

Executive Agenda 2013

Winning Beginning NY believes that New York State cannot continue to choose between access and quality. Instead, we must increase access to high-quality early care and learning programs. This is essential for the success of our children and the economic recovery of our State, and will be accomplished by an investment in the following programs:

Early Care and Learning

- Create a Ready for Kindergarten Innovation Fund (the Fund), with a range of \$25 - \$100 million, that targets expansion of Pre-K in high-needs school districts, coupled with an investment of \$20 million in QUALITYstarsNY to build high-quality early care and learning programs across the State.
- Restore child care funding to the 2010-11 level of \$999 million.

Home Visiting

- Provide \$25.8 million in funding for Healthy Families New York (HFNY), an increase of \$2.5 million from last year.
- Provide \$5 million in funding to help support the sustainability of Nurse-Family Partnership (NFP), an increase of \$2.5 million from last year.
- Provide \$2 million in funding to support other evidence-based and promising practice home visiting programs.

Early Intervention

- Restore the EI Program to the FY 2010-11 funding level of \$230 million.
- Maximize private insurance funding for the Program without restricting evaluations and services to providers who are part of a particular health insurance network and without allowing health insurance companies to participate in determining a child's EI services.

Afterschool

- Increase Afterschool Advantage funding to \$28 million (FY 2010 allocation).
- Increase Youth Development/Delinquency Prevention (YDDP)/Special Delinquency Prevention Program (SDDP) to \$28.2 million (FY 2011 allocation).
- Maintain Extended School Day (ESD)/ School Violence Prevention (SVP) at \$24.3 million.
- Increase Summer Youth Employment (SYEP) to \$35 million (FY 2009 allocation).

Winning Beginning NY also supports paid family leave.

Contact: Jenn O'Connor, SCAA and Winning Beginning NY, 518/463-1896, ext. 131 or joconnor@scaany.org

Early Care and Learning

Create a Ready for Kindergarten Innovation Fund (the Fund), with a range of \$25 - \$100 million, that targets expansion of Pre-K in high-needs school districts, coupled with an investment of \$20 million in QUALITYstarsNY to build high-quality early care and learning programs across the State.

► QUALITYstarsNY

This investment in the professional development and training and other supports that QUALITYstarsNY provides would improve services for more than 54,000 children in over 700 programs in the next year of implementation.

The funding would be allocated as follows:

- \$16.4 million investment in direct supports to programs and providers for quality improvement including professional development, technical assistance and financial rewards and incentives.
- \$3.6 million investment in program assessment and rating, communication and outreach, data collection and system evaluation.

School districts that expand Pre-K under this initiative would be prioritized for participation in QUALITYstarsNY.

New York's strategic investment in QUALITYstarsNY will have a positive impact in the following areas:

Economic Development & Return on Investment (ROI)

- Investments in high-quality early care and education provide an excellent return. Research on the Perry Preschool program shows that it cut crime, welfare, and other costs so much that it saved more than \$16 for every \$1 invested. And the Chicago Child-Parents Centers produced over \$10 in benefits for every dollar expended, generating savings of \$3.7 billion for the 100,000 children served. However, positive outcomes for children and the economic ROI will occur only if the programs offered are of high-quality. This is the primary focus of QUALITYstarsNY.
- **Accountability**
 - QUALITYstarsNY provides the means to reliably measure program quality while supporting a continuous improvement process in all programs and settings serving young children and their families. For the first time in the State, investors will be able to use accurate data statewide to assess their investment results and thus make good funding decisions.
- **Child Outcomes**
 - The quality of early childhood programs influences child outcomes. Research suggests that low-quality programs have an adverse impact on participating children's social-emotional skills and that children in poverty attending high-quality programs make significant gains in early literacy skills and social-emotional development. Nearly 900,000 young children participate in the State's

early childhood programs. School readiness data from across the State, particularly in urban areas, points to the fact that we're not doing enough to improve the quality of programs and increase their potential to prepare children for early success in school. QUALITYstarsNY provides us with a powerful policy tool to improve program quality and child outcomes.

- **Consumers/Constituents Awareness**

Parents want and need more help in finding an early childhood program that is best suited to their children's needs. Cost and location are obvious considerations, but parents also want to know about the experience and education of the staff, what the curriculum and approach to learning is, how the program is run and its stability, and the way the program engages and involves parents. These are exactly the four areas around which points will be given to programs in QUALITYstarsNY.

- ▶ **Full-Day Pre-K Options**

The Fund would provide for New York State's first full-day pre-kindergarten program and would also allow districts to expand access to current quality part-day programs. Districts would be allowed to use state Pre-K aid to pay for either option in both community and school settings, as a strategy to make the most effective and efficient use of public and private resources. An investment of \$50 million in the Fund at a rate of \$5,000 per child would allow school districts to expand services to children either by converting part-day services to full-day and /or expanding additional part-day opportunities where appropriate. At a rate of \$5,000 per child an investment of \$25 million would expand access for 5,000 children and would serve 20,000 with an investment of \$100 million.

Districts would need to meet current Maintenance of Effort (MOE) requirements, but would have new flexibility to use state aid to support full-day options in both schools and community settings.

Universal Pre-K legislation currently requires that at least 10% of Pre-K funding be invested in community programs to leverage investments and expertise in the community, promote quality standards, and align with K-12. Currently, almost 60% of the Pre-K funding is used in community based programs. This cross sector collaboration increases access for families and leverages child care, Head Start, preschool special education, and even private tuition payments to create a mix of part-day, full-day and extended day options for children. This cross sector collaboration is essential to support the full continuum of high quality early care and education.

► Child Care

New York State must creatively use all available sources to restore child care funding in New York to the 2010-11 level: \$999 million dollars. This restoration of \$92 million will buy nearly 13,000 new child care slots for working families.

Early care and learning programs are a critical component of New York's economic growth. If all New York children were given access to quality early care and learning, the State would generate \$6.7 billion in total new spending in New York businesses, creating 80,000 new jobs at a cost of \$3.6 billion.ⁱ

New York State faces a crisis in child care funding for low-income working families. This is a result of many factors - a reduction in the amount of the federal child care block grant funds allocated to the State, New York's decision to shift TANF funding away from child care, increasing costs, and the loss of federal stimulus funding. Since 2010-2011, spending on child care funding in New York has declined from \$999,328,543 to \$907,245,924, a loss of over \$92 million dollars.

As a result of 1996 Federal Welfare Reform, with its emphasis on "work first," public assistance rolls plummeted as families left welfare for low wage jobs. In 1995, there were 1.5 million recipients of cash public assistance in New York State - 803,000 of these recipients were children. As of 2011, the number of persons on Temporary Assistance had plummeted by 2/3 to 565,224 and 307,544 of those recipients were children.

The precipitous decline is the result of low-income parents leaving the welfare rolls to work at low wage jobs instead of staying home with their children. However, without assistance in paying for child care, low wage workers cannot make ends meet. The Self-Sufficiency Standardⁱⁱ measures the wage that a working family needs to earn in order to meet basic needs, including child care.ⁱⁱⁱ

State law provides that families are eligible for (but not guaranteed) child care assistance if their income is under 200% of the federal poverty level (\$38,180 for a family of 3). Because of funding shortfalls, many counties have reduced their eligibility levels below that amount.^{iv}

Free up funds by giving priority to working families who need child care:

New York could maximize the use of child care dollars for working families by waiving the work rule requirement for public assistance recipients with young children. This would create over 2 slots for working families for each slot not utilized by a public assistance recipient. This waiver would shift nearly \$17 million dollars to working families (one year exemption) or \$44 million dollars (two year exemption). This proposal which was in legislation last year in both houses, and was included in the Assembly's one house budget bill permits, but does not require the exemption, and the cost savings analysis assumes that 40% of all public assistance recipients would continue to use child care to work or look for work.

Home Visiting

Provide \$25.8 million in funding for Healthy Families New York (HFNY), an increase of \$2.5 million from last year. This would return funding to the level provided in 2006-07 and 2007-08 budgets, prior to 2008 deficit reduction cuts, and restore services to approximately 600 at-risk families in high need communities. It also assures the Maintenance of Effort required for federal Maternal, Infant and Early Childhood Home Visiting funding.

Provide \$5 million in funding to help support the sustainability of Nurse-Family Partnership (NFP), an increase of \$2.5 million from last year. This is especially critical now to offset any additional reduction in capacity and maintain programs at current levels until the global waiver is approved by CMS and NFP can be more robustly covered under Medicaid.

Provide \$2 million in funding to support other evidence-based and promising practice home visiting programs. This would allow continuation and establishment of programs that fill gaps in services, for families that are not eligible for HFNY and NFP. Eligibility for HFNY ends when children are 3 months old for HFNY, and at the 28th week of pregnancy for NFP.

Early Intervention Program (EI)

Restore the EI Program to the FY 2010-11 funding level of \$230 million and maximize private insurance funding for the Program without restricting evaluations and services to providers who are part of a particular health insurance network and without allowing health insurance companies to participate in determining a child's EI services.

This restoration of \$66 million would restore EI service reimbursement rates so that the program can retain experienced professionals, recruit and train new professionals, and make other quality improvements.

The EI Program provides evaluations and services to infants and toddlers with developmental delays or disabilities and their families. Recognizing the substantial brain development and plasticity during a child's first three years of life, the purpose of EI is to detect and address developmental delays as early as possible. EI services help young children who are behind catch up and prepare for kindergarten, reducing later special education and rehabilitation costs and maximizing the potential for individuals with disabilities to live independently and be productive citizens.

Despite the cost-effectiveness of this program, state funding for EI decreased by nearly 30% from FY 2010-2011 (\$230M) to FY 2012-2013 (\$164M). This cut included a significant reduction in the reimbursement rate for EI services, causing many EI provider agencies to shut their doors and experienced service providers to stop taking EI referrals. This loss of providers is making it difficult for young children with delays or disabilities to access the services they need in a timely manner, especially in certain rural and low-income neighborhoods that already had shortages of providers.

One strategy for helping to fund this program is to maximize reimbursement from health insurance. While EI has been successful in obtaining reimbursement for EI services from the Medicaid program, private insurance companies have refused to pay their fair share, rejecting

claims for EI services for a variety of reasons, such as claiming that they are not “medical necessities.”

Last year’s Executive Budget proposed a significant restructuring of the EI program that would have restricted a child’s access to EI evaluators and providers based on the child’s health insurance coverage. While we applaud the goal of having health insurance companies contribute to the cost of EI services, the role of health insurance companies must be limited to *paying* for services available through health insurance. Health insurance companies should not be allowed to play a role in determining a child’s services or in restricting access to evaluators and providers. Indeed, if health insurance coverage were sufficient to meet the needs of infants and toddlers with delays and disabilities, we would not need EI.

Afterschool

Increase Afterschool Advantage funding to \$28 million (FY 2010 allocation). The \$7 million available for the most recent RFP was only enough to fund 45 of the 350 afterschool programs who applied. Many more of these programs were highly-qualified than could be funded. Advantage Afterschool funding has sustained a 37% cut over the last three years – three years in which need has grown due to the slow economic recovery and overall program quality has grown through statewide work by the Office of Children and Family Services and the afterschool field to establish and encourage high standards.

Increase Youth Development/Delinquency Prevention (YDDP)/Special Delinquency Prevention Program (SDDP) to \$28.2 million (FY 2011 allocation). YDDP/SDDP funds support a variety of youth development activities based on research that shows that youth delinquency decreases substantially when students have a safe place to be between 3 and 6 pm. The 50% cut to this funding stream in the FY 2012 budget has caused programs across the State to drastically reduce the number of students they can serve. Meanwhile, the slow pace of economic recovery has families working longer hours and employers hiring fewer teenagers – leaving far too many youth with no place to go during the highest risk hours.

Maintain Extended School Day (ESD)/ School Violence Prevention (SVP) at \$24.3 million. ESD/SVP funds support a range of innovative afterschool programs. Current contracts for these funds are set to expire at the end of June 2013. These contracts should be extended for an additional school year at the same funding level. Afterschool programs work with schools to meet needs that cannot be met during the regular school day.

Increase Summer Youth Employment (SYEP) to \$35 million (FY 2009 allocation). SYEP dollars are a double investment in youth by the State – many SYEP participants serve as aides to summer programs for younger children, allowing programs to serve more children while supporting older youths in their transition to the workforce. Increases in SYEP will support increases in summer programming for younger children as well.

ⁱ <http://cdn.americasedge.org/clips/NY-earlylearning-report.pdf>

ⁱⁱ <http://www.selfsufficiencystandard.org/docs/New%20York%20State%202010.pdf>

ⁱⁱⁱ The Self Sufficiency wage for a family of three with a pre-schooler and a school age child is: \$27.38 per hour in NYC (Northern Manhattan); \$32.38 per hour in Westchester County (Yonkers); \$22.33 per hour in Erie County; \$37.37 per hour in Suffolk County.

^{iv} For example, Suffolk County has lowered eligibility to 100% of poverty; Niagara: 120%; Dutchess and Schenectady: 125%; Oneida, Ontario: 150%; Cayuga and Rensselaer: 160%; Monroe: 165%; Albany, Orange: 175%; Chemung is only opening new cases for mandated categories (TANF related and Transitional Child Care). New York City has not formally changed its guidelines, but as of April 2012, it was serving only very low income families: 64.1% of households receiving child care (non-TANF) were below 100% of the federal poverty line; 81.8% were under 135% of the federal poverty line; 92.2% were under 175% of the federal poverty line.