

Pennsylvania Partnerships for Children 2019-20 Public Policy Agenda

Child Welfare

Rationale:

In landmark federal legislation passed in February of 2018, President Trump signed into law the bipartisan Family First Prevention Services Act, which is the largest overhaul of child welfare in 25 years. Family First includes long-overdue historic reforms such as flexibility in how federal funds are used by states, as well as reauthorizing prevention programming. Advancement of child welfare financing reform has been at the forefront of the work at PPC, to best improve child and family outcomes. While there are many complexities and intricacies to the implementation of the law, some of the priorities are as follows:

- Option to use Title IV-E funds for prevention services for eligible children at risk of foster care placement and their families, including specifying the candidates, the duration of eligibility, as well as ensuring that the programming is in accordance with evidence-based standards or serving specific populations at risk.
- Federal reimbursement for children in residential family-based substance abuse treatment with a parent, as well as improving grants to help families affected by substance abuse.
- Reimbursement for evidence-based Kinship Navigator Programs such as the one just passed into law in Pennsylvania which Pennsylvania Partnerships for Children championed.
- Improving licensing standards for relative foster family homes.
- Restrictions on federal reimbursement for placements other than foster family homes and requiring high quality standards for when congregate care usage is necessary.
- Protocols to prevent inappropriate diagnoses for children in care.

With such a significant shift in child welfare financing, it will be important that efforts continue to advance and monitor the implementation of the Family First Prevention Services Act and focus on areas of continued advocacy and state finance reform.

The Family First Prevention Services Act can significantly improve the rates of family-based care and decrease the utilization of congregate care settings, if processed and developed appropriately. Between 2013 and 2017, the rates of children placed in kin settings has continued to increase, and the rate of placement in congregate care settings has decreased. However, transitional-aged youth 14 and older continued to have higher rates of placement in group institutions and higher rates of placement disruptions. Well supported documentation shows that there are inconsistencies in foster parent versus kinship parent recruitment, licensing, and approval standards. The discrepancy in the process leads to decreased likelihood of children being afforded the opportunity to grow and thrive in their natural communities. Through the Family First implementation, there is the ability to prioritize policy guidance on extended foster-care, especially around living settings. Stronger emphasis needs to be placed on youth engagement through the entire placement process, including providing them a voice in case planning, decision making, court action, and overall child welfare reform. It is hoped that through these efforts, better accountability will be assured in the delivery of permanency services and further context of Another Planned Permanent Living Arrangement (APPLA) elimination.

Historically, substance use disorders have been the largest reason for child out-of-home placements, and the impact of the opioid epidemic across the nation, and Pennsylvania specifically, has continued this pattern. In 2017, the leading cause of child out-of-home placement was parental substance abuse. Parental drug abuse has led to the need for greater intervention to ensure the safety of children, through formal and informal placement systems. Grandparents and other kin have stepped up significantly to care for and protect these children, oftentimes without adequate support. Advocacy efforts have ensured the enactment of Act 88 and Act 89 of 2018, demonstrating a victory for grandparents across the state in the ability to provide a foundation for protecting their kin as well as identifying resources that created barriers in doing so. Specifically, Act 88 allows for grandparents, and other identified family members, to be granted temporary guardianship for 90-day increments and up to one year, when a parent is unable to care for their children. This paves the way for kin to make vital decisions for these youth and ensuring that they stay connected to their natural support network while safeguarding ties to their culture and maintenance of their identity. In addition, the passage of Act 89 also occurred in 2018, creating the Kinship Navigator Program. Through this program, kin will be provided guidance on the state and federal systems, by kinship navigators, to safely care for children while being provided with the supports to adequately do so. Close partnerships and monitoring efforts will be critical in the successful implementation and furtherance of increased kinship caregiving moving into the future.

Surrounding kinship rights and permanency efforts across the state, there was a backslide when the Pennsylvania Supreme Court issued a decision invalidating Act 80 of 2012 indicating it was unconstitutionally enacted. While Act 80 included an array of provisions, there were two primary areas that were central to supporting permanency planning in general, but specifically for older youth. Through the decision, language was revoked that ensured adoption assistance and guardianship subsidies for youth ages 18-21, and the establishment of the Kinship Care Program. Without this statutory language, there is no clear authorization for county child welfare agencies to enter into contracted subsidy agreements for youth aged 18-21, which will directly impact the permanency outcomes for older youth. However, the Office of Children Youth and Families has directed counties not to change their practice in this regard. In addition, it greatly contradicts the Fostering Connections Act for Success of 2008, focusing on strategic efforts to identifying, connecting, and ensuring protections for kin to care for their youth. In the United States, 25 percent of youth in foster care are aged 14 and older and in Pennsylvania, 33 percent of youth in foster care are 14 and older. When youth age out without a positive adult connection, we know their outcomes on a host of indicators will be poor:

- Nearly half will not complete high school and are twice as likely to drop out of high school as other students.
- Nearly half are unable to secure a job four years after leaving the system and struggle to pay their bills.
- Nearly 1 in 4 youth have been arrested since leaving care.

While Act 94 of 2015 brought Pennsylvania into compliance with the federal Preventing Sex Trafficking and Strengthening Families Act, momentum has been lost regarding elimination of Another Planned Permanent Living Arrangement (APPLA) as a permanency goal. In fact, the percentage of youth 16 years of age and older with a goal of APPLA has risen between 2015 and 2017, from 19 percent to 24 percent. Pennsylvania must do better in ensuring that transitional-

aged youth are afforded opportunities to achieve permanency, have preparedness for adulthood, are connected to supportive adults and siblings, as well as access to high quality services post care exiting.

Since the 2013-14 legislative session when Pennsylvania overhauled its Child Protective Services Law, the state has continued to see increased numbers of reports of child abuse and neglect due to mandated reporting requirements. Monitoring of the law has continued to prove that gaps in services exist for the most vulnerable populations, increasing the need for further advocacy on child welfare reform. The identification and implementation of evidence-based prevention and intervention services is important as the rate of first-time entries into foster care has continued to rise. While rates of first-time entries continue to increase, the rate of re-entry into the system has been the lowest in 5 years.

And none of this work is possible, without a strong and qualified front line staff complement in local child welfare agencies. In 2017, the Auditor General released a special report titled “State of the Child.” Prompted by the 2016 audit of ChildLine, a determination was made that further examination of the child welfare system was necessary. As a result, the Auditor General released the report and made 28 specific recommendations for improvements on the state and county level. Highlighted in the report are concerns surrounding the recruitment and retention abilities of county agencies for front-line casework staff. In addition, case load reduction, revision of job descriptions and testing protocols, and training requirements were highlighted in the report. Supported by the 2017 Federal Child and Families Services Review, further discussions have been held to determine key factors and processes to building and restoring a strong county child welfare county system. PPC is in a unique position to provide independent perspective.

Current Status:

- Federal reform prompted the largest overhaul of the child welfare system through the Bipartisan Budget Act of 2018 (Family First Prevention Services Act), creating flexibility in the use of Title IV-E funding, as well as reauthorizing longstanding prevention programming under Title IV-B. Heavy emphasis is being placed on the restricting of congregate care usage, promoting kinship caregiver programs, creating national licensing standards for foster care, reauthorizing programs for specific populations, increasing the use of evidence-based prevention programming, among other enhancements.
- The opioid epidemic has continued to significantly impact the need for child protection by an alternative caregiver. In 2017, Pennsylvania had 76,000 grandparents caring for over 83,800 grandchildren.
 - Act 88 of 2018 was enacted which grants temporary guardianship and the right to make vital, basic decisions for their children, such as the ability to take a child to the doctor or enroll them in school.
 - Act 89 of 2018 was enacted and establishes the Kinship Caregiver Navigator Program, an informational resource for grandparents and other family members, both as a website and a toll-free hotline.
- In recent years legislative attention on further amendments to the Child Protective Services Law has dwindled, but there are still areas that need to be addressed including employment bans for certain crimes against children and retention of child abuse and

neglect records, including revision of expungement regulations. Legislative interest in tackling these difficult policy questions remains low.

- The increased rate of child abuse reporting due to greater public awareness and implementation of the Child Protective Services Law reforms resulted in the 2016 audit of Pennsylvania’s ChildLine child abuse hotline, and further examination of the child welfare system by the Auditor General, resulting in the “State of the Child Report” release. In this report, the Auditor General made 28 high-level, state and county wide recommendations for Child Welfare reform.
- In 2016, about 1 in 6 foster care placements in Pennsylvania involved congregate care, placing Pennsylvania 35th across all states in congregate care usage, showing improvement in the past year. However, over 24 percent of youth in Pennsylvania age 16 and older continue to have a court-ordered goal of APPLA, which too often translates into long-term foster care and aging out without a permanent family or other adult connection. Additionally, about 77 percent of youth in Pennsylvania with a goal of APPLA who leave foster care do not achieve permanency.
- Several pieces of legislation (two bills in the House and two bills in the Senate, both sets amending the Human Services Code and Juvenile Act) were introduced to bring Pennsylvania into compliance with the federal Every Student Succeeds Act (ESSA), which provides for the educational stability of youth in foster care. While none of them passed, the Department of Education (PDE) and the Department of Human Services (DHS) have moved forward in issuing guidance on transportation agreements between schools and counties for impacted children. PDE is also tasked with tracking data on this population.
- Following the overturn of Act 80 in the summer of 2018, legislative action did not occur for the remainder of the 2017-18 legislative session to re-enact provisions pertaining to permanency for older youth.
- Despite national attention following the Attorney General’s release of a report in August 2018 outlining extensive sexual abuse and cover-up in the Catholic Church, at the end of the 2017-18 legislative session a bill that would amend the state’s statute of limitations law died without Senate action. The bill, SB 261, passed both the Senate and House, but the House amended the bill to eliminate all criminal statutes of limitations on future cases of child sexual abuse, extend the deadline for civil cases against perpetrators and supervisors to age 50 and open a two-year window for victims to file civil suits if the statute of limitations has expired. The Senate would not agree to the two-year window. Additional pressure to address this issue is anticipated in the 19-20 legislative session.

Public Policy Framework:

Advance implementation of the Family First Prevention Services Act (FFPSA), to ensure desired child and family outcomes.

- Actively encourage and engage the Office of Children, Youth and Families (OCYF) to maximize the opportunities in FFPSA to improve Pennsylvania’s child welfare system. This includes:
 - Building a strong system for accessing and identifying evidence-based prevention programs; promoting utilization of these programs statewide
 - Focusing on congregate care reduction and the increased use of family-based care

- Improving licensing standards for placement in a relative foster home through the development of model licensing standards
- When congregate care is necessary, ensuring that youth have access to Qualified Residential Treatment Programs, and ensuring that there is a true need for such a setting
- Improving the state’s data collection, reporting and technology systems to track performance and improve services for youth at risk of and in out-of-home care.
- Monitor the need for continued finance reform at the state and federal levels.
- Utilize and analyze the annual PPC’s State of Child Welfare Report data to best identify gaps in prevention, intervention, and placement services and supports for all children at risk of child welfare involvement.

Promote the identification and utilization of kin resources for all children in foster care to increase their chances of becoming part of a permanent family.

- Re-evaluate and enhance foster family recruitment, licensing, training and retention policies that defines the requirements for kin and non-kin resources, focuses on the increase usage of family-based foster care placements, specifically reduces foster care placement disruptions, and decreases the utilization of congregate care settings, for children and youth in foster care.
- Re-enact the provisions of Act 80 in the Human Services Code to provide for extended permanency subsidies and all related kinship care provisions.
- Monitor the state’s process to implement a successful Kinship Navigator Program and assess continued funding needs to successfully serve both formal and informal kin families, as well as working to ensure that it meets criteria for being evidence-based as defined through the FFPSA.
- Strengthen and require ongoing permanency services for all children and youth in foster care, regardless of their court-ordered permanency goal, until legal permanency is achieved through reunification, adoption, guardianship, or placement with fit and willing relatives, and ensure their access to appropriate post-permanency or aftercare services.
- Explore and promote evidence-based programming that seek to enhance foster family and child interaction and reduce placement disruptions.

Strengthen the response to reports of child abuse and neglect and the services and supports children and families receive to reduce instances of child maltreatment.

- Continue to monitor appropriate child protection policies related to Pennsylvania’s Child Protective Services Law.
- Monitor the Auditor General’s State of the Child report and corresponding CFSR recommendations, and advocate when appropriate to promote a strong, qualified, and retained direct service workforce.
- Research the potential impact of proposed legislation on changing the state’s statute of limitations law and support this initiative as appropriate.

Develop protections for transitional aged youth to identify strategies for building connections with supportive adults, ensuring access to extended foster care, inclusion in case planning, and promoting access to high quality services, to improve older youth outcomes.

- Prioritize older youth in the implementation of the Family First Prevention Services Act through further policy guidance.
- Continue to monitor efforts to eliminate APPLA as a permanency goal.
- Enhance the delivery of permanency services to older youth to ensure the promotion of increased availability of family settings, connections to siblings, and the identification and outreach to kin.

Ensure that all children in foster care receive services and supports that increase their well-being while in placement, including the improvement of education outcomes.

- Monitor and evaluate the statewide collection and sharing of education data as gathered through PDE as part of ESSA.
- Advance requirements to ensure all children receiving child welfare services are appropriately enrolled in school, receive an education that is aligned with the commonwealth’s academic standards and their individualized needs, and that every effort is made to keep children and youth in the same school when they enter foster care or change foster care placements.

Federal Action:

- Seek and follow federal guidance as it is made available on the implementation of the FFPSA.
- Monitoring of federal funding.

Early Childhood Education

Rationale:

Most brain development has occurred by the time a child reaches kindergarten.ⁱ Unfortunately, the stimulating environments and nurturing interactions that can develop those young minds to their fullest potential are not provided to every child. These earliest years provide a platform that can either propel a child toward a lifetime of accomplishments or a future of challenges. Study after study shows that high-quality early education provides dramatic and long-lasting benefits.

Investing in early childhood is fiscally responsible, as it generates both short- and long-term economic outcomes. Children who have high-quality early learning experiences arrive at kindergarten more prepared to learn, are more likely to graduate from high school, attend college and secure employment and are less likely to require special education or remediation. As adults, they are less likely to be incarcerated or rely on public benefits.ⁱⁱ Studies have shown that investments in high-quality early education replace larger public sector expenditures on special education, welfare and juvenile justice. Economists and business leaders are increasingly convinced that high-quality early education is a sound investment - creating a productive workforce, stimulating the economy and yielding significant financial returns.ⁱⁱⁱ

The public policy debate on high-quality Pre-K has moved from whether or not it is a wise investment to focus instead on how it can be funded to reach more children. The research is clear and support is evident that investing in a child’s first few years establishes a foundation for school readiness by helping to shape the cognitive, physical, social and emotional development that children need to be successful in school, careers

and life. Children get one opportunity to receive quality early childhood services. If that opportunity is missed, it cannot be recaptured.

Research has demonstrated that children who spent more time in high-quality child care in their first five years had better reading and math scores across their elementary school years.^{iv} Keystone STARS is Pennsylvania's quality rating improvement system for child care programs. Providers are rated on a scale (from STAR 1 to STAR 4) and earn STAR levels based on meeting research-based standards related to: staff qualifications and professional development; early learning programming; partnerships with family and community; and leadership and management. Despite Keystone STARS being established for fifteen years, only 21 percent of providers serving children under 5 years are meeting the state's high-quality standards.

Out-of-home care is a necessity for many families due to work schedules. Child care subsidies make quality child care more affordable and help low-income parents access the child care they need to go to work and support their families. Families receiving child care subsidies are counseled by Child Care Information Services agency staff to choose providers participating in the quality rating improvement system. Families able to enroll their children at high-quality programs are in settings that result in better cognitive, social and emotional outcomes in children who are at risk of school failure.^v Without child care subsidy, low-income families simply could not afford to pay the full cost of child care. In fact, data demonstrates that the cost of child care for two children exceeds housing costs for families in Pennsylvania, with child care fees being 100.6 percent higher than annual rental costs and 9.3 percent higher than annual mortgage payments.^{vi}

During their early years, children grow and learn in a variety of settings. Most children learn, grow and develop in a manner consistent with their peers, but other children experience delays or have disabilities. Oftentimes, parents notice when a child doesn't meet an expected milestone. Other times, that analysis comes from a pediatrician or is noted through a developmental screening performed by a caregiver in an early learning program. Having access to early identification and treatment of developmental delays and disabilities can reduce the need for more costly support services and remediation once a child enters school.^{vii}

Current Status:

Pre-K

- Only about 69,000, or 23.4 percent, of Pennsylvania's 3- and 4-year-olds benefit from high-quality, publicly funded Pre-K. Focusing on children below 300 percent of the federal poverty guidelines, 60.6 percent - or 106,200 - of 3- and 4- year-olds do not have access to publicly funded, high-quality Pre-K.
- Publicly funded, high-quality Pre-K includes Pennsylvania Pre-K Counts, the Head Start Supplemental Assistance Program, Child Care Works enrollments in Keystone STARS 3 and 4 programs; Head Start, Philadelphia Pre-K and public school Pre-K.
- There are two dedicated state funding streams for high-quality Pre-K:
 - **Pennsylvania Pre-K Counts** provides 3- and 4-year-olds at risk of educational failure with high-quality Pre-K programs through a mixed service delivery system. Pre-K Counts funding increased by \$20 million in the 2018-19 fiscal year to just over \$192 million.

- **Head Start Supplemental Assistance Program (HSSAP)** augments the federally funded Head Start program. HSSAP funding was increased by \$5 million in the 2018-19 fiscal year to \$59 million.
- Other states are outpacing Pennsylvania when it comes to per capita spending for high-quality Pre-K programs, putting the commonwealth at a competitive disadvantage. Our neighboring states of Maryland, New Jersey, New York and West Virginia are funding up to \$2,430 more per capita than Pennsylvania.^{viii}

Child Care Access and Quality

- **Child Care Works Subsidized Child Care Program:** Less than 95,000 children ages birth to age 13 receive assistance each month through Pennsylvania's child care subsidy program. In September 2018, the low-income waiting list stood at 10,614 children. For providers, reimbursement rates alone fail to provide adequate financing to deliver high-quality programs.
- **Keystone STARS:** Pennsylvania's quality rating and improvement system, Keystone STARS, went through a revisioning process which started in February 2016 after 14 years of implementation. One of the outcomes of this evaluation is that all providers who are required to have a Department of Human Services certificate of compliance to operate a child care center, group care home, or a family care home as of July 1, 2017 are automatically enrolled in Keystone STARS.
- **Infant and Toddler Emphasis:** Access, affordability, and quality of child care remain critical to the needs of children, families, and communities in Pennsylvania and across the nation. In response to this, a new statewide child care campaign, Start Strong PA, will be launched in January 2019 with an initial focus on public investment going to programs that support infants and toddlers.
- **Professional Development:** The T.E.A.C.H. Early Childhood Scholarship Program was reinstated for the 2016-17 fiscal year, to provide child care staff with programs and support systems that improve their education and compensation. At the end of the scholarship year, if they complete their educational requirement, participants are eligible to receive either a stipend or a raise and agree to continue working in their child care program for one year after each scholarship year. In the 2017-2018 school year the TEACH program served 804 teachers with \$2.7 million in state funding. The Rising STARS Tuition Assistance Program was established in 2013 with goals to support early learning practitioners and eliminating barriers to enrolling in higher education degree programs. Rising STARS Tuition Assistance Program supports eligible applicants enrolling in Child Development Associate (CDA) degree or other college-credit bearing courses by covering 95 percent of the tuition cost of a class prior to the beginning of the course.
- **Investment:** The total state investment for child care access and quality in fiscal 2018-19 is just over \$302 million. Due to an historic increase in federal funding for the Child Care Development Block Grant (CCDBG) in 2018, which totaled \$66 million in federal grants for child care services for the state, the need for state General Fund spending was reduced.
- **Federal Funding:** The Office of Child Development and Early Learning (OCDEL) submitted a state plan to renew CCDBG funding for years 2019 through 2021. Highlights of the plan include coordination of systems, promotion of family engagement, stable

child care assistance for families, ensuring equal access to high-quality child care for low-income children, increased standards for health and safety in child care settings, recruitment and retaining a qualified and effective child care workforce, continuous quality improvement, grantee program integrity and accountability.

Early Intervention

- In fiscal 2018-19, the state investment in Early Intervention for children birth to age 5 is \$428 million.
- Early intervention services are an entitlement. More than 95,600 children birth to age 5 received early intervention services in fiscal 2017-18.

Public Policy Framework:

Increase the number of children enrolled in publicly funded high-quality Pre-K.

- Increase funds for publicly funded, high-quality Pre-K, so at least 60 percent of at-risk 3- and 4-year-olds can voluntarily participate.
- Ensure an adequate supply of high-quality Pre-K providers are eligible for participation in publicly funded programs and preserve the mixed Pre-K service delivery system.
- If the state receives a Preschool Development Grant, monitor and support the successful implementation of the award.

Increase the number of at-risk children, specifically infants and toddlers in Child Care Works, in high-quality programs.

- Develop a data set and related tools that support policymaker education, stakeholder and media engagement to successfully increase state investments in high-quality infant and toddler child care.
- Implement and support a financing strategy that increases the supply of high-quality infant and toddler care.
- Take steps to ensure that children enrolled in Child Care Works (CCW) can attend STAR 3 and 4 programs regardless of where they live and when their parents work.
- Support efforts to reimburse child care providers, including tiered reimbursement, at the full cost of quality care, ensuring Pennsylvania's full compliance with CCDBG "access to care" provisions.
- Provide financial support and technical assistance to STAR 1 and 2 providers to move up the STAR ladder, creating a more financially-stable and larger pool of high-quality care providers for at-risk children in the subsidized child care program. Create program parameters that time-limit provider participation at STAR 1 or 2 if payment and TA is appropriately provided.
- Reimburse all family child care homes, group homes or centers operating in the same market and of a similar quality level, comparable reimbursement for Child Care Works services.
- Ensure the availability of high-quality workforce by reinforcing the need for a Pre-K through 4th teaching certification.

Monitor investments and policies that support the inclusion of children with developmental delays and disabilities in high-quality early learning programs and provide ongoing supports to parents and providers.

- Support adequate investments to identify and provide necessary services to all young children eligible for early intervention services. Preserve eligibility and high-quality implementation standards for children in the Early Intervention Program.
- Maximize all state and federal funding for Early Intervention.

Promote comprehensive Pre-K to K-12 transition policies that emphasize kindergarten readiness and foster relationships between families, teachers, and community partners.

- Support efforts for professional development of staff in engaging families and learning about student needs as they transition to kindergarten.
- Explore opportunities to facilitate Pre-K-3 professional development focused on improved instructional strategies that provide meaningful outcomes for parents and establish the literacy and mathematical foundations needed to succeed at the next grade level.
- Ensure the continued alignment of academic and social-emotional learning goals found in the Pennsylvania’s Learning Standards for Early Childhood with the expectations of decreasing suspension and expulsion in the early learning years.
- Increase communication and data sharing between early learning providers and school districts to help teachers gather and share information regarding child readiness and instructional practices. This may include support of kindergarten screening tools, such as the KEI, to support a baseline of data which can support the research that high-quality early education prepares children for the elementary years.

Ensure the effective operations of OCDEL programs.

- Support the effective implementation, use, and reporting of OCDEL data systems and their coordination with other child and family service data systems.
- Work with and advocate for OCDEL to obtain available and needed infant and toddler related data.
- Support coordination of services of the newly funded Early Learning Resource Centers (ELRCs). These regional centers were created to provide a single point of contact for families, early learning service providers, and communities to gain information and access services that support high-quality child care and early learning programs.

Potential Federal Action:

- Annual appropriations – Child Care Development Block Grant (CCDBG), Temporary Assistance for Needy Families (TANF), Social Services Block Grant (SSBG), Head Start, Early Head Start, Individuals with Disabilities Education Act (IDEA) - Part B, and IDEA - Part C, Preschool Development Grants and Early Head Start – Child Care Partnerships.
- Advancements of federal policies and legislation expanding and improving Pennsylvania’s early learning systems.

Home Visiting

Rationale:

Evidence-based home visiting is a research-proven tool to support the development and safety of our most vulnerable children and their families. These home visiting programs recognize parents are children’s first teachers, but sometimes even parents and others raising children need support

to improve their education, health, safety and economic well-being. Research of evidence-based home visiting models has shown remarkable program-specific outcomes across many disciplines – promoting child development and school readiness; improving maternal and child health; reducing child abuse and neglect; and supporting family economic self-sufficiency.^{ix}

Current Status:

- In February 2018, the Maternal, Infant, and Early Childhood Home Visiting program (MIECHV) was reauthorized and funded for five years as part of the Bipartisan Budget Act of 2018. MIECHV was created in 2010 to promote evidence-based (i.e., scientifically proven) home visiting programs as a means to strengthen health and development outcomes for at-risk children and their families. In fiscal 2017-2018, Pennsylvania received nearly \$12.3 million in federal funds under MIECHV to support evidence-based home visiting within the commonwealth.
- Over the past two years, Pennsylvania advocates were successful in winning new state investments of \$11.385 million, modeled after the federal MIECHV program.
- As of 2018, five state-funded, evidence-based home visiting models operate in Pennsylvania and have nationally established model-specific standards, accountability measures, and fidelity requirements. These models include Early Head Start (EHS), Family Check-Up (FCU), Healthy Families America (HFA), Nurse-Family Partnership (NFP), and Parents as Teachers (PAT). In fiscal 2018-2019, a state appropriation of \$26.7 million was appropriated to support these models.
- There is at least one evidence-based home visiting model in each of Pennsylvania’s 67 counties, and about 50 counties have two or more programs supported with local, state and/or federal funds. Some counties also use child welfare funds provided to support home visiting.
- Two other evidence-based models – HIPPY and SafeCare – also operate in our state but haven’t sought MIECHV or state funding.
- Nearly 163,000 children under 6 years of age live in families with incomes under 100 percent of the federal poverty income guidelines in Pennsylvania. This represents 1 out of every 5 children under 6 years. In 2017, over 14,000 children were served by one of four evidence-based home visiting models across the commonwealth.
- PPC’s analysis of unmet need based on risk factors found that many Pennsylvania families missed benefiting from home visiting in 2017:
 - Only 1 in 10 babies born on Medicaid received appropriate evidence-based home visiting services following birth
 - Only 21 percent of children under age 6 known to the child welfare system benefited from evidence-based home visiting programs to reduce the likelihood of future child abuse and neglect
 - Only 4 percent of children living in low-income families that would benefit from appropriate evidence-based home visiting services received them
 - Only half of children born to a mother without a high school diploma received appropriate evidence-based home visiting.

Public Policy Framework:

Increase the availability of evidence-based home visiting strategies to strengthen families and meet the comprehensive needs of infants and young children at highest risk.

- Expand evidence-based home visiting financing and strategies using data analyses and research findings for the highest risk families with young children, including low-income families and those identified with other risk factors.
- Explore additional federal and state financing options for evidence-based home visiting services, including additional Medicaid match for services provided through the Nurse Family Partnership Program and the utilization of child welfare dollars.
- Explore the development of a county-based intake service to ensure families and children are appropriately referred to need programs and allow for the scaling of these services.

Potential Federal Action:

- Annual appropriations including Early Head Start and MIECHV.

Children’s Health

Rationale:

Children have unique health care needs because of their ongoing development. As they grow and change, children require an array of services to meet their physical and behavioral health care needs, including vision and dental care.

Health insurance helps provide access to preventive and primary health care services and can offer peace of mind and financial security for families. Children who have health insurance generally have a relationship with a primary care physician and are more likely to receive care such as immunizations, regular check-ups and prompt treatment for common childhood ailments, such as ear infections and asthma. Conversely, uninsured children are less likely to see a doctor on a regular basis or when symptoms develop. Because children with health insurance are more likely to avoid preventable childhood illnesses, they generally have better school attendance and better school performance than uninsured children.

Tremendous progress has been made in reducing the number of uninsured children in Pennsylvania through Medicaid, the enactment of the Children’s Health Insurance Program (CHIP) and the Cover All Kids expansion of CHIP. In fact, more than 43 percent of Pennsylvania children – more than 1.4 million children – rely on Medicaid or CHIP to provide comprehensive health care coverage. Yet, despite these efforts, there are still over 124,900 uninsured children under 19 years of age in the commonwealth according to American Community Survey data for 2017. The reasons so many children lack health insurance could be as varied as the kids themselves, but the fact remains: none of these children have to be uninsured. While health insurance coverage is the gateway to health care services, it should be recognized that an insurance card alone doesn’t guarantee children will have access to the quality care, benefits and providers they need to meet their physical and behavioral health care needs.

In addition, unsafe levels of lead exposure, lack of proper nutrition for children and maternal depression are contributing factors that impede proper childhood development and warrant additional research into how public policies can be formulated to improve health outcomes.

Current Status:

- The commonwealth is among a select few states that make health coverage available to all documented children who do not have access to or cannot afford it through the 2006 Cover All Kids expansion to CHIP. Enrollment in Medicaid and CHIP has increased since the expansion. In addition, the expansion of Medicaid to low-income adults that occurred in 2015 has resulted in more children being enrolled in Medicaid. However, despite these opportunities, approximately 124,900 Pennsylvania children under 19 years – about 4.4 percent of the commonwealth’s children - remain uninsured today.
- More than 43 percent of children are insured in Pennsylvania through Medicaid and CHIP. There were 1,226,886 children enrolled in Medicaid and 178,301 children enrolled in CHIP under the age of 19 in August 2018.
- More than 68,300 children are enrolled in Medicaid under Pennsylvania’s unique “family of one” category that permits children to receive Medicaid without regard to parental income, as long as the child has a disabling condition that meets the Supplemental Security Income standards for disability for a child.
- Federal lawmakers reached an historic, bipartisan commitment in February 2018 to provide federal funding for CHIP for the next 10 years, providing much-needed stability for the program. At the state level, CHIP was reauthorized for another two years until December 2019.
- Pennsylvania funds CHIP and Medicaid with federal and state funds.
 - In the current federal fiscal year, 52 cents of every dollar spent on Medicaid in Pennsylvania comes from the federal government.
 - The current federal match for CHIP is 89 percent. However, the temporary enhanced federal match for CHIP created through the ACA is expected to be phased out starting in FFY 2020 and completed by FFY 2021, ultimately taking Pennsylvania back to its regular match rate of 66 percent.
- CHIP provides standard private insurance levels of behavioral health benefits for enrollees. Medicaid offers a richer benefit package for behavioral health. Unfortunately, many parents do not realize that when a child presents significant behavioral health needs, he or she should be eligible for Medicaid and no longer be insured under CHIP. Without knowing of the opportunity to enroll in Medicaid, families could exhaust CHIP behavioral health benefits and pay for services out of pocket. Parents must be notified of the opportunity to enroll in Medicaid in these situations.
- Both CHIP and Medicaid provide dental benefits. Not all employer-provided health care plans provide dental coverage, and a great number provide poor dental coverage. In 2016 Pennsylvania returned to the Salzmann index, a tool for assessing the severity of dental malocclusions as a means to assist in establishing the necessity of treatment, to help measure the need for orthodontia services. However, more work is needed to address the disparity across plans.
- The ACA continues to impact children’s health coverage in Pennsylvania in several beneficial ways, including:
 - Insuring more low-income parents, which has resulted in more children becoming insured.
 - Requiring states to use a common enrollment process for Medicaid, CHIP and marketplace coverage. This effort is expected to enhance opportunities to streamline enrollment for individuals applying for coverage. However, Pennsylvania has

- additional policies and procedures that should be adopted to streamline eligibility and renewal for Medicaid and CHIP.
- Requiring insurance plans to provide additional preventative services for children, including developmental screening for children under age 3, and surveillance throughout childhood. In addition, when a child birth to age 3 is screened and a possible delay in development is identified, ensuring that insurance plans complete follow-up assessment and care coordination needs to be improved.
 - There may be a need to once again defend against any potential changes at the federal level to the Medicaid or CHIP programs, or any “repeal and replace” effort of the Affordable Care Act that impacts children, as well as protecting Medicaid expansion in Pennsylvania, which was completed in 2015.
 - There is no safe level of lead exposure in kids. With their developing brains and nervous systems, any exposure can put kids at risk for developmental and behavioral issues, mainly attention-related behaviors and academic achievement.
 - Pennsylvania’s aging infrastructure (older housing, child care centers, schools, etc.) in both rural, suburban and urban areas makes this a key issue of concern across the commonwealth and crosscuts various geographic and income levels. To further underscore the risk level in Pennsylvania, our state ranks 3rd in the nation for the number of housing units built before 1950.
 - Consider that only 28 percent of all children in Pennsylvania under the age of 2 are currently tested for lead exposure.
 - Per the Medicaid requirement for blood lead level testing, every child in Medicaid should be tested; however, the current rate of Medicaid kids age 2 and younger being tested is 80 percent. While CHIP does not have the same mandate, the program recommends following the Medicaid requirement, but is only testing at 60 percent.

Public Policy Framework:

Build on the success of Medicaid and CHIP to ensure every Pennsylvania child is insured.

- Streamline the eligibility determination and renewal process by monitoring implementation of policies such as express-lane eligibility and administrative renewals for both Medicaid and CHIP and expanding continuous eligibility for Medicaid to children age 4 and up.
- Assess whether the health care “warm handoff” referral is working as intended in achieving cross-program enrollment.
- Evaluate opportunities to work to increase eligibility standards and access to coverage for children, including additional eligibility groups.
- Evaluate the Department of Homeland Security proposed rule on the public charge, which may prompt individuals to drop or not apply for health care coverage in order to not negatively impact their immigration status.
- Outreach to other child-serving systems to increase referrals to CHIP and Medicaid.
- Expand the footprint of the annual State of Children’s Health Care to include both public and commercial insurance data and a deeper look into uninsured rates to more fully describe the picture of health care for all children in Pennsylvania.

Assure that benefit packages for children have appropriate health care benefits to meet their needs.

- Continually monitor and review access and coverage to ensure compliance with managed care requirements in both the Medicaid and CHIP contracting process and through more meaningful partnerships with managed care organizations (MCOs).
- Appropriately advocate for needed changes or additions in both physical and behavioral health benefit packages as necessary.
- Ensure that Medicaid and CHIP are implemented with fidelity by measuring quality and performance of mandatory benefits such as EPSDT.
- Monitor the implementation of the Medicaid outcomes-based program to assist hospitals and MCOs in reducing the number of avoidable events and increase their efficiency.

Promote the positive health effects for children as a direct result of Medicaid, CHIP and/or the Affordable Care Act.

- Defend against attempts at the federal level to cap Medicaid spending through block grants, per capita caps, as well as those revised standards included in the ACA.
- Ensure adequate federal and state funds to maintain current CHIP and Medicaid eligibility standards without compromising one program in exchange for another. Ensure messaging on CHIP builds off the health and success of the Medicaid program.
- Analyze tying the state reauthorization of CHIP, currently every two years, to federal reauthorization to keep the extensions on the same cycle for program consistency.

Promote efforts to identify and prevent lead exposure in children to ensure their healthy development.

- Advocate in support of a statewide lead testing mandate and policies for young children who are most at risk for developmental and behavioral issues due to lead exposure.
- Assure appropriate lead testing is occurring for children with Medicaid or CHIP.

Assure that children enrolled in Medicaid and CHIP are appropriately screened and provided with all opportunities for their healthy development.

- Continue to monitor Pennsylvania's progress at conducting developmental screens at recommended intervals and conducting follow-up assessment and care coordination for children identified as having possible delays and potentially identify and advance policy steps to improve outcomes.
- Investigate maternal depression screening in Pennsylvania, as the health of a mother can impact the health and development of her child.

Work to improve opportunities to maximize good health through promoting federal and state laws and policies focused on childhood nutrition.

- Evaluate existing and proposed federal and state legislation, policies and regulations and investigate new policy options that aim to improve nutritional opportunities for children, particularly low-income children.
- Assess food security policy in the context of a social determinant of health that can positively impact health outcomes and reduce health care costs.

Potential Federal Action:

- Annual appropriations.

- Continued support from federal agencies to stop any attempts to reduce eligibility for, and access to, coverage.
- “Repeal and replace” activity on the Affordable Care Act that would negatively impact children and families as well as efforts to change Medicaid to a per capita cap or block grant structure.
- Anticipated phase out of the temporary enhanced federal medical assistance percentage (E-FMAP) for CHIP to begin FFY 2020.

K-12 Education

Rationale:

One of the most important factors influencing the future success of any child is the quality of his or her education. Children who have the advantage of rigorous schooling and who develop knowledge, skills, creativity and determination will carry our state and nation forward as a leader in a global economy. Achievement has remained stagnant in recent years, demonstrating once again that Pennsylvania has significant hurdles to overcome to ensure all children can receive a high-quality public education.

Although Pennsylvania’s academic growth compared to other states is higher than expected, our student achievement results are not improving at a sufficient rate. In the 2017-18 school year, 61.4 percent of students in grades 3 through 8 achieved passing scores on the English exam in 2018 compared to 61.2 percent in 2017. On the Keystone Exam in literature, the same percentage of students, 72.7 percent, achieved a passing score in 2018 as did in 2017. On the math exam, 42 percent of students in grades 3 through 8 achieved passing scores in 2018 compared to 42.6 percent in 2017. On the Keystone Exam in Algebra I, 65.2 percent achieved a passing score in 2018 compared to 65.6 percent in 2017. For science, 64.8 percent of students in grades 3 through 8 achieved passing scores on the science PSSA in 2018 compared to 63.7 percent the prior year. On the Keystone Exam in biology, 64.4 percent achieved a passing score in 2018 compared to 63.4 percent in 2017. While some argue this plateau is the result of a realignment of the exams to core standards, the stagnancy of these scores clearly indicate Pennsylvania must refocus its efforts to improve student achievement.

Today, many Pennsylvania school districts can be categorized as “haves” or “have-nots.” Some students live in districts with all the financial resources required to provide them with the best instructional strategies and state-of-the-art equipment, while others do not. Our goal must be to level the playing field. All students and teachers deserve to be supported in the classroom regardless of where they live. The implementation of a fair funding formula for basic education funding in 2016 was an important first step, but to fully realize the goal of a level playing field, the commonwealth must invest additional state resources, so all schools are adequately equipped to help students achieve.

Pennsylvania continues to have the widest funding gap between wealthy and poor school districts of any state in the country, with the wealthiest school districts spending 33 percent more on each student than the poorest districts. Most of Pennsylvania’s public schools are also inadequately funded and we rank 46th in the nation for state share for education funding. As a result, four of every five of the state’s school districts, serving 1.4 million students, are not

getting their fair state share. Nearly half of school districts are spending below the amount needed to educate students. That underspending is a direct result of inadequate state support. That means lost opportunities for students to participate in valuable science, technology, and math programs; receive enough personal attention from their teachers due to growing class sizes; get extra help when they need it; have access to up-to-date books and technology; or participate in vocational training and extracurricular activities.

In regard to special education, in 2008-09, the state provided nearly one-third of total special education funding. By 2016-17, the state share had declined to less than one-quarter. Over that same time, the share designated by local districts increased from 62 percent to 72 percent. Also, statewide from 2008 to 2016, the most recent year for which both revenue and expenditure data are available, state investment in special education increased by \$72 million. Yet during that time, district special education costs increased by \$1.54 billion, from \$3 billion to \$4.5 billion. Local districts had to allocate funds to cover 90 percent of those increased costs, the equivalent of \$1.38 billion, in district budgets. The commonwealth must increase its fair share of providing special education services to students. This investment is a strong step in ensuring school districts have the resources necessary to support those students most in need.

Pennsylvania's long-term economic growth is greatly dependent on how well we prepare our students for an increasingly competitive global workforce. We must ensure that our high-school graduates are post-secondary and career ready. This requires an education system that has the capacity and resources to provide a high-quality experience across all grade levels and demographics. State funding must be adequate and equitably distributed so that every student who chooses to can pursue the coursework and learning opportunities that allow them to progress towards an industry-based credential in their chosen career. In addition, steps must be taken to ensure that no school district is faced with the decision to cap the number of students who can participate in career and technical education in a district-based or area career technical education center due to funding limits.

Current Status:

Basic Education

- State funding through the basic education subsidy – the largest state funding source for public education – is \$6.1 billion. Pennsylvania uses a “hold harmless” approach to distribute a significant amount of basic education funding, meaning school districts receive at least as much funding as they received the year before. Governor Wolf and the General Assembly made a historic decision by codifying the new student-weighted basic education funding formula, as recommended by the Basic Education Funding Commission, into statute through Act 35 of 2016. For fiscal 2018-19, \$539 million, or 8.8 percent, of the basic education funding appropriation is distributed using the formula, compared to 2.7 percent in fiscal 15-16. The Ready to Learn Block Grant, with the intended use of its funds to be invested in one of 12 strategies identified by PDE (including curriculum alignment, teacher training, professional development, full-day kindergarten, and Pre-Kindergarten), has in recent budgets turned into a vehicle for appropriating supplemental funds to struggling school districts, including Erie School District and Allentown School District, to name a few. The appropriation was increased by \$18 million for fiscal 18-19.

- The commonwealth has adopted the Pennsylvania Core Standards in English Language Arts, Mathematics, Science, Technology, and History and Social Studies. The standards establish higher academic expectations for all children in public schools and the aligned assessment measure how well students are achieving to the standards. In late 2018, Governor Wolf signed Senate Bill 1095, which offers students who do not score proficient on Keystone Exams alternative pathways to demonstrate their readiness to graduate from high school. Under the legislation, students would be given four pathways to meet their graduation requirements. While the legislation weakens statewide standards for student achievement, the legislation was amended to allow for more objective, rigorous elements in some of the pathways. Additionally, as prescribed in the bill, the Department of Education will be required to report on the number of students utilizing each pathway moving forward.
- Pennsylvania has a robust and important charter school community, but there are concerns about accountability, performance and overpayments. There are 154 charter schools, 10 regional charter schools and 15 cyber charter schools that collectively enroll over 137,000 students. Cyber charter schools are approved and overseen by PDE. The General Assembly, the Wolf administration and stakeholders have not been successful reaching consensus on charter reform legislation. Issues that prevented enactment include: cyber charter payments, enrollment caps, accountability standards, a higher education authorizer and authorization of a multiple charter organization.
- Pennsylvania continues to follow the statutorily required evaluation system for teachers, principals and non-teaching professionals. The teacher evaluation system rates teachers based 50 percent on observation/practice and 50 percent on multiple measures of student achievement. The system went into effect for teachers in the 2013-14 academic year and principals and non-teaching professionals in the 2014-15 academic year. Efforts to scale back the evaluation system will need to be monitored moving into the 2018-19 legislative session.
- Efforts to implement vouchers in Pennsylvania resurfaced in the 2017-18 legislative session, with the Senate advancing SB 2, which would have created education savings accounts (ESAs), which are largely identical to traditional vouchers. While SB 2 did not make it to the governor's desk, this issue may arise in future legislative sessions. PPC opposed SB 2, as it will create additional financial hardship for local school districts, many that already lack adequate resources to educate their students, negatively impacting school performance. The proposal is likely to further weaken the performance of already struggling schools, as the state share of funding allocated to the district based on student enrollment and other characteristics would be moved from the local school district and follow the child in his or her ESA.

Special Education

- In the fiscal 2018-19 budget, special education received a \$15 million increase and now stands at \$1.137 billion in total funds, but this is far from adequate.
- Following the student-weighted basic education funding formula in the spring of 2016, the governor and the General Assembly reached another landmark consensus by codifying the special education funding formula recommended by the Special Education Funding Commission into statute. The formula does not apply to charter school entities, as they continue to receive funding from school districts based on the average special

education student expenditure in the student's home district, with no consideration of the level of disability of the student. As a result, charter schools are overpaid for students with mild disabilities and underpaid for students with more severe disabilities. This system creates an incentive for charters to over-identify students with disabilities that require low-cost support and to dissuade or "counsel out" students with slightly greater needs. The special education funding formula is set to be revisited in 2019, as required by statute.

Career and Technical Education

- For the first time in ten years, the fiscal 2018-19 budget included a \$30 million increase for career and technical education funding. While \$20 million of these funds were allocated as part of the administration's PA Smart initiative, \$10 million was driven to the career and technical education subsidy formula. While this was an important first step in addressing the growing demand for these courses of study, the state must continue on this path so that all students are provided with an opportunity to receive an education that fits their post-secondary plans.
- A comprehensive bi-partisan package of bills was introduced by the House in 2018, with several pieces of legislation passing that chamber unanimously. However, the Senate failed to take action on most of the package by the end of the 2017-18 session. The package largely resulted from the Select Subcommittee on Technical Education and Career Readiness report released in late 2016.

Public Policy Framework:

Ensure all children receive a high-quality public education that is supported by a rational school funding system with sustained multi-year commitments that provide schools with the resources needed to maximize student achievement.

- Continue driving multiple year investments through the enacted basic education funding formula to ensure adequate and equitable support is provided to school districts.
- Continue to examine the need for equity in education funding to address historic problems associated with how basic education funding was distributed in the past within the framework of the recently adopted and very sound school funding formula.
- Preserve the basic education funding formula to meet the funding needs of students in school districts across the state.
- Ease the burden on local school districts covering special education costs by increasing the state share of funding back to approximately one-third of costs.
- Revise the per-student basic and special education charter and cyber charter school funding formulas to more accurately reflect the costs assumed by charter school entities to deliver services, and incorporate weighted elements that better consider student characteristics.
- Ensure that state funding for career and technical education is adequate and equitably distributed so that every student who chooses to can pursue the coursework and learning opportunities that allow them to progress towards an industry-based credential in their chosen career.

Continue to develop a comprehensive and transparent accountability framework that effectively evaluates the performance of schools and their personnel, while also providing parents with insight on the quality of education their child is being provided.

- Continue to support the educator effectiveness evaluation system that incorporates observation, multiple measures of student performance including value-added student assessment, and encourages school districts to use the evaluations to make appropriately informed decisions regarding retention and remediation policies. Also, explore and advance new proposals that improve public school accountability for student results and more accurately inform the public on how students and schools are performing.
- Monitor the implementation of the Future Ready Index to ensure that school districts are improving performance and making progress in key areas, including an emphasis on student growth measures.
- Ensure the state’s academic standards continually provide a quality benchmark for defining student proficiency across all grade levels, and support an assessment system that measures student growth, identifies adequacy gaps, and recognizes curriculum and instruction needs. Preserve high school graduation requirements that ensure students are postsecondary and workforce ready regardless of where they graduate from in the commonwealth and ensure curriculum is aligned with the state’s proficiency benchmarks.
- Support efforts to improve charter school governance, performance and accountability (academic and fiscal). Expand the reach of successful charter schools and responsibly address the continued operation of failing charter schools.
- Continue to oppose efforts to implement vouchers or education savings accounts, as these proposals are likely to further weaken the performance of already struggling schools.
- Advance policies that offer consistent, uniformed, and rational accountability standards across all public school domains, and/or eliminate any double-standards that may currently be in place.

Potential Federal Action:

- Federal budget opportunities on Title I and IDEA.

Miscellaneous

Revenue Generation

Rationale and current status:

Pennsylvania has been experiencing repeated structural deficits in its state budget and it is constitutionally required for the state budget to be balanced. This prolonged fiscal situation is largely due to the legislature not passing a comprehensive revenue package since 2003. During that year, the General Assembly passed and Gov. Rendell signed a budget that raised the Personal Income Tax (PIT) from 2.8 percent to 3.07 percent. In 2009, Gov. Rendell proposed that the state once again increase its PIT from 3.07 percent to 3.57 percent for a three-year period to make up for the revenue lost during the catastrophic financial crisis. Estimates during that time indicated the proposal would have raised an additional \$1.5 billion in revenue over the three-year period, but the legislature was not receptive to the plan.

While the state received an infusion of federal money in 2009 and 2010 due to the American Reinvestment & Recovery Act (ARRA, or the “Stimulus”), these dollars quickly ran out and

there were no revenue enhancements to backfill the loss of those funds. Gov. Corbett inherited a deficit of more than \$4 billion as he took office in 2011 and was forced to cut a variety of programs in the state budget. Four years later, the situation improved modestly with Gov. Wolf inheriting a budget deficit of \$2.3 billion.

In the absence of a revenue plan, the legislature and Gov. Wolf have relied on creative budgetary tactics to balance the state budget including deferred payments, relying on future revenue estimates on items such as casino licenses and fund transfers. The recently enacted 2018-19 budget relies on nearly \$1.5 billion in one-time budget savings, transfers and revenue estimates to achieve balance. The 2017-18 budget was even more reliant on these tactics, coming in at \$2.7 billion, including borrowing against \$1.5 billion of the tobacco settlement fund, which may be illegal. Cumulatively, over the last five budget years, the state has used approximately \$8.5 billion in one-time transfers, revenue projections, and re-allocation of funds, and other measures to balance budgets on an annual basis.

It has been more than 15 years since the Commonwealth increased primary sources of revenue while the costs of providing state services rise annually. This has greatly limited the ability for the state to make substantial investments in key appropriations impacting children, including: basic education, special education, career and technical education, Pre-K, child care, and home visiting. While progress has been made, it has been incremental. The ability to raise revenue to address the deficit would also provide the opportunity for more significant increases in these areas.

Public Policy Framework:

If advanced by the administration or legislature, be part of a strategy to secure new equitably and adequately-raised recurring state revenues to eliminate the state's structural deficit and increase the state's support of select appropriations positively impacting children.

- Revenues should grow at a predictable rate; they must be sustainable and grow with the Pennsylvania economy.
- The state's revenues should be sufficient to pay its fair share of costs on appropriations impacting children.
- The state should strive, within the constraints established by the Pennsylvania constitution, to take into account fairness and the ability to pay by taxpayers.

United State Decennial Census

Rationale:

Young children had by far the worst undercount of any age group in the 2010 Decennial Census. This trend of missing young children has been growing over the last several censuses even as our ability to count other age groups has improved.^x Even worse, the children that are missed most often are children of color.^{xi} Thus, children who are already disproportionately poor, vulnerable and most in need of strong communities and services are likely to get less than their share of federal and state dollars and adequate services in their communities.

Young children are generally undercounted for numerous reasons. These include:

- Almost 4.5 million children under age five live in hard-to-count neighborhoods across the nation. In Pennsylvania, nearly one out of every six children, or 104,000, are at risk of being undercounted.^{xiii}
- It is widely believed that poor households are difficult to enumerate,^{xiii} and young children have a higher poverty rate than any other age group. In 2017, 19.7 percent of Pennsylvania children under 6 years were living in poverty.^{xiv}
- Some young children may go uncounted because they live in large households. In 2010, nearly a quarter of young children lived in households of six or more people in the United States.
- Some young children have complicated living arrangements, moving often among various relatives or caregivers. Foster children, children living with grandparents or other relatives, and children whose parents are cohabiting but not married are also more likely to be missed.
- Language barriers also contribute to the undercount of young children in households. In 2016, there were 91,000 Pennsylvania children living in linguistically isolated households where adults had difficulty speaking English.^{xv}

The undercount of young children has several serious consequences for Pennsylvania children, and many of those consequences last for at least a decade (for most of their childhood), including:

- Less representation in Congress, the Pennsylvania legislature, and school boards for communities with high numbers of young children;
- Less federal funding for critical children’s programs and particularly in the hard-to-count communities;
- Inadequate data and planning information for policymakers and advocates for services such as adequate school capacity and community health services; and
- Distorted data in all Census surveys for the next decade, since the Census Bureau uses population data from the Census (the only product which is not a survey but rather an all-population count) and annual population estimates based on the Decennial Census to develop the sampling design and weighting for all its surveys.

As advocates that use Census data to assess the well-being of children and identify policy changes, we know that policymakers need reliable, useful, objective data about our state’s people, housing, economy, and communities. A nationwide census that counts every person is required by the Constitution. It is integral to our democracy because it ensures that district lines are fairly drawn and allocated. It is fundamental to the federal government’s formulas for distributing at least \$26 billion annually in federal assistance to Pennsylvania and its localities.^{xvi} It is essential to guide important community decisions affecting schools, housing, health care services, business investment, and much more.

Current Status:

The 2010 Census missed nearly one in ten children aged 0-4, or about 2 million children nationally; the net young child undercount (after accounting for duplications) was nearly 5 percent or almost one million children.^{xvii}

Following are some of the programs that affect children's lives for which funding is based in whole or in part on census data. (Unless noted, figures are for fiscal year 2015 that were allocated to Pennsylvania.)^{xviii}

- **Child Care and Development Block Grant (CCDBG) - \$116,779,000.** In fiscal year 2016, over 94,000 children benefited from CCDBG in Pennsylvania.^{xix} State funds are allocated based on numbers of children under 5, numbers under 13, and state median income, so an undercount of young children would reduce Pennsylvania's child care funding.
- **Head Start - \$286,413,049.** In 2014, 43,500 children were served through all Head Start programs in Pennsylvania.^{xx} Head Start expansion funds are allocated based on numbers of poor children, so undercounts of young poor children would result in their communities getting less expansion funding for Head Start and Early Head Start.
- **Title 1 Grants to Local Education Agencies - \$549,714,720.** In 2010, Title 1 served more than 21 million children nationwide.^{xxi} During the 2016-17 school year, over 58 percent of Pennsylvania's schools were Title 1 schools.^{xxii}
- **Special Education Grants - \$421,314,492.** In 2016-17, IDEA part B served over 311,000 children and students or 18 percent of total public school enrollment in Pennsylvania.^{xxiii} IDEA part C covered almost 21,000 Pennsylvania infants and toddlers and their families in 2016-17.^{xxiv}
- **Children's Health Insurance Program (CHIP) - \$371,121,000.** CHIP covered over 363,000 children in Pennsylvania in FY 2017.^{xxv} If many children in poverty are missed in the Census within our state, then the FMAP will be impacted and the share of CHIP reimbursements paid by the federal government will not be accurate.
- **Foster Care - \$159,967,000.** The Federal Foster Care Program helps to provide safe and stable out-of-home care for over 16,000 Pennsylvania children until they are safely returned home, permanently placed with adoptive families, or placed in other planned arrangements for permanency.^{xxvi} An undercount of young poor children would result in a higher total per capita income in Pennsylvania, and that in turn would result in a lower FMAP, and thus lower reimbursements for care for children in foster care.
- **Medicaid - \$16,059,711,500.** More than two-fifths, or almost 1,226,000,^{xxvii} of Medicaid enrollees are children.^{xxviii} The federal government pays for 52.25 percent of the costs of Medicaid in Pennsylvania. A Decennial Census undercount of Pennsylvania's population would result in a higher Per Capita Income in the FMAP formula and consequently, a lower reimbursement rate.

Public Policy Framework:

Promote the importance of a full, fair, and accurate census for our country, our state and our communities.

- Support Complete Count Committees established across Pennsylvania and emphasize issues specific to children.
- Ensure outreach includes how the census results will shape the lives of our youngest children at the most critical points in their development.
- Explore and promote targeted communications to immigrants, people of color, low-income households and rural households, especially if the Department of Commerce does not remove the proposed citizenship question from the data collection forms.
- Secure adequate state resources to increase census participation.

Potential Federal Action:

- Secure adequate federal resources for the Census Bureau to conduct the census in a way that will accurately collect data.

ⁱ Nowakowski RS. Stable neuron numbers from cradle to grave. *Proceedings of the National Academy of Sciences of the United States of America*. 2006;103(33):12219-12220.

ⁱⁱ See for example, Schweinhart, L. J., Montie, J., Xiang, Z., Barnett, W. S., Belfield, C. R., & Nores, M. (2005). "Lifetime effects: The High/Scope Perry Preschool study through age 40." (Monographs of the High/Scope Educational Research Foundation, 14). Ypsilanti, MI: High/Scope Press.

ⁱⁱⁱ Heckman, J. (September 20, 2010). Letter to the National Commission on Fiscal Responsibility and Reform. Professor James Heckman submits an economic case for investing in Early Childhood Development. Retrieved 11/22/2010 from http://www.heckmanequation.org/system/files/Federal-Commission_9-1-2010FINAL_percent20_3_.pdf.

^{iv} Dearing, E., McCartney, K., Taylor, B. A. (2009). Does higher quality early child care promote low-income children's math and reading achievement in middle childhood? *Child Development*. 80 (5), 1329 – 1349.

^v Sirinides, P.S. et al. An Inquiry into Pennsylvania's Keystone STARS: Summary Report. Penn Child Research and Consortium for Policy Research in Education. November 2015.

^{vi} Parents and the High Cost of Child Care, 2013 Report, Child Care Aware of America

^{vii} The National Research Council and the Institute of Medicine of the National Academies. Preventing mental, emotional, and behavioral disorders among young people: Progress and possibilities. Washington, DC: National Academies Press; 2009.

^{viii} Pre-K for PA Campaign, Issue Brief: Pre-K Works, so why not PA? . Retrieved from http://www.prekforpa.org/wp-content/uploads/2018/02/Why-Not-PA-report_web.pdf, 2018.

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^x The Undercount of Young Children, 2014, <https://www.census.gov/content/dam/Census/library/working-papers/2014/demo/2014-undercount-children.pdf>.

^{xi} O'Hare, W.P. (2015). *The Undercount of Young Children in the U.S. Decennial Census*, Springer Publishers.

^{xii} KIDS COUNT Data Book 2018 <http://www.aecf.org/m/resourcedoc/aecf-2018kidscountdatabook-2018.pdf> citing U.S. Census Bureau, 2012–16 American Community Survey.

^{xiii} Fernandez, L., Shattuck, R. and Noon, J. (2018), *The Use of Administrative Records and the American Community Survey to Study the Characteristics of Undercounted Young Children in the 2010 Census*, U.S. Census Bureau Center, CARRA Working Paper Series. Working Paper Series #2018 – 05, U.S. Census Bureau, Washington, DC.

^{xiv} KIDS COUNT Data Center, <https://datacenter.kidscount.org/data/tables/5650-children-in-poverty-by-age-group?loc=1&loct=2#detailed/2/40/false/871,870,573,869,36,868,867,133,38,35/17,18,36/12263,12264>.

^{xv} KIDS COUNT Data Center, <https://datacenter.kidscount.org/data/tables/129-children-living-in-linguistically-isolated-households-by-family-nativity#detailed/2/40/false/870,573,869,36,868,867,133,38,35,18/78,79/472,473>.

^{xvi} Counting for Dollars 2020, The Role of the Decennial Census in the Geographic Distribution of Federal Funds Report #2: Estimating Fiscal Costs of a Census Undercount to States, https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/GWIPP_percent20Reamer_percent20Fiscal_percent20Impacts_percent20of_percent20Census_percent20Undercount_percent20on_percent20FMAP-based_percent20Programs_percent2003-19-18.pdf.

^{xvii} KIDS COUNT Data Book 2018, <http://www.aecf.org/m/resourcedoc/aecf-2018kidscountdatabook-2018.pdf>, citing <https://www2.census.gov/programs-surveys/decennial/2020/program-management/memo-series/2020-report-2010-undercount-children-omissions.pdf>.

^{xviii} Counting for Dollars 2020: The Role of the Decennial Census in the Geographic Distribution of Federal Funds, Initial Analysis: 16 Large Census-guided Financial Assistance Programs https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/States_percent2008-18-17.pdf and https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/Special_percent20Ed_percent20IDEA_percent20CFD_percent2008-18-17.pdf.

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- ^{xix} FY 2016 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served, <https://www.acf.hhs.gov/occ/resource/fy-2016-preliminary-data-table-1>.
- ^{xx} Disparate Access, February 2016, <https://www.clasp.org/sites/default/files/publications/2017/04/Disparate-Access.pdf> Appendix 2 and https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/Head_percent20Start_percent20CFD_percent2008-18-17.pdf.
- ^{xxi} National Center for Education Statistics Fast Facts, <https://nces.ed.gov/fastfacts/display.asp?id=158> and https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/Title_percent20I_percent20CFD_percent2008-18-17.pdf.
- ^{xxii} Pennsylvania School Performance Profile, Pennsylvania Department of Education. <http://paschoolperformance.org/>.
- ^{xxiii} “Number of children and students served under IDEA, Part B, by age group and state.” <https://www2.ed.gov/programs/osepidea/618-data/static-tables/index.html> and https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/Special_percent20Ed_percent20IDEA_percent20CFD_percent2008-18-17.pdf.
- ^{xxiv} “Number of infants and toddlers ages birth through 2 and 3 and older, and percentage of population, receiving early intervention services under IDEA, Part C, by age and state.” <https://www2.ed.gov/programs/osepidea/618-data/static-tables/index.html>.
- ^{xxv} Unduplicated Number of Children Ever Enrolled in CHIP and Medicaid, <https://www.medicaid.gov/chip/downloads/fy-2017-childrens-enrollment-report.pdf> and https://gwipp.gwu.edu/sites/g/files/zaxdzs2181/f/downloads/S-CHIP_percent20CFD_percent2008-18-17.pdf.
- ^{xxvi} KIDS COUNT Data Center, <https://datacenter.kidscount.org/data/tables/6243-children-in-foster-care#detailed/1/any/false/870,573,869,36,868,867,133,38,35,18/any/12987>. This is point-in-time data, and the total number of children served in foster care over the course of a year is higher.
- ^{xxvii} Unduplicated Number of Children Ever Enrolled in CHIP and Medicaid, <https://www.medicaid.gov/chip/downloads/fy-2017-childrens-enrollment-report.pdf>
- ^{xxviii} Policy Basics: Introduction to Medicaid, <http://www.cbpp.org/research/health/policy-basics-introduction-to-medicaid>.