



Overview of Special Education and Comprehensive Services Act

House Appropriations Committee
November 13, 2018
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Susan E. Massart

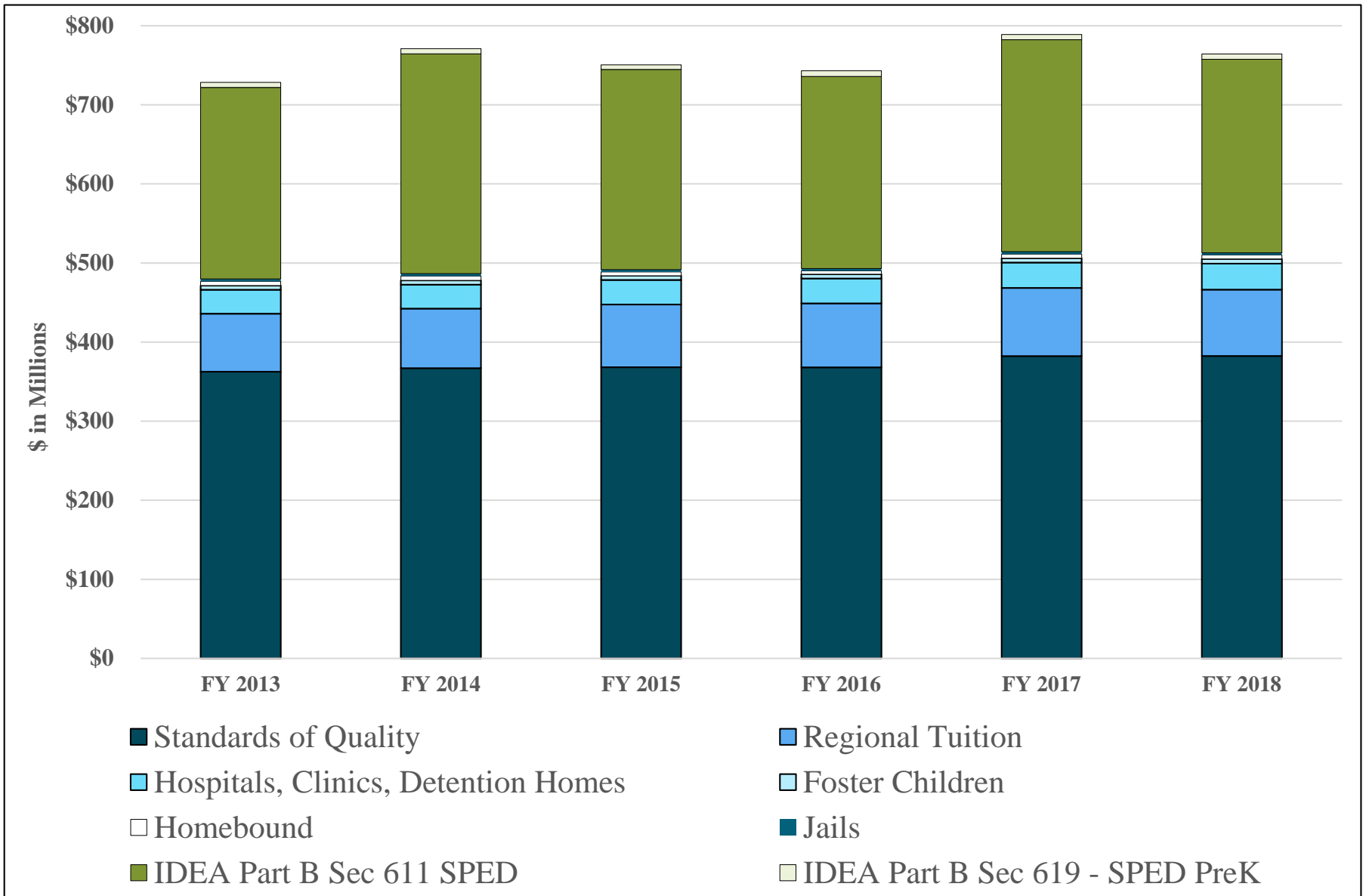


Special Education Overview

Background

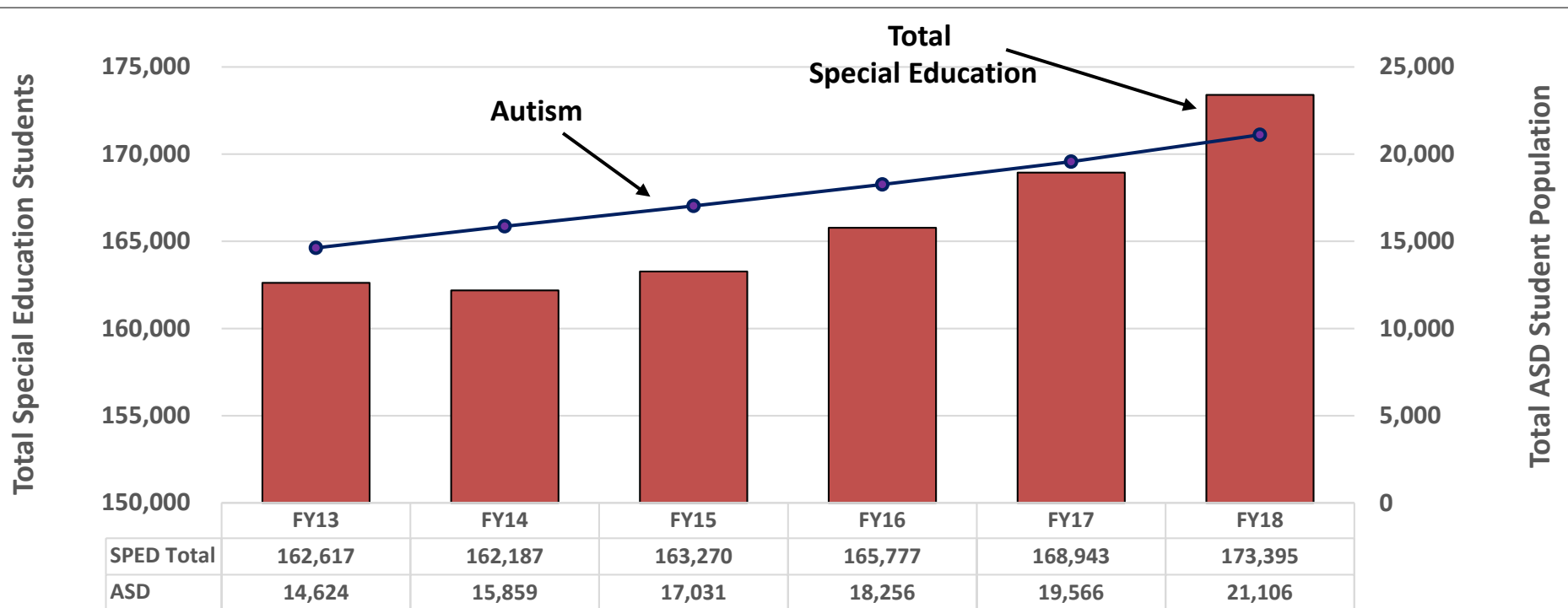
- During FY 2018, there were about 1.2 million students enrolled throughout local school divisions
- Direct Aid budget totals more than \$6.8 billion GF, and \$0.9 billion in federal revenues
- K12 funding provides programmatic services for multiple pathways for educational support
 - Regular, special education, gifted, CTE, remedial, and variety of unique grant-based supplemental education initiatives
- Special Education related programs and services are the second largest expenditure, after regular education
- In FY 2018, \$764.3 million was budgeted to support 173,395 students with special education disability needs in the public schools
 - The state provided a total of \$512.9 million GF and federal Individuals with Disabilities Education Act (IDEA) grants totaled \$251.4 million for services for special education students in the divisions

State & Federal Fund Sources for Special Education



Growth in Special Education Enrollment

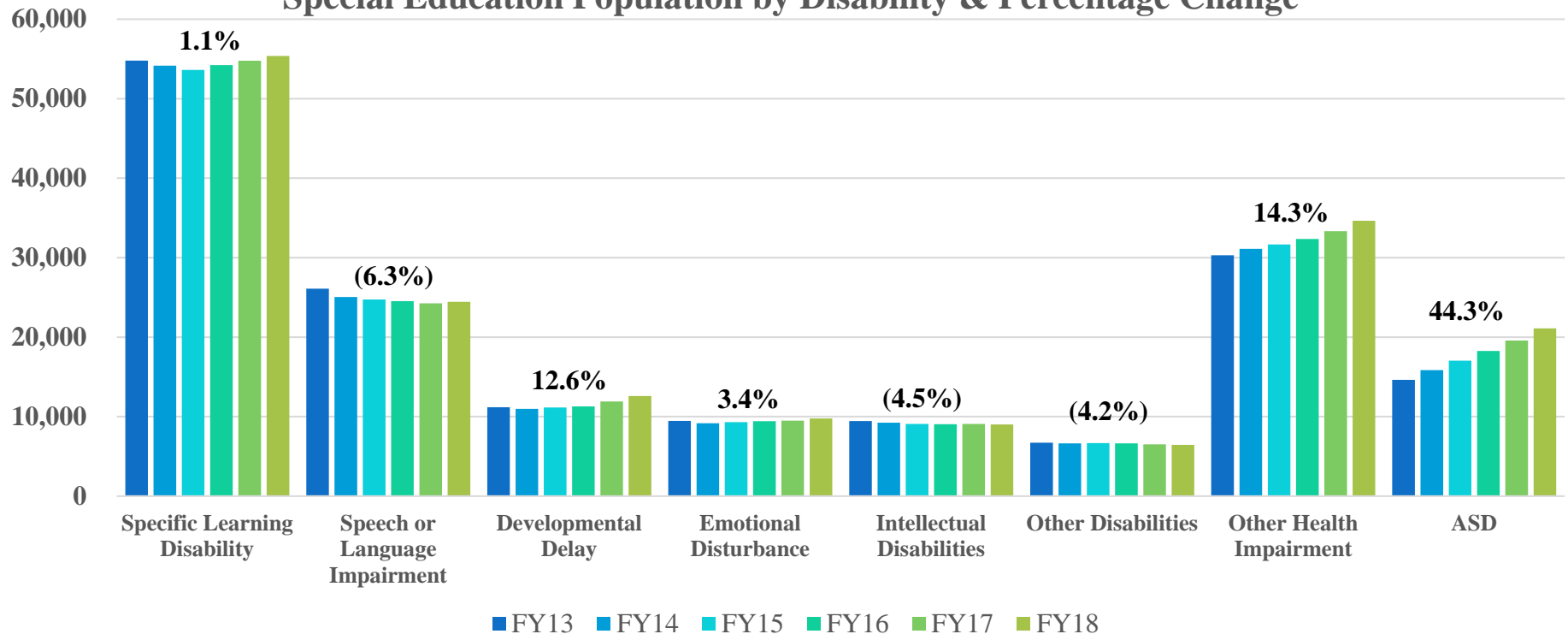
- Total enrollments for special education have increased by 10,778 students, or 6.6%, over last six years
- Out of the total increase, 60.1% of that growth has been in Autism Spectrum Disorder (ASD) population
 - Autism students now represent 12.2% of total special education



Growth in ASD Students Exceeds All Others

- Over the past six years, growth in the total number of students served in special education has been driven by growth in the number of ASD students, which has increased by 44.3%
 - Students with ASD tend to have more intense support needs – require more services and therefore are more costly to serve


Special Education Population by Disability & Percentage Change



Process for Receiving Special Education Services

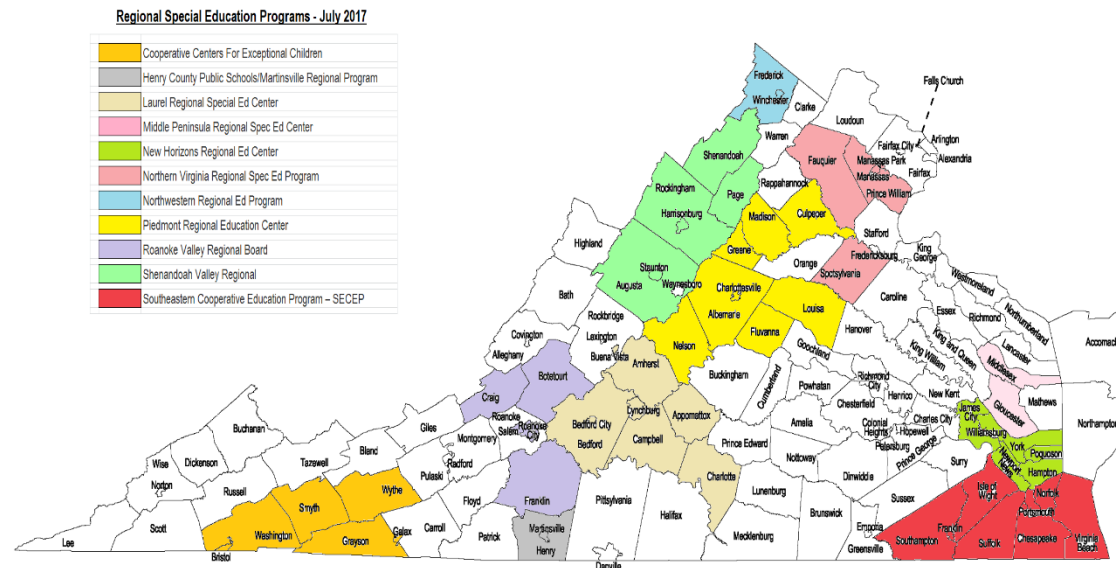
- State and federal laws require schools to go through a prescribed process to locate, screen/identify, and evaluate children who may need special education and related services
- If a student is thought to have a possible disability, a school-based team completes an evaluation to determine any disability along with needed services
 - If determined to be in need of special education services, the team then develops an tailored Individualized Education Program (IEP) that prescribes specific required services supporting the educational goals and objectives set out for the student
- The services have to be provided in the least restrictive environment to ensure that students with disabilities are educated with non-disabled students to the extent possible
- If a student can't be served in a regular classroom setting, then a school has to consider other possible educational placements relative to the federal requirements for a least restrictive environment

Federal Regulations Set Out the Different Levels of Least Restrictive Environment (LRE) for Placement

Least Restrictive Environment (LRE) Continuum of Options:	Level	Setting
	<p style="text-align: center; color: green; font-weight: bold;">Least Restrictive</p>  <p style="text-align: center; color: red; font-weight: bold;">More Restrictive</p>	<ul style="list-style-type: none"> ❖ Regular school building: regular classroom with accommodations and/or support services: 80% or more of school day ❖ Regular school building: regular classroom with itinerant or resource room services: greater than 40% but less than 80% ❖ Regular school building: full-time self-contained special education class: less than 40% ❖ Full-time self-contained class in a separate public facility: Public Day or Regional Center ❖ Private day school ❖ Public residential program ❖ Private residential program ❖ Homebased education ❖ Hospital

Regional Special Education Placement

- If a school is not able to provide the appropriate level of service prescribed in a student's individual education plan (IEP) in a regular classroom, additional resources, or within a self-contained special education class, then the school would have to provide the required services using another type of placement – some divisions are able to consider a regional special education program center
- Last year, the 11 Regional programs provided certain special education services to participating divisions when there were not enough children in a division to justify the cost of a teacher
 - Programs focus on six of the fourteen special education disabilities: autism, emotional disabilities, multiple disabilities, hearing impaired, deaf/blind, and traumatic brain injury
 - 59 divisions enrolled 5,000 students last year & received \$89.3 million in state funding
 - DOE recently reported that for the students served in regional programs were funded at an average per-pupil amount of \$17,392 vs \$3,014 for special education students not served in regional programs



From Public School Settings to Private Placements - CSA

- If all placement options within a school division or regional programs are not suitable/available to meet the needs of a special education student then the next least restrictive environment placement level is considered by the IEP team - which typically a private day school placement
- When a student is placed in a private day school, then the funding responsibility shifts from the local school division to the Office of Children Services (OCS)

If the LRE on student's IEP is the Public School placement



Then local school division funds and pays for all costs for the IEP services

If the LRE on student's IEP is the Private School placement



Then CSA funds and pays for all costs for the IEP services
(excludes transportation costs)

DOE Data on Private Placements by Disability

Disability Type	2013	2014	2015	2016	2017	% of total	Change FY13 to FY17
Autism Spectrum Disorder	610	695	792	911	1,000	33%	43.9%
Developmental Delay	10	7	8	8	10	0%	42.9%
Emotional Disturbance	809	891	900	913	969	32%	8.8%
Hearing Impairment	3	-	3	4	5	0%	-
Intellectual Disabilities	159	166	184	193	198	7%	19.3%
Multiple Disabilities	158	168	186	193	185	6%	10.1%
Other Health Impairment	372	407	438	458	503	17%	23.6%
Orthopedic Impairment	3	1	3	2	1	0%	0.0%
Specific Learning Disability	127	129	131	111	125	4%	-3.1%
Speech or Language Impairment	3	8	3	2	2	0%	-75.0%
Traumatic Brain Injury	13	9	7	7	6	0%	-33.3%
Visual Impairment	1	1	-	-	-	0%	-100.0%
Statewide Total	2,268	2,482	2,655	2,802	3,004	100%	21%

Children's Services Act (CSA) and Special Education Private Day Placements

Children's Services Act (CSA) History

- CSA become effective July 1, 1993
- Purpose was to create a singular pool of funds through which all child-serving agencies would purchase services for high risk youth to address their complex and unique needs
- Program consolidated funding from seven funding streams and four agencies (DSS, DOE, DBHDS, DJJ) into a single “state pool”
 - DOE funding stream was from private tuition assistance for children and youth in special education placed in approved private school educational programs
- Goals were to:
 - Ensure that child serving agencies worked collaboratively to examine children and families from a holistic perspective
 - Purchase services to address their needs without concern for which agency was responsible for payment
 - Reduce duplication of services

CSA Structure

- State supervised, locally administered and operated system
- Both local and state funds are used to purchase services under the CSA
 - Average statewide share of funding is 66%
- The State Executive Council (SEC) is the supervisory body responsible for the establishment of programmatic and fiscal policies that support the purposes of the CSA
- The Office of Children's Services (OCS) is the administrative entity responsible for implementation of the decisions of the SEC
- Each locality has two local teams of professionals that review requests for services under this funding stream
 - Community Planning and Management Team (CPMT)
 - Responsible for managing the local CSA program, establishes local CSA program policies and procedures, coordinates agencies' efforts, authorizes, manages and monitors the expenditure of available funds, among other duties
 - Family Assessment and Planning Team (FAPT)
 - Multidisciplinary teams comprised of representatives from local child serving agencies including schools, Community Services Board, department of social services, and health department and parent representatives
 - Teams meet monthly to assess the needs of children referred to CSA, determine the services that best meet their needs, and monitor progress and the continued need for the services

CSA Eligibility for Services

CSA Eligible Populations

Youth who require private placement for special education

Youth in foster care or eligible for foster care services or through a Child in Need of Services (CHINS) Parental Agreement

Youth who have emotional and/ behavioral problem that are persistent, significantly disabling and require resources across agencies

Mandated/Non-Mandated

Services to youth are required by federal mandate

The state & locality must appropriate “such sums of money as shall be sufficient” to pay for services

Services may be provided to youth at the discretion of the locality

Youth are considered to be in the “non-mandated population”

CSA Funded Services

Services developed by multidisciplinary team & documented in a written plan
- Special education services are developed by an Individualized Education Program (IEP) team and documented in an IEP

All other services are developed by FAPT and documented in an Individual Family Services Plan (IFSP)

CSA Funding for Students with Disabilities

- Local school division identifies the student and develops an Individualized Education Program (IEP) specifying a private educational setting (day or residential) as the least restrictive environment following the requirements of the federal Individuals with Disabilities Education Act (IDEA) and state special education regulations
 - The student is referred to the local CSA program to arrange placement (if not already determined in the IEP) and funding
- State share of cost is paid through CSA
- Local matching funds come primarily through local government although a few local school divisions provide funding
 - DOE does not require school divisions to report CSA funding if provided through the school division

Recent Studies Related to Private Day Placements

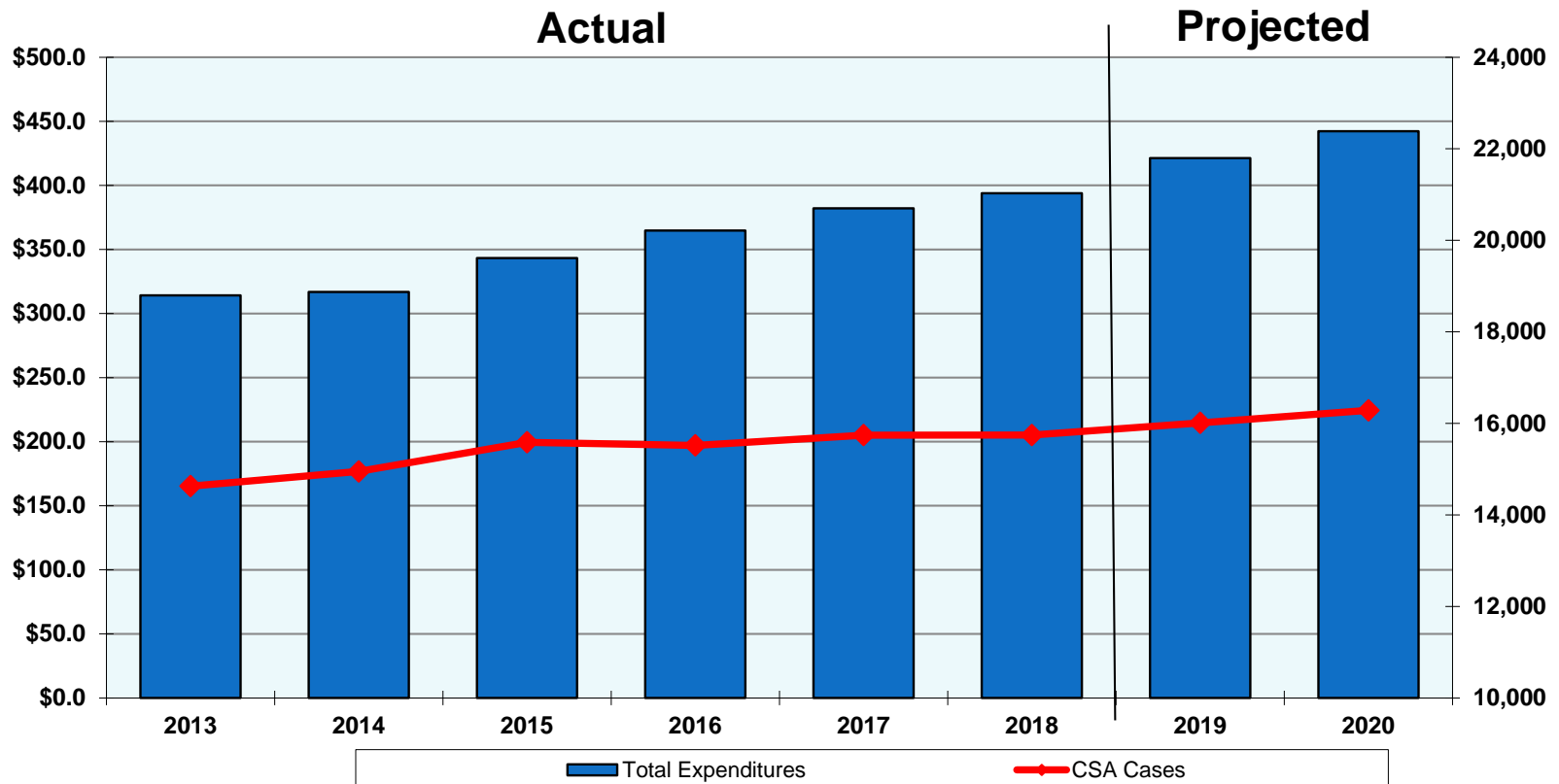
- CSA has been the subject of numerous studies since its creation due to concerns about:
 - Rapidly growing costs
 - Appropriate placement of children
 - Proper mix of community and residential services
 - Accountability and student outcomes for private day placements
 - Structure and staffing of the Office of Comprehensive Services
- 2014 and 2015 studies by the Virginia Commission on Youth on the use of public funds for public and private education placements of students with disabilities
- 2016 CSA State Executive Council developed options for increasing the integration of children receiving special education private day treatment services into their home school districts
- 2017 General Assembly directed staff of the House Appropriations and Senate Finance Committees to facilitate a workgroup to examine options to better manage the quality and costs of private day educational programs currently funded through the Children's Services Act (CSA)
 - Study continued into 2018

Growth in CSA

- Both CSA expenditures and the number of children served has grown steadily since FY 2013, after years of decline
 - 4.6% annualized growth rate in expenditures and 1.5% annualized growth rate in children served

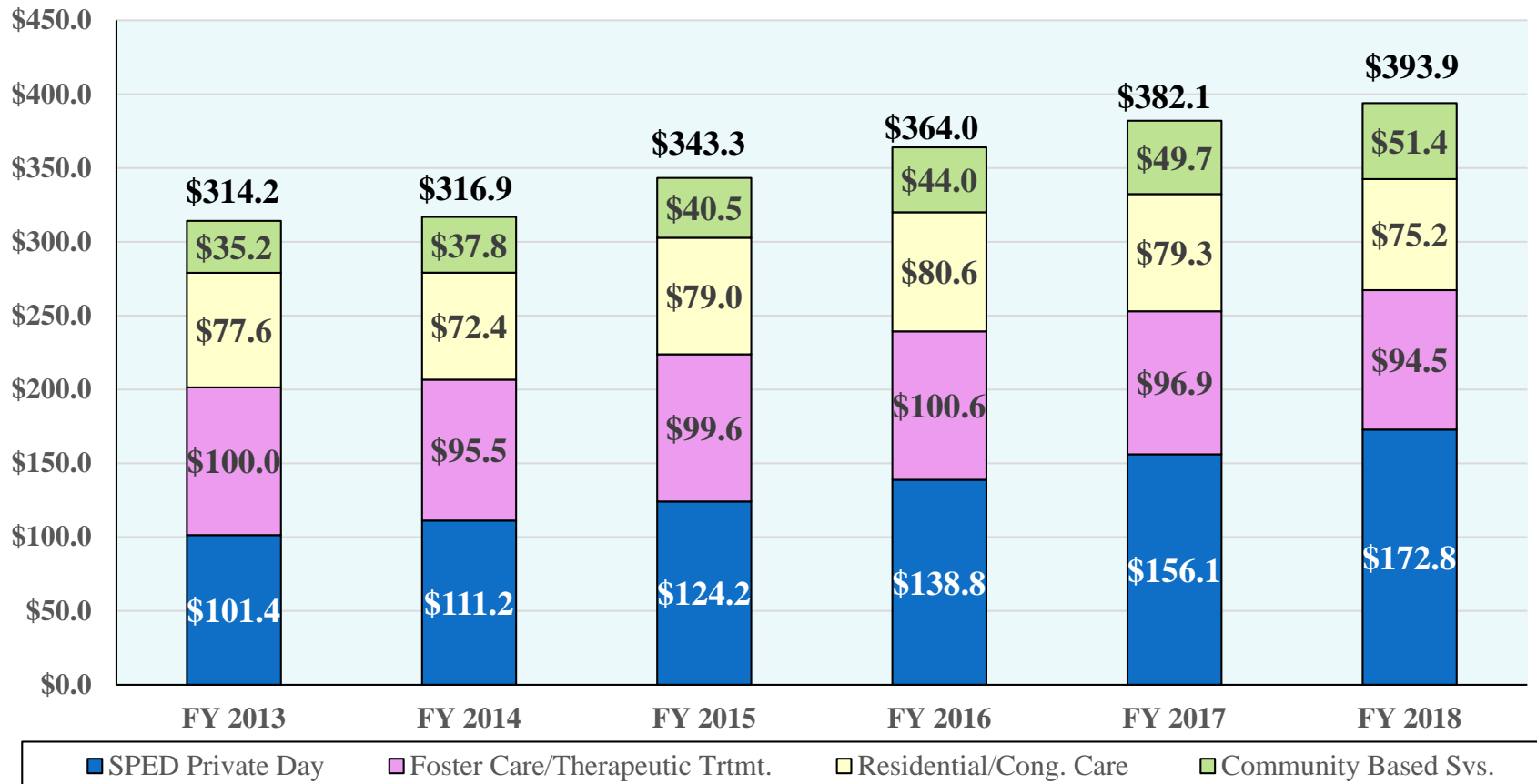
Expenditures
\$ in millions

CSA
Cases



Growth Driven by SPED Private Day Placements

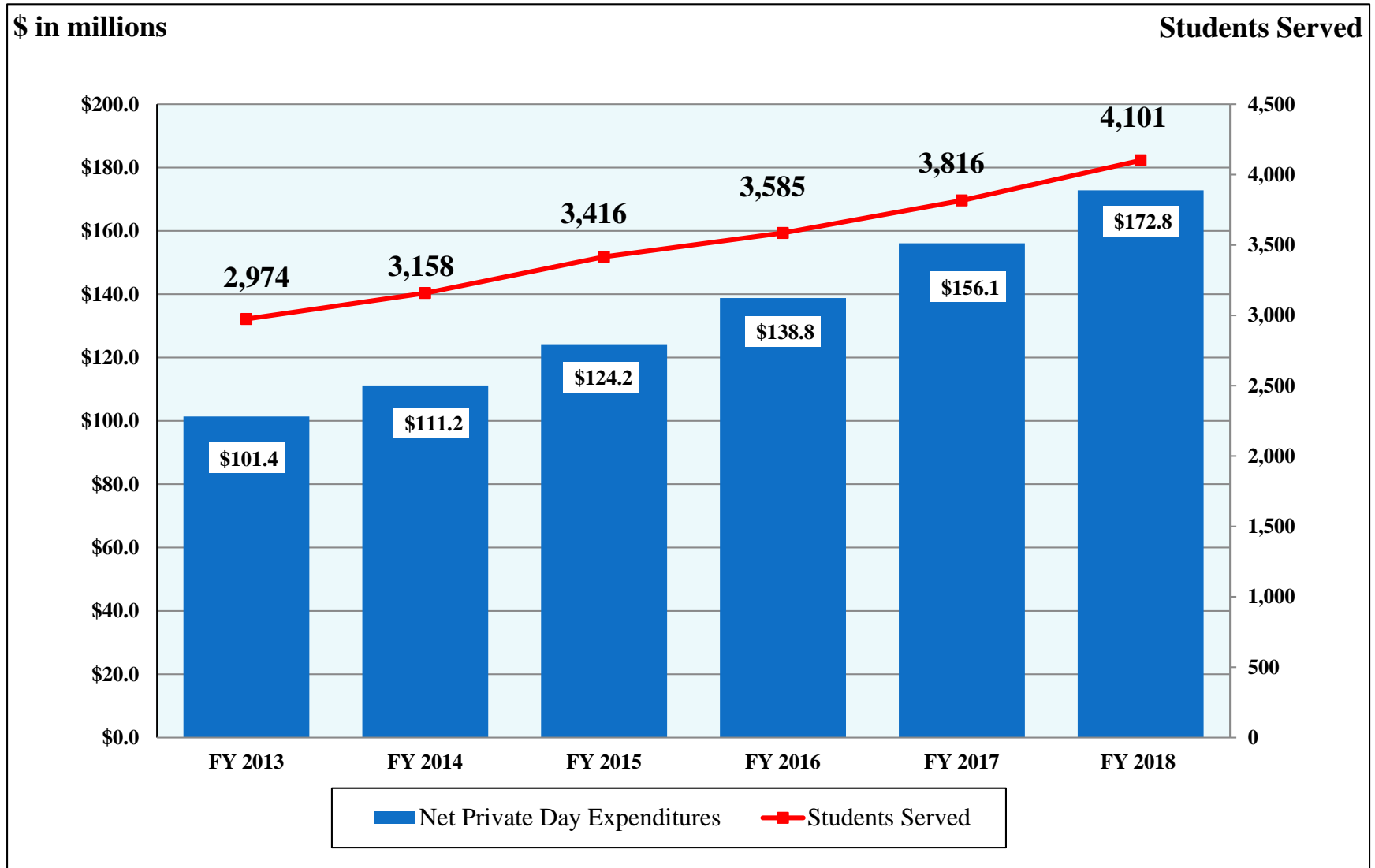
- Special education private day placements account for almost 44% of total CSA expenditures, up from 32% in FY 2013
- Residential/congregate care & foster care/therapeutic treatment have decreased as a percentage of total CSA expenditures



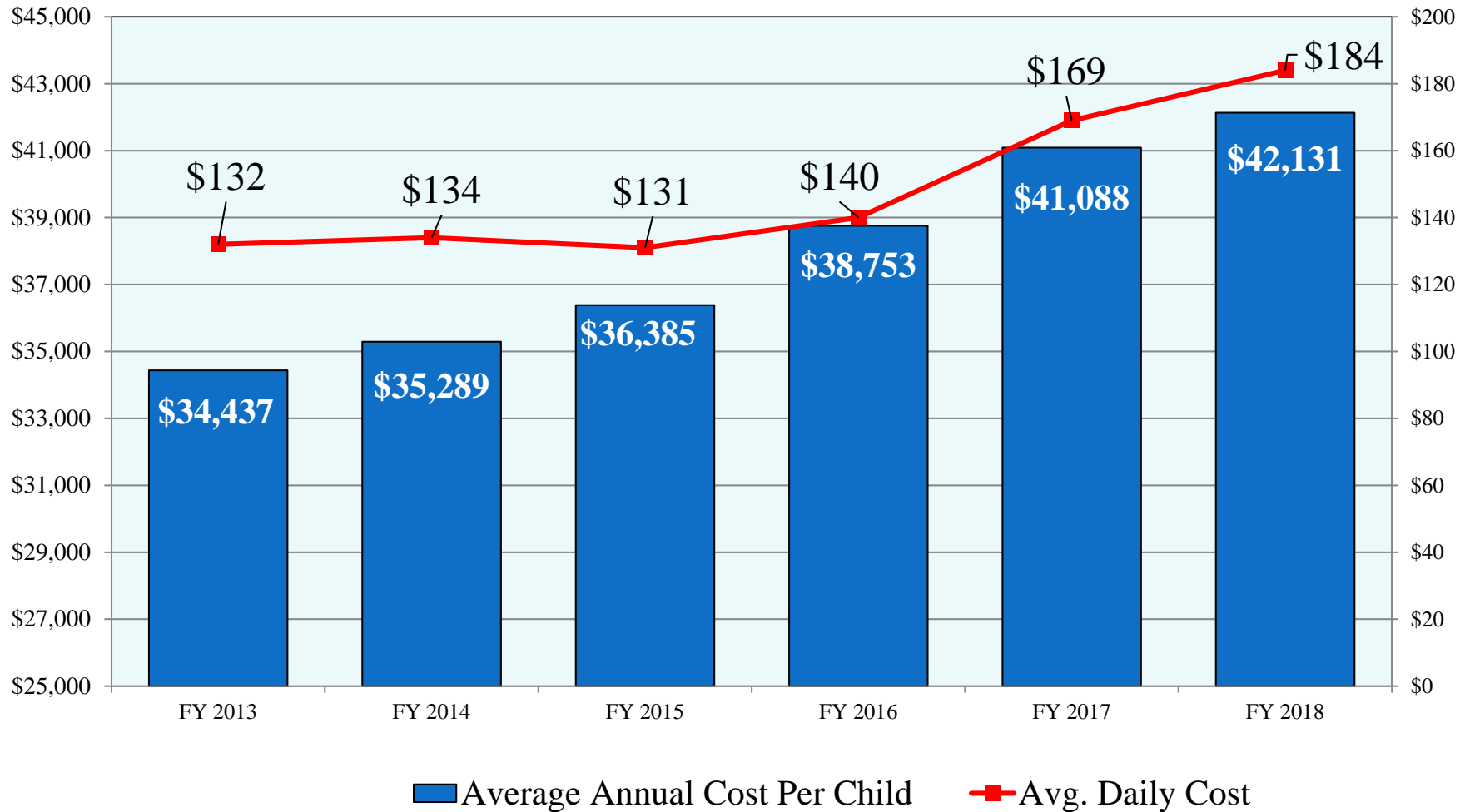
Growth in Special Education Private Day Placements

- Expenditures for private day placements have increased by 70% since FY 2013
 - 11.3% annualized growth rate
- Caseload has increased by 38% since FY 2013
 - 6.4% annualized growth rate
- Annual cost of a private day placement was \$42,131 per child in FY 2018 compared to an average annual cost of \$25,023 per child for all CSA services
- Average daily cost of private day placement has increased by 39% since FY 2013

Growth in Special Education Private Day Placements & Funding



Average Annual CSA Expenditure per Child and Daily Cost of Private Day Placements



Special Education Wrap-Around Funding

- Some localities believe that they could decrease the number of children placed in special education private day placements if they had additional resources to supplement services in the classroom
- CSA does provide a limited amount of funding for special education wrap-around services
- \$2.2 million GF is available from the CSA state pool (Chapter 2, Item 279.M.) for serving students with educational disabilities in community-based (non-school) settings
- Requires local matching funds
- Localities are allocated funds by OCS, but may or may not utilize them and/or may request additional funds beyond the initial allocation, if such funds remain available
- Funding is used inconsistently among localities
 - 66 localities received wrap-around funds in FY 2018
 - Average allocation was \$34,411
 - Range is \$272 (Richmond County) - \$469,867 (Fairfax/Falls Church)
- Localities report funding is insufficient to warrant applying and local match requirement may inhibit some from applying

2018 General Assembly Actions

1. Directed the Office of Children's Services (OCS) and DOE to identify and define outcome measures to assess students' progress in private day placements
 - Measures developed through a workgroup of private providers, local school divisions, community services boards, stakeholder groups and parent representatives
 - Completed by November 1st
2. Directed OCS to contract for a study of rates paid to special education private day programs licensed by the DOE
 - Study to examine payment adequacy and recommend a rate-setting structure for educational services reimbursed through CSA
 - Interim report due December 1 and final report due July 1, 2019
3. Limited special education private day rates paid in FY 2020 to no more than 2% above FY 2019 rates
 - Generated savings of \$10.3 million GF in FY 2020

CSA Workgroup Work Summary

- Since budget adopted, the Workgroup met four times and received multiple presentations on the state's current data collection and reporting requirements and current outcome measures compiled the providers in the private day placement facilities
- Workgroup examined Virginia's Public Schools' Special Education Performance Report and reviewed the indicators used by the public schools to satisfy the reporting requirements for the federal IDEA and considered whether any of those indicators would be feasible to use as outcome measures for the private day placements
 - Each of the possible outcome measures was fully vetted and discussed
- Workgroup submitted a report on November 1st with 10 possible outcome measures for the consideration by the 2019 General Assembly

CSA Workgroup on Outcome Measures

Outcome Measures	Description
Graduation Rates	Percentage of eligible students who receive a GED, certificate of program completion, or a state recognized diploma in accordance with the student's IEP
Attendance	Report attendance data back to the responsible school division
Individual Student Progress	Modify the DOE Special Education Indicator table to assess student progress over time in four key domains: communication skills and social functioning; acquisition of knowledge and skills; adaptive behavior; and daily living skills and self-reliance
Standardized Test Scores	Use existing DOE Special Education Indicator table for student participation and performance proficiency outcome rates for English/reading and math assessments; and percent of parental opt-out of state standardized tests
Return to Public School Setting	Number and percentage of students that return to the public school setting as directed by their IEP

CSA Workgroup on Outcome Measures

Outcome Measures	Description
Post-Secondary Transition	Percentage of students who were either enrolled in higher education, employed, or in a training program within one year after leaving private day
Suspension and Expulsion	Percentage of students suspended or expelled greater than 10 days in a school year
Restraint & Seclusion	Number of incidents of seclusion and restraints that occurred during a school year
Parent Satisfaction	Reflects parental input on satisfaction of student's placement
Student Perspective	Surveys the student's perspective on their experience

CSA Next Steps

- 2019 General Assembly will need to direct next steps to implement the proposed outcome measures:
 - DOE and OCS will need to have a complete a data sharing MOU to allow linkage of specific student data to specific SPED private day school data
 - May be necessary to modify some of the proposed outcome measures or develop additional ones if needed
 - Establish data collection protocols and requirements (who, when, how)
 - Establish outcome reporting mechanisms (who, when, how)
 - Determine lead agency for outcome measure refinement/development, collection and reporting of the adopted outcome measures (report recommended DOE with collaboration from school division representative, certain stakeholder groups)
- Report proposes to begin collecting outcome data beginning in the 2019-2020 school year, however, additional authority will be needed (through budget language or a bill) to direct agencies to move forward
- Current regulations governing private special education schools would need to be revised to mandate the submission of the proposed outcome data
 - There are no requirements in existing regulation to match many of the proposed outcome measures
 - Without regulatory authority, DOE would have no enforcement authority

CSA Next Steps

- House Appropriations and Senate Finance Committee staff will continue to analyze available data on CSA SPED private day placements
 - May need greater access to DOE data to support analysis
 - Focus on regional variations in student placements and costs
- Study of SPED private day rates will be complete next summer
- JLARC proposal to review CSA in 2020 through newly established HHR unit
- Additional data from 2019 efforts can be used to refine JLARC research tasks and inform General Assembly as the 2020-22 budget is considered