# National Early Childhood Policies and Funding Priorities and Arizona’s Early Childhood System

## Alignment to Early Childhood System Role

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<th>Early Care and Education System Development and Implementation</th>
<th>National Policy and Funding Priorities</th>
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<td>Quality, Access and Affordability of Regulated Early Care and Education Settings</td>
<td>Child Care Development Block Grant (CCDBG)</td>
<td><strong>Lead Agency:</strong> The Arizona Department of Economic Security (DES)</td>
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The Child Care and Development Fund (CCDF) is the primary Federal funding source devoted to providing low-income families (family of four making less than $24,300 a year)\(^1\) that are working or participating in education and training with help paying for child care and improving the quality of care for all children.

In September 2016, U.S. Office of Child Care published new rules\(^2\) to provide clarity to states on how to implement CCDBG and administer the program in a way that best meets the needs of children, child care providers, and families. It has been more than 18 years since the U.S. Department of Health and Human Services last issued comprehensive child care regulations and during that time, we have learned more about the impact high-quality child care can have on young children’s development and learning.

The rules apply to states, territories, and tribes administering Child Care and Development Fund (CCDF) and incorporates and clarifies changes made through the bipartisan CCDBG Act.

Rules were made in the following categories:

1. Protect the health and safety of children in child care
2. Help parents make informed consumer choices and access

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1 Defined by the 2016 poverty guidelines here: [https://aspe.hhs.gov/computations-2016-poverty-guidelines](https://aspe.hhs.gov/computations-2016-poverty-guidelines)

2 More information on the new rule may be found here: [https://www.acf.hhs.gov/sites/default/files/occ/ccdf_final_rule_fact_sheet.pdf](https://www.acf.hhs.gov/sites/default/files/occ/ccdf_final_rule_fact_sheet.pdf)
3) Support equal access to stable, high-quality child care for low-income children and
4) Enhance the quality of child care and better support the workforce

How rule changes will impact tribal areas³:
The new law did not explicitly apply many provisions to tribes. Only some of the rule changes apply to CCDF tribal grantees. These include:
- Establishing three categories of tribal grantee sizes, based on large, medium, and small CCDF allocations, and providing greater flexibility to grantees with lower levels of funding; and
- Allowing tribes the flexibility to consider any Indian child in the tribe’s service area to be eligible to receive CCDF funds if a tribe’s median income is below an amount established by the Secretary of the U.S. Department of Health and Human Services.

Two-Generational (2Gen) Approaches⁴

2Gen provides support for children and parents or caregivers to ensure all members of that family have the ability to succeed. These supports are especially important for low-income families to find and maintain employment and increase their education and improve their health and wellbeing. 2Gen breaks the cycle of ongoing poverty among families and the communities in which they live by coordinating the needs of both children and their parents or caregivers to ensure the entire family succeeds, not just one particular person in the family.

2GEN has identified 10 policies that promote two-generation strategies\(^5\). The policy below is specific to supporting CCDBG from a two generation standpoint.

- Reform the Child Care Development Block Grant to increase access to and quality of early childhood settings for children and to ensure greater access to job training and education for parents.

Of significant importance in the reauthorization is the issue of reimbursement rates. The movement towards quality is a costly one and Arizona rates are one of the lowest in the nation – using the 75\(^{th}\) percentile of the 2000 market rate survey. The move to limiting group sizes requires more staff to serve the same number of children as previously served

**Opportunities**

- Align CCDBG requirements with Licensing requirements so that all licensed programs are monitored using the same standards. Currently, programs that accept DES subsidy will be monitored on requirements above and beyond licensing and programs that do not accept DES will be monitored on lower standards (such as higher group sizes and less staff pre-service Health and Safety training).
- Align subsidy with quality to ensure that children who most benefit from a high quality early care and education program have access:
  - Programs accepting subsidy participate in Quality First and achieve a quality rating.
  - Reimbursement rates high enough for programs to sustain the cost of implementing quality practices.
- Blend and braid funding from Head Start, CCDBG, School Districts, and First Things First so that a single classroom can be supported through multiple funding streams rather than a single funding stream that is not enough to support a single classroom. [U.S. Government Accountability Office (GAO) report on Integrating Early Care and Education Funding](http://www.gao.gov/products/GAO-16-775R?utm_medium=email&utm_source=govdelivery)

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\(^5\) Top Ten for 2GEN. Policy Ideas and Principles to Advance Two-Generation Efforts [http://b.3cdn.net/ascend/1b324c19707d1e43c6_p4m6i2zji.pdf](http://b.3cdn.net/ascend/1b324c19707d1e43c6_p4m6i2zji.pdf)

### EARLY CARE AND EDUCATION SYSTEM DEVELOPMENT AND IMPLEMENTATION

| QUALITY, ACCESS AND AFFORDABILITY OF REGULATED EARLY CARE AND EDUCATION SETTINGS |
| QUALITY EARLY CARE AND EDUCATION STANDARDS, CURRICULUM, AND ASSESSMENT |

### PRESCHOOL DEVELOPMENT GRANT (PDG)

The U.S. Office of Early Learning supports the Preschool Development Grants to assist states with the following:

1) Build or enhance a preschool program infrastructure that would enable the delivery of high-quality preschool services to children;

2) Expand high-quality preschool programs in targeted communities that would serve as models for expanding preschool to all 4-year-olds from low- and moderate-income families. These grants intend to lay the groundwork to ensure that more states are ready to participate in the Preschool for All formula grant initiative proposed by the Administration.

### Lead Agency

The Arizona Department of Education Early Childhood Unit

In 2014, Arizona Department of Education was awarded a Development Grant to work with its community partners and school districts in order to strengthen its early childhood education infrastructure in three ways:

1) Providing scholarships for high-level coursework leading to teacher certification;

2) Working with institutes of higher education to build capacity of instructors and counselors; and

3) Participating in and effectively using the state longitudinal data system

### Partners

First Things First

- Agreement with ADE to provide Quality First Enrollment, Mental Health Consultation, Inclusion Consultation, Child Care Health Consultation, and College Scholarships.

**Early Care and Education Programs**

- Mixed Service Delivery of programs (public and private) to provide the early childhood services to children at or below 200% FPL.

### Arizona System

20 million per year for 4 years (started in state fiscal year 2016)

- Used 18,249,164 in year 1
  - 2,370 children served
  - 61 slots funded for QF, including CCHC (total of 94 programs participating in PDG)
  - 94 slots funded for MHC, Inclusion

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<th>EARLY CARE AND EDUCATION SYSTEM DEVELOPMENT AND IMPLEMENTATION QUALITY, ACCESS AND AFFORDABILITY OF REGULATED EARLY CARE AND EDUCATION SETTINGS</th>
<th>HEAD START AND EARLY HEAD START</th>
<th>Lead Agency</th>
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<td>Head Start programs promote school readiness of children ages birth to 5 from low-income families by supporting their development in a comprehensive way. Head Start and Early Head Start programs offer a variety of service models, depending on the needs of the local community, including center based that offer services in schools and family child care homes as well as home based services that assign a dedicated staff to conduct weekly visits to children in their own home and work with the parent as the child's primary teacher. Head Start is administered by the Administration for Children and Families (ACF) in the Department of Health and Human Services.</td>
<td>There are 32 Head Start programs across the state including County based programs, Tribal programs, and Migrant/Seasonal programs. <a href="http://www.azheadstart.org/pdfs/2016_Fact_Sheet.pdf">http://www.azheadstart.org/pdfs/2016_Fact_Sheet.pdf</a></td>
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<td>Head Start was designed to help break the cycle of poverty, providing preschool children of low-income families with a comprehensive program to meet their emotional, social, health, nutritional and psychological needs in a positive learning environment through a variety of services, which include: Early Learning: Children's readiness for school and beyond is fostered through individualized learning experiences. Through relationships with adults, play, and planned and spontaneous instruction, children grow in many aspects of development. Children progress in social skills and emotional well-being, along with language and literacy learning and concept development Health: Each child's perceptual, motor, and physical development is supported to permit them to fully explore and function in their environment. All children receive health and development services in a manner responsive to their unique needs.</td>
<td>Arizona Head Start Association serves and empowers the coalition of public and private organizations that provide Head Start and Early Head Start programs. This organization is led by a volunteer Board of Directors to carry out the mission of advocacy, collaboration, and education among the Head Start and Early Head Start programs across the state.</td>
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<td>Head Start State Collaboration Office - The Arizona Department of Education Early Childhood Unit administers the Head Start State Collaboration grant from the U.S. Department of Health and Human Services to establish linkages among Head Start, childcare, social welfare, health and state funded preschool programs, and K-12 Education.</td>
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<td>Arizona System 2015 Arizona Head Start programs served - 20,987 children - 171 pregnant women</td>
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<td>Opportunities - Align Quality First Assessment with Head Start Assessment to leverage each program's ability to support</td>
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screenings, nutritious meals, oral health and mental health support. Programs connect families with medical, dental and mental health services to ensure that children are receiving the services they need.

Family well-being: Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial security. Programs support and strengthen parent-child relationships and engage families around children's learning and development.

The Head Start and Early Head Start programs are up for reauthorization in 2017. In addition, Head Start has new performance standards from the Office of Head Start, Administration for Children and Families (ACF) and Department of Health and Human Services (HHS). The new standards are designed to move Head Start toward an outcomes-focused culture (as opposed to compliance-based).

Head Start Performance Standards Final Rule: General Fact Sheet

Early Head Start Child Care Partnerships
In January 2014, Congress appropriated $500M to expand the number and quality of early learning opportunities for infants and toddlers through Early Head Start-Child Care Partnerships (EHS-CCP) and Early Head Start (EHS) Expansion grants. The Administration for Children and Families (ACF) will support states and communities as they expand high quality early learning opportunities to infants and toddlers through EHS-CC Partnerships. The partnerships will support working families by providing a full-day, full-year program, including family child care, so low-income children have the healthy and

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| Head Start and Early Head Start participate in Quality First.  
FTF provides an update at quarterly Arizona Head Start Association meetings.  

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<th>Funding (2015)</th>
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| $124 million in Federal Head Start and Early Head Start grants.  
$35 million generated in local community in-kind contributions.  
EHS-Child Care Partnership grants were awarded to 7 existing Arizona Grantees for a total of $13,300,000  

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<th>Additional Resources</th>
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| Arizona Head Start Association Fact Sheet  

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8 Additional information can be found here: [https://www.nhsa.org/new-head-start-program-performance-standards](https://www.nhsa.org/new-head-start-program-performance-standards)

enriching early experiences they need to realize their full potential. Early Head Start programs also provide comprehensive services that benefit children, families, and teachers, including:

- Health, developmental and behavioral screenings
- Higher health, safety, and nutrition standards
- Increased professional development opportunities for teachers and
- Increased parent engagement opportunities

Two-Generational (2Gen) Approaches

2Gen provides support for children and parents or caregivers to ensure all members of that family have the ability to succeed. These supports are especially important for low-income families to find and maintain employment and increase their education and improve their health and wellbeing. 2Gen breaks the cycle of ongoing poverty among families and the communities in which they live by coordinating the needs of both children and their parents or caregivers to ensure the entire family succeeds, not just one particular person in the family.

2GEN has identified 10 policies that promote two-generation strategies. The policy below is specific to Head Start and Early Head Start.

- Help Head Start and Early Head Start fulfill their two-generation missions by strengthening family supports and increasing the emphasis on parents, not only in their role as mothers and fathers but also as breadwinners.
**EVERY STUDENT SUCCEEDS ACT**10,11

The *ESEA* contains provisions across its programs to assist State educational agencies (SEAs), local educational agencies (LEAs), outlying areas, the Bureau of Indian Education (BIE), schools, and community-based organizations to support early learning in these three main ways:

1. Expanding access to high-quality early learning
2. Encouraging alignment and collaboration from birth through third grade
3. Supporting educators

**Expanding Access to High-Quality Early Learning**

Under a number of federal education programs, an LEA may use funds to provide early education services consistent with applicable program requirements. LEAs may do so in public schools or in preschool centers operated by the LEA, as well as in community-based preschool programs, as long as conditions outlined in the law are met.

**Encouraging Alignment and Collaboration from Birth through Third Grade**

Vertical alignment from preschool to third grade (P–3) provides greater continuity and better organization of student services and school-family partnerships. In addition, the ability to link individual student preschool data to K–12 data allows elementary teachers to have more complete information about students’ learning trajectories and better tailor instruction to meet students’ needs. If well implemented, a strategic P–3 approach can help to align expectations between programs and foster a greater sense of a continuum across the early elementary years.

**Lead Agency: Arizona Department of Education**

The Arizona Department of Education is developing the ESSA State Plan. The final draft, currently in development, will include stakeholder feedback as well as feedback received through a formal, open public comment period in October. Once finalized, the plan will be submitted to the Governor and State Board of Education for final approval before submission to the U.S. Department of Education in January 2017.

Opportunities in AZ because of ESSA

- Use of statewide Formative Assessment (KDI) to assess and monitor children’s progress from preschool through 3rd grade using a consistent tool across the age span.
- Expanding Access to high quality early care and education prior to kindergarten for special populations (children with special needs, DLLs, homeless children, etc.) that research indicates supports school readiness.
- Support better alignment, collaboration, and coordination between ECE programs and the K-12 system:
  - Coordinated data systems
  - Consistent formative assessment of children across the education continuum
  - Consistent learning standards across the education continuum
- New requirement to include the number and percentage of children enrolled in preschool that can inform LEA implementation plans.
- Funding support for K-12 Teachers and Administrators in building their child development and knowledge so as to implement best practices for pre-k – 3rd grade.

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10 Additional information on ESSA can be found here: [http://www.azed.gov/essa/](http://www.azed.gov/essa/)

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<td>Funds through Title I, II, and III may be used to support early learning in other ways, such as for professional learning (including joint professional development for early childhood staff and elementary school staff).</td>
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- Funding to support teachers’ professional development for those who work both on and off K-12 campus.

**Additional Resource**
United States Department of Education - Non-Regulatory Guidance Early Learning in the Every Student Succeeds Act Expanding Opportunities to Support our Youngest Learners

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<td>HIGHLY QUALIFIED WORKFORCE</td>
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<td>RECRUITMENT AND RETENTION OF PROFESSIONALS IN THE EARLY CHILDHOOD SYSTEM</td>
<td>Report on Financing Early Care and Education With a Highly Qualified Workforce:12</td>
<td>First Things First</td>
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<td>An ad hoc committee under the auspices of the National Academies of Sciences, Engineering, and Medicine will study how to fund early care and education for children from birth to kindergarten entry that is accessible, affordable to families, and of high quality, including a well-qualified and adequately supported workforce consistent with the vision outlined in the report Transforming the Workforce for Children Birth Through Age 8.</td>
<td>FTF staffs the Professional Development Work Group (PDWG) which has the responsibility for strengthening the early childhood workforce. Participation in the workgroup includes early childhood professionals from a variety of roles in the field and represents urban, rural, and Tribal communities throughout Arizona. Continuing work of the PDWG includes:</td>
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<td>The committee will briefly review and synthesize the available research and analysis on the resources needed to meet the true costs of high quality early care and education, including resources for improving the quality, affordability, and accessibility of higher education for the workforce; improving the quality and availability of professional learning during ongoing practice; and supporting well-qualified educators and administrators with adequate compensation through complete wage and benefit packages that are comparable across settings and children’s ages.</td>
<td>o Development, launch and continuing implementation review of the AZ Early Childhood Career and Professional Development Network that ensures consistent standards and career pathways for the workforce as well as a database to support the ongoing professional development of the early childhood workforce.</td>
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<td>Power to the Profession Taskforce13</td>
<td>o Development and implementation of the Current Practices inventory to support alignment of college curriculum to the statewide workforce knowledge and competencies which ensures a common standard from which to make decisions about curriculum and articulation agreements.</td>
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<td>The National Association for the Education of Young Children (NAEYC) is convening a Power to the Profession Taskforce to develop a common vision and a shared framework of career pathways, knowledge and competencies, qualifications, standards, and</td>
<td>In alignment with the work of the PDWG, FTF funds the Registry and College Scholarships which supports the improvement of professional skills for those providing care and education to children 5 and younger through a web-based system that enables early childhood professionals and those interested in a career in</td>
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12 More information about the Financing Early Care and Education With a Highly Qualified Workforce can be found here: http://sites.nationalacademies.org/DBASSE/BCYF/Finance_ECE/index.htm
13 More information about the Power to the Profession Taskforce can be found here: https://www.naeyc.org/profession
compensation that unifies the entire profession, which will lead to a comprehensive policy and financing strategy for their systemic adoption and implementation.

State of the Early Childhood Workforce Report\textsuperscript{14}

Center for the Study of Child Care Employment (CSCCE) has a biannual state of the early childhood workforce report. Arizona data reveals In 2015, the median wage for child care workers was $9.65, a 5% decrease since 2010. For preschool teachers, the median wage was $11.33, a 5% decrease since 2010.

Early Childhood Workforce Index\textsuperscript{15}

The Early Childhood Workforce Index represents the first effort to establish a baseline description of early childhood employment conditions and policies in every state and to track progress on a state-by-state basis to improve early childhood jobs. Providing states with periodic appraisals of their efforts based on measurable status and policy indicators, the Index is aimed at encouraging states to step up their efforts to address these persistent workforce challenges and at supporting related advocacy efforts. It is our hope that expanded and consistent focus on early childhood jobs will, in turn, generate refined strategies and encourage the incubation and testing of sustainable policies to attend to compensation and other issues that have gone largely unaddressed.

Two-Generational (2Gen) Approaches\textsuperscript{4}

2Gen provides support for children and parents or caregivers to ensure all members of that family have the ability to succeed. These supports are especially important for low-income families to find and maintain employment and increase their education and improve their health and wellbeing. 2Gen breaks the cycle of ongoing poverty early education to:
1) Keep a record of their experience, education, professional development and credentials in a central location
2) Apply for college scholarships and track their certificate/degree achievement, and
3) Find and register for community-based professional development opportunities.

In addition, FTF funds the REWARD$ strategy which provides financial incentives to early care and education staff serving children birth to age 5 to acknowledge educational attainment, continued educational progress and commitment to continuous employment.

Partners
Arizona Department of Education
- Alignment of ADE PD system with AZ Early Childhood Workforce Registry.
- Partner with First Things First on the work with Institutes of Higher Education to align curriculum with professional competencies and support academic program accreditation through NAEYC.
- Participating member of the Professional Development Work Group.

Arizona Department of Economic Security Child Care Administration
- Use AZ Early Childhood Workforce Registry to monitor CCDBG requirements.
- Participating member of the Professional Development Work Group.

\textsuperscript{14} The State of the Early Childhood Workforce report can be found here: http://cscce.berkeley.edu/state-of-the-early-childhood-workforce/

\textsuperscript{15} More information can be found here: http://cscce.berkeley.edu/early-childhood-workforce-index/
among families and the communities in which they live by coordinating the needs of both children and their parents or caregivers to ensure the entire family succeeds, not just one particular person in the family.

2GEN has identified 10 policies that promote two-generation strategies\(^5\). The policies below support access to education and employment.

- Promote cross-system collaboration and partnership among human services agencies and institutions of higher education, especially community colleges, to increase bundled services and access to benefits for low-income students, many of whom are parents.
- Increase postsecondary education access and completion through institutional financial aid reform and policies that more accurately reflect the needs of enrolled student parents, a growing national demographic
- Use the 2014 Workforce Innovation and Opportunity Act (WIOA) to allow for state and local changes that enable two generation support.

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<thead>
<tr>
<th>Arizona Department of Health Services Bureau of Child Care Licensure</th>
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<tr>
<td>• Participating member of the Professional Development Work Group.</td>
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<th>Arizona State University PBS</th>
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<tr>
<td>• Grant partner with First Things First implementing the Registry and College Scholarships strategy.</td>
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<td>• Participating member of the Professional Development Work Group.</td>
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<tr>
<td><strong>System Infrastructure</strong></td>
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<tr>
<td>• The Arizona Early Childhood Career and Professional Development Network (launched in July 2015)</td>
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<tr>
<td>o Website <a href="http://azearlychildhood.org/">http://azearlychildhood.org/</a></td>
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<tr>
<td>o Workforce Registry</td>
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<td>o Statewide Workforce Knowledge and Competencies</td>
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<td>o Statewide Career Lattice</td>
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<tr>
<td>o Professional Development Instructor and Technical Assistance Provider Standards</td>
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<td>• Workforce Compensation</td>
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<tr>
<td>o Compensation has not kept pace with the increasing education expectations for the early childhood workforce. While some programs offer</td>
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higher salary and benefits (Head Start, School Districts), wages still continue to keep much of the early childhood workforce in poverty.

**Opportunities**
- With a new early childhood professional database (Registry), the state of Arizona will have robust data with which to support state policy in the areas of consistent workforce expectations for education/training and workforce compensation.
- The national work affirms the direction that the PDWG is working towards:
  - National work may inform the continuous improvement/revisions to the career lattice and qualifications
  - FTF working with Central Arizona College to research effective strategies used to support compensation for early childhood professionals.
    - The Report on Financing Early Care and Education with a Highly Qualified Workforce will inform how FTF moves forward with compensation strategy.
- The Workforce Index can be used to track our progress over time on early childhood workforce issues.
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<td>MEDICAL AND DENTAL HOMES</td>
<td>MEDICAID SUPPORTING CHILD HEALTH16</td>
<td>Children’s health coverage is tied to key child health outcomes and research suggests that children who have health insurance perform better in school and lead healthier, more economically productive lives.</td>
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<td>ACCESS TO QUALITY HEALTH CARE COVERAGE AND SERVICES</td>
<td>Children’s health coverage nationwide is at a historic high of 95%. From 2013-2015, the nation’s uninsured rate experienced the highest two-year decline on record. This is attributed to the implementation of the Affordable Care Act (ACA). Eligible children are more likely to be enrolled in the Children’s Health Insurance Program (CHIP) and Medicaid than ever before as evidenced by participation rates in research published by the Urban Institute. Research also points to the importance of Medicaid expansion in children’s health coverage. As more adults who were eligible but not yet enrolled or newly eligible gain coverage so do their children. CHIP remains one of the most important coverage sources for children nationwide. The Affordable Care Act extended CHIP until 2019 thought Congress must refund the program by the end of FFY2017. As part of the ACA, states receive a 23% bump in matching rate for their CHIP program. Using CHIP funding, states are also able to elect to extend coverage to lawfully residing immigrant children without the five year waiting period. States such as Florida and Utah are taking advantage of this through the Immigrant Children's Health Improvement Act (ICHIA). For the first time in a decade, CMS has updated rules governing managed care. Managed care regulations released in May 2016 seek to improve the quality of care and add greater transparency. The Georgetown University Center for Children and Families writes that “The rules cover a wide range of topics important to children and low-income families such as improving consumer information, enhancing the beneficiary experience, assuring network adequacy.</td>
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<td>SUPPLY OF HEALTH CARE SERVICES</td>
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<td>EARLY SCREENING AND INTERVENTION</td>
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16 More information about how Medicaid can support screening and interventions can be found here: https://www.medicaid.gov/federal-policy-guidance/downloads/cib051116.pdf
and access to services, advancing quality, and ensuring accountability and transparency.”

Delivery system reform has continued to be an important health policy topic. CMS has allocated a pool of funding called Delivery System Reform Incentive Payments that allow states to propose initiatives that save Medicaid money by changing the way care is delivered. Payments are tied closely to performance metrics that tend to focus more on health outcomes and population improvements.

Health disparities and health equity continues to be a salient topic nationwide as children who live in more rural areas and children of color continue to experience poorer health outcomes than their urban and white counterparts. According to the American Academy of Pediatrics, “Eliminating health disparities would make a significant difference in the overall health of children. If health disparities in the United States were eliminated, such that all children had the same risks of adverse outcomes as those of the most economically privileged, the prevalence of poor outcomes (eg, low birth weight, cerebral palsy, intellectual disabilities, psychological problems, child abuse, disabilities attributable to intentional and unintentional injuries) would be reduced by 60% to 70%.”

The U.S. Centers for Medicare and Medicaid Services (CMS) released an Informational Bulletin in May 2016 highlighting the critical role Medicaid can play in supporting state policy choices to promote young children’s healthy development through maternal depression screening and treatment. This includes the stipulation that State Medicaid agencies may cover maternal depression screening as part of a well-child visit. In addition, states must cover any medically necessary treatment for the child as part of the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit. (approximately $1.5 million for the entire state). First Things First released a $50,000 grant for awareness, coordination and outreach activities to increase enrollment for children. The grant went to Children’s Action Alliance and the dollars have been matched by local health foundations.

**Arizona’s Medicaid program, AHCCCS**

As of July 2016, over 762,000 AZ children are covered by AHCCCS. That equates to 46% of all AZ children. In addition, 54% of births in AZ are covered by AHCCCS.

- All children in Medicaid and KidsCare in AZ are eligible for Early and Periodic Screening, Diagnostic, and Treatment Services (EPSDT). EPSDT benefit includes coverage for developmental and sensory screenings, dental services, and care management. Data on the quality and use of EPSDT is limited. Among AHCCCS plans, AHCCCS reports that children’s access to primary care providers is at 95% and above. Children’s access to dental providers seems to be a greater challenge at around 50-60% depending on the health plan. Children’s screening rates are also around 50%.

- Statewide, Arizona’s developmental screening rate is very low at 22%. This is especially pronounced for children of color. Hispanic children have developmental screening rates at around 13% compared to 30% for white children. AHCCCS currently has a performance improvement plan aimed at improving screening rates. As a managed care state, new managed care rules from CMS may have a role in improving quality of care for children.

- Arizona has submitted a DSRIP proposal pending approval targeting children with behavioral health needs and children in the child welfare system. According to AHCCCS, Arizona’s DSRIP proposal “will incentivize both providers and Managed Care Organizations (MCOs) to collaborate.
CMS also released a bulletin outlining how Medicaid can help cover certain components of home visitation services. The bulletin notes that “In designing a home visiting program, state agencies should work together to develop an appropriate package of services to be provided to their beneficiaries. This package may consist of Medicaid-coverable services in tandem with additional services available through other federal, state or privately funded programs.”

A new report by the National Center for Children in Poverty provides a helpful map of Medicaid support for children’s mental health. Using Medicaid to Help Young Children and Parents Access Mental Health Services, a survey of state Medicaid officials in 48 states and D.C., uncovered how Medicaid pays for mental health services for young children in a variety of settings. In sum\(^\text{17}\):

- Most states cover ECMH services in the home (46 states), ECMH services in a primary practice setting (45), care coordination (44), child social-emotional screening (41), dyadic/parent-child treatment (38), and ECMH in an early care and education setting (34). Fewer than one-third of states that reimburse defined services require evidence-based practices. Helpful state maps that show where each state stands on the identified services are included in the report.
- Fewer states cover maternal depression screening (9) or parenting programs (12) under the child’s Medicaid number as a means to address children’s mental health needs. The authors aimed to specify screening tools for maternal depression or social-emotional screening reimbursement.

The report also highlights a frequent challenge encountered: difficulty tracking delivery of specific services, often due to a lack more effectively to create and sustain integrated, high performing health care delivery systems that improve care coordination for AHCCCS members and drive better health and financial outcomes. Specifically, the program will fund time-limited, outcome based projects aimed at building necessary infrastructure to improve multi-agency, and multi-provider care delivery.”

\(^{17}\) Information gathered from Georgetown University Health Policy Institute Center for Children and Families: [http://ccf.georgetown.edu/2016/10/05/new-reports-shed-light-medicaid-and-child-mental-health](http://ccf.georgetown.edu/2016/10/05/new-reports-shed-light-medicaid-and-child-mental-health/)
The insufficient data make it tough to analyze gaps between policy and practice. The authors recommend using the report as a conversation starter with state Medicaid and children’s mental health agencies to identify new opportunities to improve services and better understand how children are being served in practice under current policies.

### MEDICAL AND DENTAL HOMES

#### ACCESS TO QUALITY HEALTH CARE COVERAGE AND SERVICES

#### SUPPLY OF HEALTH CARE SERVICES

#### EARLY SCREENING AND INTERVENTION

<table>
<thead>
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<th>ORAL HEALTH</th>
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<td>Tooth decay remains the most common chronic condition facing children in the US. While the dental coverage rates and dental benefit usage rates for children with coverage continue to rise, there is high variation in the quality of coverage. Oral health is a tremendous challenge for children of color, particularly American Indian children. Tooth decay rates in some American Indian communities can well exceed over 50% among children.</td>
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<td>Medicaid and CHIP generally cover children’s oral health but there are challenges with children getting regular care at a dental home. Access to dental care is a challenge for children living in provider shortage areas, even if the child has coverage. Many parents also do not know about oral health coverage and the importance of children’s oral health.</td>
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<td>The absence of a comprehensive oral health measurement system nationally continues to be a challenge as states work to address gaps in surveillance, monitoring, and evaluation.</td>
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<td>National groups such as the Children’s Dental Health Project and the Dental Association are paying increased attention to the link between dental coverage for pregnant women and children’s dental health. This is of interest to Medicaid agencies that are not currently funding an adult dental benefit.</td>
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Since 2010, FTF regional partnership councils have invested $23 million in a multi-pronged approach designed to promote good oral health practices and to ensure that every child is referred and connected to a dental home. These efforts include the following:

- Oral health screening of 178,000 children and 4,000 pregnant women, with a referral to a dental home
- Fluoride varnish of 162,000 children by a health professional, including DO, RDH, RN or PA
- Oral health education provided to children, their parents/caregivers, child care professionals
- Outreach and education to medical (pediatricians, OBs, etc) and oral health professionals (general dentists, dental students, etc) on the importance of caring for baby teeth
- Teledentistry in rural regions where digital images are captured remotely and sent to a dental clinic for immediate treatment and follow-up

In Arizona, FTF partnered with ADHS to conduct an oral health survey for children. Results released in 2016 indicate that between 2003 to 2015 the rate of untreated children’s tooth decay among kindergarteners has decreased significantly from 35% to 27%. While the results are encouraging, the rate of tooth decay among Arizona children remains very high. Poor oral health disproportionately impacts children of color, particularly Native American children. The survey did not include schools on the reservation, where even greater disparities have been observed.

There are several groups across Arizona currently working on new
efforts to improve oral health for children. The Arizona Oral Health Coalition (AOHC) is a new statewide group working to improve oral health policy statewide. AOHC policy priorities include advocating for an adult Medicaid benefit, improving screening in schools, strengthening surveillance and data, and securing Medicaid reimbursement for hygienists who are performing fluoride varnishes.

The Arizona American Indian Oral Health Initiative is a statewide partnership between AZ tribal nations to address health disparities among Native Americans. The group has focused on engaging tribal councils in prioritizing oral health.

At the state legislature, there is a senate oral health workgroup that convenes to discuss policy around oral health. In the past, the group has successfully pushed for advanced practice hygienists, teledentistry, and Medicaid benefit for adults in the long-term care population. First Things First is a contributing member in the AZ American Indian Oral Health Initiative, the AZ Oral Health Coalition and the Senate Oral Health workgroup.
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<tr>
<th><strong>ALIGNMENT TO EARLY CHILDHOOD SYSTEM ROLE</strong></th>
<th><strong>NATIONAL POLICY AND FUNDING PRIORITIES</strong></th>
<th><strong>WHAT THIS MEANS FOR ARIZONA</strong></th>
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<td>SUPPORTS AND SERVICES FOR FAMILIES</td>
<td><strong>MATERNAL INFANT EARLY CHILDHOOD HOME VISITATION (MIECHV)</strong>&lt;sup&gt;18&lt;/sup&gt;</td>
<td>Lead Agency: The Arizona Department of Health was awarded Arizona’s MIECHV grant.</td>
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<td>Congress established the federal MIECHV program to support voluntary, evidence-based home visiting services for at-risk pregnant women and parents with young children up to kindergarten entry. MIECHV builds upon decades of scientific research showing that home visits by a nurse, social worker, early childhood educator, or other trained professional during pregnancy and in the first years of a child’s life improves the lives of children and families by preventing child abuse and neglect, supporting positive parenting, improving maternal and child health, and promoting child development and school readiness. Research also shows that evidence-based home visiting can provide a positive return on investment to society through savings in public expenditures on emergency room visits, child protective services, special education, as well as increased tax revenues from parents’ earnings.</td>
<td>For FFY2017, Arizona received the maximum grant award of $10.9 million which was a reduction of $4.9 million from $15.8 million in FFY2016. The following components are included under the MIECHV grant:</td>
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<td>The Federal Home Visiting Program is administered by the Health Resources and Services Administration (HRSA) in partnership with the Administration for Children and Families (ACF). States, territories, and tribal entities receive funding through the Federal Home Visiting Program and have the flexibility to tailor the program to serve the specific needs of their communities.</td>
<td>• Funding for Healthy Families, Nurse Family Partnership, Parents as Teachers and Family Spirit Home visitation evidenced based models across 8 counties in Arizona and the Cocopah Tribe, Hualapai Tribe, Navajo Nation, and Gila River Indian Community, serving at-risk pregnant women and families with young children.</td>
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<td>MIECHV is set to expire at the end of FFY2017. A National Home Visiting Coalition has been established to help build support for the federal program. They are focused on continuing and growing home visiting programs. Additional information will be found on their website to be launched by the end of 2016 and in key documents to be available.</td>
<td>• Professional Development for home visitors including the annual Strong Families Home Visiting Conference.</td>
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<td>In addition, MIECHV federal grants were awarded to the Navajo Nation and Native Health.</td>
<td>• Continuous Quality Improvement (CQI) and Programmatic Evaluation.</td>
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<td>The state agencies come together regularly to coordinate home visitation services across Arizona and include First Things First, Arizona Departments of Education, Child Safety, Economic Security and AHCCCS. The MIECHV grant builds on the home visitation programs that are funded by the Department of Health, First Things First and Department of Child Safety and Early Head Start programs, serving nearly 20,000 families. Specifically, FTF invests</td>
<td>• Home Visiting Data Management System.</td>
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<sup>18</sup> Additional information can be found here: [http://mchb.hrsa.gov/sites/default/files/mchb/MaternalChildHealthInitiatives/HomeVisiting/pdf/reportcongress-homevisiting.pdf](http://mchb.hrsa.gov/sites/default/files/mchb/MaternalChildHealthInitiatives/HomeVisiting/pdf/reportcongress-homevisiting.pdf)
20
released after November 8, 2016.

Two-Generational (2Gen) Approaches

2Gen provides support for children and parents or caregivers to ensure all members of that family have the ability to succeed. These supports are especially important for low-income families to find and maintain employment and increase their education and improve their health and wellbeing. 2Gen breaks the cycle of ongoing poverty among families and the communities in which they live by coordinating the needs of both children and their parents or caregivers to ensure the entire family succeeds, not just one particular person in the family.

2GEN has identified 10 policies that promote two-generation strategies. The policy below is specific to supporting home visitation form a two generation standpoint.

- Increase efforts to support economic security outcomes in home visiting programs.

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<td>nearly $19M across 20 regions in evidenced based home visitation programs serving over 6,000 families.</td>
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<td>EARLY CARE AND EDUCATION SYSTEM DEVELOPMENT AND IMPLEMENTATION</td>
<td>THE CAMPAIGN FOR GRADE-LEVEL READING</td>
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<td>EARLY SCREENING AND INTERVENTION</td>
<td>A long-term study by the Annie E. Casey Foundation found that students who were not proficient in reading by the end of third grade were four times more likely to drop out of high school than proficient readers. In fact, 88 percent of students who failed to earn a high school diploma were struggling readers in third grade. Third grade has been identified as important to reading literacy because it is the final year children are learning to read, after which students are “reading to learn.” If they are not proficient readers when they begin fourth grade, as much as half of the curriculum they will be taught will be incomprehensible. The Campaign is a collaborative effort by foundations, nonprofit partners, business leaders, government agencies, states and communities across the nation to ensure that more children in low-income families succeed in school and graduate prepared for college, a career and active citizenship. The Campaign focuses on an important predictor of school success and high school graduation—grade-level reading by the end of third grade. By 2020, a dozen states or more will increase by at least 100 percent the number of children from low-income families reading proficiently at the end of third grade. The Campaign is building a network of national and local civic leaders, policymakers, advocates, community organizations and everyday people to assure:</td>
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Read On Arizona creates communities of practice and collaboration focused on early literacy with an outcome of third grade reading proficiency as the critical goal. **Partners**
Arizona Community Foundation, Arizona Department of Education, First Things First, Helios Education Foundation, and Virginia G. Piper Charitable Trust are the founding partners of Read On Arizona.

- Currently 25 local communities have become official Read On Arizona communities.
- A list of collaborative partners is available at: [http://www.readonarizona.org/about-us/partners/](http://www.readonarizona.org/about-us/partners/)

**Arizona System**
Today the literacy skills demanded by 21st century work and learning environments are increasingly more complex. We are unsuccessfully preparing our children to meet that demand. In 2011, 42% of Arizona’s fourth graders fell below basic reading levels on the National Assessment of Educational Progress (NAEP). Many of the almost 800,000 Arizona children under age nine face significant barriers to school readiness, including poverty (23%), difficulty speaking and understanding English (48%), and lack of exposure to books and other literacy resources.
**Quality teaching** for every child in every setting, every day—including in the home, preschool, kindergarten and elementary school.

**Community-driven** efforts to address major barriers to third grade reading proficiency—school readiness, chronic absence and summer learning loss.

**A seamless,** outcomes-accountable system of care, services, and family supports for children, from birth through third grade.

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<th>Strategies:</th>
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<td>• Increase capacity by leading a coalition of stakeholders to develop and implement a plan to promote early literacy investments in Arizona and build alignment around a common early literacy agenda for cross-sector engagement and support.</td>
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<td>• Work with stakeholder agencies to identify current language acquisition, emergent literacy, and literacy initiatives already in place in Arizona and identify critical gaps and develop a collective approach to comprehensive baseline data and data analysis to devise strategies for improvement.</td>
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<td>• Create a continuum of language and literacy services for Arizona’s children ages birth to eight (evidence-based literacy intervention/prevention strategies; screening and assessment; professional development; and family engagement.</td>
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<td>• Provide statewide guidance, information, and technical assistance on messaging and information related to improving language and literacy outcomes.</td>
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19 http://childhealthdata.org/browse/data-snapshots/cshcn-profiles?rpt=9&geo=1
related services to more than 6.5 million eligible infants, toddlers, children and youth with disabilities.

- IDEA, Part C requires states to create an early intervention system that serves children diagnosed with a physical or mental condition with a high likelihood of developmental delay, and children with a cognitive, motor, communication, social/emotional, or adaptive developmental delay.

Each state is charged with developing the eligibility criteria for IDEA and is subject to legislative and budgetary constraints. As a result there are many variations in eligibility and services that occur from state to state.

According to the American Academy of Pediatrics, “Historically, federal monies for Part C are relatively small. Thus, states rely on systems of coordination with state, local, other public, and private funding sources, serving as payers of last resort rather than as primary payers for intervention services.”

Title V
Federally funded Title V Maternal and Child Health and CSHN programs play an important role for CSHN in each state. Programs funded through Title V such as care coordination, family education, and provider training is important for families navigating a complex system.

According to the Lucille Packard Foundation on Children’s Health, “Health care and other necessary support services generally are provided in an uncoordinated manner, and families are left to navigate the fragmented system on their own. Health care coverage

Head Start requires that at least 10% of enrollees are children with disabilities.

Arizona Health Care Cost Containment System (AHCCCS)
- AHCCCS provides health coverage for eligible children
- The state Delivery System Reform Incentive Payment (DSRIP) proposal includes a focus on children at risk for behavioral health needs and the foster system includes care coordination as a key component.
- Recently, stakeholders have also been convened with AHCCCS to outline action steps to address children with autism spectrum disorder. These lessons can be applied to children with special needs broadly.

Department of Economic Security, Arizona Early Intervention Program (AzEIP)
- Children ages birth to 2 years 10 1/2 months are screened through the Arizona Early Intervention Program (AzEIP) to determine if early intervention services are needed. Early intervention brings professionals, working in partnership with parents and families of children with special needs, together to support infants’ or toddlers’ growth, development, and learning.
- Compared to other states, Arizona has strict eligibility requirements for the state’s early intervention program (AzEIP).
- AzEIP contracts with local providers to deliver early intervention services.

Department of Economic Security, Division of Developmental Disabilities
- DDD provides services to children at risk of having a developmental disability (up to age six) and those over age

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20 http://pediatrics.aappublications.org/content/pediatrics/132/4/e1073.full.pdf
is often inadequate, expensive and inconsistent. Even when families have health coverage, many children may have unmet health care needs due to limited access to pediatric specialists and preventive care. For children of color, low-income families, and families living in rural areas, these challenges are greater. This fragmented system of care places these children at higher risk for poor health outcomes in both the short and long term. It also increases health care costs and puts many families under enormous financial and emotional stress.\textsuperscript{21}

Services are wide ranging and include residential supports, in-home services, day treatment, and training and employment services. DDD recently released their 2016-2020 strategic plan.

**Opportunities**

Complexities in the care delivery system for children with special needs have resulted in children with developmental delays not getting timely, appropriate or preventive care.

Challenges exist around effective screening, referrals, and care coordination appropriate to provide a continuum of care for children with special needs.

A major focus among the state agency and community partners has been on identifying opportunities for coordination and improving the service delivery system for families and their children. This has included focused attention on professional development of providers serving and working with children with special needs; understanding and improving the interface between the health care system and the various community based providers supporting children with special needs; the importance of quality screening, how and when to screen, standardized tools, and appropriate referrals; and identifying the significant gaps that exist for children with special needs to receive the appropriate and timely interventions, services and supports needed for their development, health and educational success.

With state agency partners, FTF has worked over the past year on convening system partners through the federal Early Childhood Comprehensive Systems Grant (ECCS) to discuss action steps to

\textsuperscript{21} http://www.lpfch.org/cshcn/about-our-work
address gaps. Through the ECCS grant, FTF has worked with agency partners to improve the quality of developmental screenings that providers are conducting, conduct a focus group study of families navigating the system of care across Arizona, and improve provider capacity for serving children with special needs. This grant will expire at the end of 2016.

**FTF Strategies**

- Developmental and Sensory Screening provides children with developmental, oral, vision, and/or hearing screening and referrals for follow-up services.
- Inclusion of Children with Special Needs provides consultation and training to child care providers about how to best meet the needs of children with special needs in their early care and education settings.
- Child Care Health Consultation supports early care and education programs in using the Ages and Stages Questionnaire, a tool that can be used to identify children with a concern for a developmental delay or disability.
- All home visitation strategies funded have a screening component as a core program requirement.
- Family Support Children with Special Needs provides coaching, group activities and services to the parents of children with special needs who don’t qualify for publicly funded early intervention services.
- Mental health consultation strategy helps to build the skills and capacity of early childhood educators and family support staffs to prevent, identify, and reduce the impact of social-emotional development problems among young children.
- Care coordination strategies fund care coordinators at health centers to help families effectively navigate the health system and system of social supports needed for the healthy development of their child.