory and a terrific new opportunity for young children in the Commonwealth.”

Reconnecting Youth with Education

The Commonwealth awarded nine grants totaling \$1.2 million under the Youth in Transition Grant Program. The grants will improve access to education for youth who left high school before graduating or are aging out of foster care. The program is a cooperative effort among the Departments of Labor and Industry, Education, and Public Welfare as well as the Pennsylvania Workforce Investment Board and other workforce investment organizations. The grants will be used by state and local partners to create community-based approaches that address young people’s needs through counseling and training focused on high school completion, postsecondary preparation and career success.

Chapter 49 IRRC Approval

The Independent Regulatory Review Commission unanimously approved the State Board of Education’s final Chapter 49.2 regulations dealing with teacher education and certification. PPC submitted comments to the Commission strongly supporting the regulations prior to approval.

Under the regulations, those with early childhood certificates will be permitted to teach children in pre-K through fourth grade; those with elementary/middle level certificates will be permitted to teach children in fourth through

eighth grades; and those with secondary certificates will be permitted to teach those in ninth through twelfth grades. All of this would begin in 2013, so current teachers and those in the collegiate pipeline would not be subjected to the restrictions.

PPC supports the revised certificates for reasons including:

- *The revised grade spans recognize and base state policy upon convincing research about the developmental learning needs of children – especially of our youngest learners and those in early adolescence.*
- *Teachers in early learning classes need to recognize the wide range of developmental readiness, especially for language acquisition, pre-literacy, and literacy – the foundations of all other learning. That range within a first or second grade classroom is wider than at any later time in the educational continuum. A child who fails to achieve success in the early grades has greatly diminished chances for future success in school and in life.*
- *Teachers in the middle grades have another set of often difficult developmental issues with which to deal. These are the years in which children grow into early adolescence, begin to establish their own identities as learners, and must start to master more complex curriculum if they are to achieve success in high school and beyond.*
- *Teachers in high school are called upon to design and deliver higher level content to students in order to prepare them for college and careers that both require more advanced knowledge and skills than ever before.*

The regulations take effect upon publication in the *Pennsylvania Bulletin*.

Revenue Update

The Pennsylvania Department of Revenue reported that the Commonwealth collected \$1.7 billion in general fund revenue in August. This is



\$6.5 million or 0.4 percent more than the official estimate. Fiscal year-to-date collections total \$3.5 billion, which is \$17.4 million or 0.5 percent above the official estimate.

CHIP Enrollment Growing

According to the Department of Insurance, statewide CHIP enrollment reached a milestone of

161,400 in August. This is an increase of about 1263 enrollees, as compared to July enrollment statistics. Since the implementation of the Commonwealth's Cover All Kids CHIP expansion in March, overall enrollment has grown by nearly 10,000 children. The August enrollment is an increase of over 18,000 children compared to August 2006 enrollment.

Federal Update

Snapshot of America: Poverty, Income and Insurance Coverage Data

The U.S. Census Bureau announced that the national poverty rate dropped slightly from last year, but the number of uninsured in America keeps climbing. According to the Current Population Survey, the nation's official poverty rate dipped from 12.6 percent in 2005 to 12.3 percent in 2006. The poverty threshold for a family of four is \$20,614. A separate report, the American Community Survey estimated the national poverty rate at 13.3 percent. Pennsylvania scored a rate of 12.1 percent. U.S. median household income was estimated at \$48,451. Pennsylvania fell below the national average, with an estimated median income of \$46,259.

In the midst of the growing health care debate in Washington and state capitols around the nation, the Census Bureau estimated that 47 million or 15.8 percent of the U.S. population was uninsured in 2006. This is up from 44.8 million (or 15.3 percent) uninsured in 2005. The Census Bureau estimated that 10.2 percent of Pennsylvanians were uninsured in 2006.

The number of uninsured people has been trending upward since the Census Bureau began tracking insurance status in 1987, when 12.9 percent of Americans were uninsured. Fueling the rise in uninsured in 2006 was a continuing drop in the percentage of people who obtain insurance through

their employer. Employer-provided health insurance, began falling in 2001. The percentage of Americans covered by employer-provided insurance fell to 59.7 percent from 60.2 percent in 2005.

More information on national, state and community data can be found by clicking: www.census.gov.

Bush Administration Tries to Close Door on SCHIP

Just six months after the U.S. Department of Health and Human Services approved Pennsylvania's Cover All Kids CHIP expansion, it issued a directive to all states that effectively stops states from implementing such expansions. The action puts Pennsylvania's plan and thousands of children at risk.

The directive imposes a number of conditions that states must meet in order to use federal funds to cover children in families above 250 percent FPIG (Federal Poverty Income Guidelines) or \$51,625 for a family of four. As approved by the federal government in mid-February, Pennsylvania uses federal funds to provide coverage to children in families earning up to 300 percent FPIG or \$61,950 (as a reminder, children in families with incomes above 300 percent FPIG are eligible for CHIP, but no state or federal dollars are used to provide the coverage).

Pennsylvania is among 11 states that utilize federal dollars to provide coverage to children above



250 percent FPIG. An additional eight states have enacted but not implemented coverage for children from families in this income range. As of August, about 2,000 Pennsylvania children would be directly affected by the directive, and thousands more nationwide. These children would be in jeopardy of losing their coverage and the Commonwealth would have to make difficult decisions in dealing with them.

The directive also sets prescriptive limits for cost sharing premiums. The federally-imposed premiums would be far greater than those the Commonwealth currently requires for coverage. The directive also requires states to show that the number of children insured through private employers has not decreased by more than two percent over the prior five years.

Even if Pennsylvania were to clear the administrative hurdles to cover children above 250 percent FPIG, the directive imposes a new 12-month go-bare period before children could be eligible for CHIP coverage. In February, the Bush Administration approved Pennsylvania's six-month go bare period for children over the age of two. Imposing such a long go-bare period is of great concern, especially for our youngest children in the early years of life when well-baby visits and immunizations are absolutely essential.

PPC's President and CEO reacted to the directive by noting: "In the six months since Pennsylvania's Cover All Kids CHIP expansion was approved, enrollment has grown and more uninsured children are getting the health insurance coverage that they need. Now, the federal government is attempting to take that health coverage away."

State and federal legislators reacted to the CMS directive as well:

- "I am dismayed and disgusted that President Bush would have his bureaucracy cook rules that may cut health insurance for children from working families." PA Senator Robert Mellow

- "This decision combined with your inadequate budget request and your threats to veto children's health insurance legislation pending in the Congress will have a potentially devastating effect on millions of children." U.S. Senator Robert P. Casey, in a letter to President Bush
- "Rather than joining us in the effort to ensure that every child has a healthy future, [the President] stubbornly continues to push policies that would instead cut children from the health care rolls." U.S. Representative Jason Altmire
- "If the President is serious about market solutions to our health care crisis, he should be expanding, not cutting back, the public-private partnership that has made private health insurance affordable for thousands of Pennsylvania children." Governor Edward G. Rendell

SCHIP Reauthorization Update

SCHIP is scheduled to expire at the conclusion of the federal fiscal year on September 30. Earlier this spring, Congress authorized up to \$50 billion in additional funds in its budget resolution for a five-year reauthorization. Before recessing in August, the House and Senate have passed separate reauthorization bills.

The Senate SCHIP reauthorization bill is bipartisan in nature and would fund SCHIP with only \$35 billion in additional funds over the next five years. The measure would cover an estimated 4 million children who would otherwise be uninsured. The reauthorization measure is subject to the Senate's Pay As You Go or PAYGO rule, which requires the program to be revenue neutral. The Senate bill calls for the imposition of new tobacco taxes to pay for the reauthorization. In terms of program elements, the Senate bill allows state SCHIP programs to utilize federal funds to cover children up to 300% FPIG (states wishing to cover children above this level would receive the Medicaid matching rate, not the SCHIP rate). The measure



also phases out the coverage of childless adults, and is silent on the issue of using federal funds to cover legal immigrant children. An express lane eligibility demonstration project is provided. Finally, the Senate bill applies Medicaid citizenship documentation rules to SCHIP.

The House SCHIP reauthorization bill would reauthorize SCHIP with \$50 billion in additional funds over the next five years. SCHIP is a portion of the measure, which also includes a number of Medicare provisions. This would cover an estimated 5 million children who would otherwise be uninsured. The measure is also subject to PAYGO rules. A combination of tobacco taxes and phasing out overpayment to Medicare Advantage plans would fund the program. Unlike the Senate version, the House bill grandfathers states on childless adults and is silent on income eligibility limits. The House measure specifically allows the use of federal funds to cover legal immigrant children, provides states flexibility with Medicaid

citizenship documentation requirements, and gives states the option to extend coverage through age 21. Finally, the measure allows states to utilize express lane eligibility.

The Senate measure was passed with 68 votes in the affirmative, which is generally considered veto-proof. The House measure largely passed along party lines. The President has threatened to veto both measures. In his proposed budget, the President requested that Congress provide just under \$5 billion in new funds for a five-year reauthorization and “re-focus” SCHIP on children at or below 200% FPIG.

Congressional leaders are now tasked with reconciling differences between the House and Senate bills. The future success of Pennsylvania’s CHIP program is on the line. Newspapers across the Commonwealth have spoken up for timely and meaningful SCHIP reauthorization. Nearly 40 positive editorials and op-eds have been published in recent months.

Public Support for Children’s Healthcare

First Focus, a bipartisan advocacy organization committed to making children and families a priority in federal policy decisions released a poll showing overwhelming support for health care for all children. The nationwide poll found the following:

- 90 percent of Americans believe that every child has a right to basic health care
- 83 percent of Americans support renewing SCHIP
- By a 77-16 percent margin, Americans support legislation specifically aimed at reducing the number of uninsured children in America
- By a 6 to 1 margin, people are much less likely to support a candidate that fails to help uninsured children

The nationwide poll surveyed 800 individuals very likely to vote in 2008. The survey was conducted July 9-12, 2007.