



Date Due: February 15, 2024

Submission Date: 2/1/2024

Source of Report: [LD 1528 – Resolve 2023 Chapter 82](#)

Topic: Report on Child Development Services Agency and Successful Delivery Models for Children, ages 3-5, in SAUs

The Department of Education shall submit a report to the Joint Standing Committee on Education and Cultural Affairs regarding services provided by the Child Development Services (CDS) System to include a plan for oversight of a free, appropriate public education for eligible children from 3 years of age to under 6 years of age in school administrative units. The Joint Standing Committee on Education and Cultural Affairs is authorized to submit legislation related to the report to the Second Regular Session of the 131st.

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I. Definitions

- 1) **Child Information Network Connection (CINC).** CINC is the central IEP data management system utilized by the regional site offices, contractor agencies, service providers, and the CDS staff. It holds all of the IEP related documents and authorizes billing IDEA services.
- 2) **Contract.** CDS contracts with both public SAU's and private providers. The contract is a written agreement documenting the commitment of CDS to reimburse for special education services for children birth through 5 years of age.
- 3) **Early Intervention Services.** Early intervention services are those services and supports for eligible infants and toddlers, birth to three years of age, with developmental delays and disabilities and which are provided through Part C programming. A key principle of early intervention is that services for children should occur in their natural environments.

- 4) **Free Appropriate Public Education (FAPE).** A free appropriate public education must be available to all children residing in the State between the ages of 3 and 21, inclusive, including children with disabilities who have been suspended or expelled from school. ([Sec. 300.101 Free appropriate public education \(FAPE\) - Individuals with Disabilities Education Act](#))
- 5) **Head Start.** Head Start is a federal program that promotes the school readiness of children ages birth to five from low-income families by enhancing their cognitive, social, and emotional development.
Head Start programs offer a variety of service models, depending on the needs of the local community. Programs may be based in:
 - Centers or schools that children attend for part-day or full-day services;
 - Family childcare homes; and/or
 - Children's own homes, where a staff person visits once a week to provide services to the child and family. Children and families who receive home-based services gather periodically with other enrolled families for a group learning experience facilitated by Head Start staff.
- 6) **Interagency Coordinating Council (ICC).** In order for a State to receive financial assistance under part C of the IDEA, the State must establish a State Interagency Coordinating Council (Council) as defined by §303.8. (b) under IDEA. The ICC advises and works collaboratively with CDS to provide information, share resources, and identify improvement strategies to help ensure the continued success and improvement of Maine's comprehensive system of early intervention for infants and toddlers with disabilities and their families.
- 7) **Individualized Education Program (IEP).** The Individualized Education Program (IEP), developed by the parent and educators, is a program that is personalized to meet the needs of the individual student. The IEP outlines the special education and related services necessary for the child to access and benefit from their regular education program. Students are eligible for an IEP if they qualify starting on their 3rd birthday.
- 8) **Individual Family Service Plan (IFSP).** Individual Family Service Plan (IFSP) is a written document or plan that outlines the early intervention services for an infant/toddler and their family after they qualify for services.
- 9) **Individuals with Disabilities Education Act (IDEA).** IDEA is a federal law that makes available a free appropriate public education to eligible children with disabilities throughout the nation and ensures special education and related services to those children. ([About IDEA - Individuals with Disabilities Education Act](#))
- 10) **Least Restrictive Environment (LRE).** Least Restrictive Environment (LRE) is the requirement in federal and state law that students with disabilities receive their education, to the maximum extent appropriate, with nondisabled peers. Special classes, separate schooling or other removal of children with disabilities from the regular educational environment may occur only when the nature or severity of the disability of a child is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily ([Title 20-A, §7201: Policy and purpose \(maine.gov\)](#))

- 11) **MaineCare Seed.** When MaineCare pays a school-based claim, 62% of that claim is paid by the Federal government; the other 38% is considered a State match, which the Department refers to as Seed.
- 12) **Memorandum of Understanding (MOU).** A memorandum of understanding is an agreement between Child Development Services (CDS) and the local School Administrative Unit (SAU). The MOU records the responsibilities of CDS and the SAU collectively and independently. Under Department rule Chapter 124, all public preschools are required to have a MOU with CDS.
- 13) **Part B-619.** Part B of IDEA speaks to the requirements for special education and related services provided to eligible children ages three through twenty- one. Section 619 ensures that free, appropriate, public education (FAPE) is made available to all children ages 3-5 with disabilities in the least restrictive environment (LRE).
- 14) **Part C Early Intervention.** The Part C program promotes the development of infants and toddlers with delays or disabilities from birth to age 3, enhances the capacity of families to meet the developmental needs of their infants and toddlers, minimizes the need for special education and related services when children enter school, and enhances children’s long-term outcomes.
- 15) **Pre K for ME.** Pre K for ME is the open-source, research-based, whole child curriculum that the Maine DOE provides to preschool classrooms. This curriculum meets the requirements of Chapter 124: Public Preschool Program Standards and is developmentally appropriate for four-year old children. Adapted from the Boston Public Schools’ Focus on K1 curriculum, Pre K for ME is intended to support any preschool teacher in providing a rich, play-based, intentional curriculum that is aligned to Maine’s Early Learning and Development Standards as well as the Head Start Early Learning Outcomes Framework. When implemented with fidelity, Pre K for ME builds social-emotional, executive function, language, literacy, math, and vocabulary skills. In addition, students’ conceptual knowledge around a variety of topics is enhanced—an important component for school success. ([Early Learning, Maine DOE](#))
- 16) **Regional Program.** Two or more school administrative units may enter into cooperative agreement to provide regional special education programs and support services ([Title 20-A, §7253: Regional programs; approval \(maine.gov\)](#))
- 17) **Regional Service Hub.** This is a model used in several states, providing services to support public schools. Examples include: training and technical assistance; clerical tasks; Medicaid billing; scheduling evaluations and meetings; related services provided either at regional hub or through the hub but offered in the schools; recruitment, training, and deployment of BHPs or other support staff; and procurement procedures for contracting with private providers.
- 18) **Regional Sites.** CDS is currently organized into 9 Regional Sites around the state.
- 19) **School administrative unit (SAU).** A state-approved unit of school administration and includes a municipal school unit, school administrative district, community school district, regional school unit, an alternative organizational structure (AOS), a public charter school, or any other municipal or quasi-municipal corporation responsible for operating or constructing public schools, except that it does not include a career and technical education region. ([Title 20-A, §1: Definitions \(maine.gov\)](#))

- 20) **Specially Designed Instruction (SDI).** Specially designed instruction (SDI) is “instruction that is tailored to a particular student. It addresses their Individualized Education Program (IEP) goals; accounts for their disability; provides modifications or adaptations to content; and encourages access to the general education curriculum” ([Council for Exceptional Children](#))
- 21) **State Advisory Panel (SAP).** The State Advisory Panel (SAP) advises and works collaboratively with the Office of Special Services and Inclusive Education to provide information, share resources, and identify improvement strategies to help ensure the continued success and improvement of Maine's comprehensive system of special services. ([Maine.gov](#))
- 22) **Special Purpose Private Preschool.** A private program which is established specifically to serve children with disabilities and/or developmental delays for preschool.

II. Context and current operations of CDS Part B-619

Maine law requires the CDS agency to oversee Part B-619 services for children, ages 3 through 5 years, who require special education supports and services through IEPs in order to access their free and appropriate, public education (FAPE.) This approach is unique to our state, as most other states designate local public schools as responsible for overseeing the provision of FAPE. It is important to clarify that responsibility for FAPE and oversight of IEPs does not necessarily mean direct provision of all programs and services. Most states provide public schools with funding to support oversight of IEPs and FAPE and the schools either directly provide or procure the programs and services through partnerships with local private providers and regional sites.

IDEA Part B-619 addresses services and programs for school-age, 3- through 5-year-old, children who are eligible for Individual Education Plans (IEPs) in order to access their free and appropriate, public education (FAPE.) While federal law does not require states to offer Part B services, all states currently offer some level of service to children under this program. As of January 26, 2024, there are 3,336 Part B-619 children with active IEPs in the CDS system.

Approximately 164 SAUs provide public preschool programming and their students are included in Maine DOE data systems. 44 of these SAUs enroll 10 or fewer Pre-K students and operate in small, rural communities, often offering multi-age Pre-K and kindergarten classrooms. Enrollment and demographic information of children enrolled in private Pre-K settings is not available because there is currently no central data system to collect this information about children across the state.

Maine’s CDS Part B system has been studied throughout its 35-year history. The most recent study took place in 2020 following the enactment of Public Law 2019, Chapter 343, Part VVV, which called for an impartial evaluation or study of the impact of transferring Maine’s Child Development Services agency to the Department of Education (for Part C) and local school districts (for Part B-619). The Public Consulting Group, Inc. (PCG) conducted this \$500,000 study and produced a report that recommended a number of changes to support the transition of Part B-619 services to local SAUs in order to support the appropriate provision of service to this

age group. The report cited that the structure of CDS was inadequately developed and lacked capacity for carrying out federal statutes. The PCG report highlighted that Maine’s preschool children were frequently placed in environments that were more restrictive than necessary and that the cost of these placements was exorbitant, echoing concerns from an analysis by OPEGA in 2012.

In 2021, the first session of the 130th Legislature passed three related resolves. Two of those resolves drew upon the recommendations of this report and directed the Department to work with two different advisory committees to establish a process for transitioning the provision of early childhood special education services for Part B-619 children from CDS to SAUs and to develop a plan for the provision of early intervention services for Part C children.

A bill recommending implementation of a plan to transition the provision of early childhood special education services for Part B-619 children from CDS to SAUs failed to pass in April, 2022.

In 2023, Maine DOE issued an organizational improvement plan to address a number of areas, including necessary modernization and improvements to the case management, data, contracting and financial systems. While the Department is also providing guidance and support to the agency, many operational and logistical challenges persist as some legislative action is needed to address the overarching structure of the system.

Since the CDS system was established more than 30 years ago, there have been dozens of statutory revisions and proposed bills to reorganize CDS and to improve delivery of services. When bills sought to significantly reorganize CDS or transition FAPE responsibility from the quasi-governmental agency to the local public schools, concerns have been raised. Perennial themes include perceptions about competing interests of private providers, CDS employees, local public schools, and the children of Pre-K age with disabilities and a conflation of FAPE responsibility with direct provision of all services.

The plan that follows in this report describes a path forward that will require all stakeholders to contribute their efforts and support. The plan identifies more than enough work for all providers - public, quasi-governmental, and private. The plan does not require the establishment or expansion of pre-K programs in SAUs, but it does encourage partnerships with community providers to augment local capacity to meet students’ individual education needs.

III. Challenges with current model

Maine’s approach to providing special education to our youngest learners is fundamentally flawed in that the agency charged with ensuring a “free, appropriate, public education” neither operates nor oversees any schools. In addition to this major flaw, the Department sees other challenges with the current model that range from equity and inclusion to ineffective practices.

Equity and Inclusion of Children with Disabilities in Regular Education Classrooms:

Recent [guidance](#) from OSEP (Office of Special Education Programs) reiterates and clarifies the expectation that all children with IEPs be educated in the least restrictive environment, alongside their typically developing peers. A foundational tenet within both the Adults with Disabilities Act (ADA) and IDEA is the expectation that individuals with disabilities receive the same opportunities as nondisabled individuals. Under current Maine statutes, public schools are responsible for educational programming for children with and without disabilities in grades K-12 and for nondisabled Pre-K students if the SAU offers public preschool. Educational plans for Pre-K students with disabilities, however, are overseen by a separate system for evaluations – 80% of which is provided outside of the public school setting.

Maine's Pre-K system is second only to Arkansas in the percentage of students with IEPs who are excluded from the general education settings in local public schools, with 12.5% of Pre-K students receiving education in private, special purpose programs, the *most* restrictive environment, according to OESP. The national average for these most restrictive placements is between 1% and 2%.

Inefficiencies:

General fund dollars currently flow to the quasi-governmental agency, CDS, where staffing costs for the Part B program in 2023 is currently at nearly \$19 million (up from \$15 million in 2022). Because most CDS Part B staff do not work directly with students, they must locate and contract with private providers. In January, 2024, there are 1,179 active providers on contracts with CDS; 999 are working directly with children to provide services, while others provide administrative support and transportation. In March 2022, contractors were paid \$1.2 million; in March 2023 contractors were paid \$2.3 million for a single month. This increase represents a 47% year over year increase. This will be an even bigger increase this spring, with the \$15 million in additional payments to special purpose private pre-K programs and the increased numbers of students being identified and served. With support from Maine DOE, more than 60 local public schools have been added to the list of contracted providers for Pre-K special education services over the past 3 years.

Inadequacies and ineffective practices:

Since the inception of CDS, service needs have outpaced availability of providers and CDS staff members often struggle to find placements in preschool education classrooms and related special education services. Barriers to services include the overreliance on private providers, pervasive shortage of childcare settings (in Maine and nationwide), and the fact that providers are able to choose which students they are (and are not) willing to serve, leaving some children without access to education. Maine's certification rule, Chapter 115, creates obstacles for would-be educators and the programs needing qualified staff, separating out a birth through 5 teaching certificate that requires an additional coursework.

With FAPE responsibility resting with CDS, IEP meetings and development of service plans for 3- and 4-year-olds are led by CDS staff members who have to rely on second-hand accounts and reports as those writing the IEPs neither teach nor observe the children in classroom settings. Multiple staff, agencies, educators, and specialists, representing both public and private

education settings have reported a concerning dynamic created by the combination of FAPE resting with an agency without schools, the general scarcity of educational settings and service providers, and an overreliance on private providers. In order to get a child placed in some schools providing special education services, IEPs must reflect higher levels of service than may be necessary in many cases.

This practice causes a variety of access issues, including waiting lists because of the extent of services listed on the IEP document and overservicing for those who enter more restrictive placements than are necessary. Children who are provided with more services than necessary are denied opportunities for healthy development of self-direction, resilience, and autonomy through productive struggle. Interviews with private service providers and private school leaders disclosed an additional barrier caused by the practice of over-serviced education plans – less restrictive programs offering inclusive classrooms where nondisabled peers learn alongside children with IEPs are unable to accept the students, resulting in waiting lists for more restrictive classroom placements. Further, when students with these inflated service IEPs transition to SAUs, critical decisions are made about the child’s placement in least restrictive settings, based on the intensive services described in these IEPs. Consequently, children with such IEPs are often placed in more restrictive settings instead of general education settings. In some cases, this creates and perpetuates a systemic barrier to accessing FAPE in the general education setting, likely contributing to Maine’s exceptionally high percentage of K-12 students whose IEPs require out-of-district placement in special purpose private schools.

Organizational inadequacies and logistical challenges

CDS currently has data systems that are antiquated and create barriers to effective data analysis. This includes the fiscal data system, the educational data records system, and the payroll system. None of these systems are integrated and most of the data collection is done manually and is extremely arduous. For that reason, data extracted by these systems must go through numerous reviews to ensure accuracy. Existing systems are set up to serve a medical model for the purposes of receiving providers’ service logs for billing. Replete with opportunity for error, different components of the system rely on hundreds of individuals making multiple daily entries statewide in a system that is based on minutes and hours of services authorized by the IEP team, and the frequency and duration of service provision. Additionally, with children entering and exiting the statewide system daily, accurate data requires literal hand-counting to provide a snapshot in time. Because the system is based on service hours, a child with two or more services in an IEP who is not receiving all prescribed services may appear in reports as two (or more) children not being served.

For the purposes of this report, we conducted an examination of the October 1 child count. Because student counts vary every day, with children entering the system on a rolling basis and leaving the system upon receiving evaluations that indicate goals have been met, a manual data analysis at the site level was conducted. This October 1 analysis showed that nearly 17.77% of children were without services.

A January 26, 2024 data analysis indicated that more than 1,000 children have entered the CDS system since October 1. These changing numbers of children, coupled with the limitations of the current data system makes accurate determinations of the numbers of children who have not received services very challenging and time consuming.

Over the decades, finances and contracts have been managed by regional sites with different approaches to recordkeeping and procurement. During the past three years, Maine DOE has launched efforts to create a centralized and consistent process that aligns with State of Maine standards. Under the organizational improvement plan issued by Maine DOE, CDS is in the process of procuring updated and accurate data and financial systems.

Maine DOE has developed an organizational improvement plan for CDS that includes replacing outdated data and financial systems.

Competing interests:

The structure held in place by Maine laws has failed for decades to meet the needs of our youngest learners. The PCG report, guidance from national experts, and themes derived from multiple committees have identified a transition of responsibility for FAPE to the local public schools as a critical step toward improving services and addressing unmet needs. That said, current practice has fostered a number of dynamics that complicate proposals for positive change, placing the best interests of the children this system aims to serve in potential conflict with the best interests of the CDS employees and even with the best interests of the local businesses who rely on the revenue from CDS. There are currently 412 CDS employees, many of which are represented by a separate union and operating with a separate collective bargaining agreement. Some of these staff members work directly with students, providing related services and supports and there will always be a dire need for their skills throughout and after any potential transition of FAPE to SAUs. Many other CDS employees provide administrative and clerical tasks that would continue to be important supports either within schools or as augmentation/support through one of the 9 regional sites. Through a DOE project utilizing federal funds, 40 CDS employees have been provided with free college courses toward full special education teacher certification.

Concerns for the sustained employment of CDS Part B employees and the notion that community-based agencies and private service providers could receive fewer referrals have fueled opposition to transitioning FAPE responsibility to SAUs over the years. This may be, in part, due to a conflation of the prospect of SAUs taking on FAPE responsibility with the inaccurate perception that all Pre-K students with IEPs would suddenly have to be served in the local schools. This report provides a path forward that allows for a three-year transition of FAPE responsibility without displacing CDS workers or private providers, all of whom will be needed to support a successful education system for Pre-K students with IEPs. There will continue to be a need for community-based and private providers who are willing to support these children, partner with SAUs, and meet the needs of students in accordance with IDEA and MUSER.

IV. Actions by Maine DOE and by CDS to improve the system and address recommendations from stakeholders, experts, and PCG

Maine DOE has worked within its existing statutory authority to take unprecedented steps toward improving and expanding services for Part B-619 eligible children. Several of the recommendations in the PCG report have been implemented during the past 3 years, including:

- The Special Services and Inclusive Education (OSSIE) team and the Early Learning team have worked closely to support SAU's in initiating or expanding special education services delivered in the general education setting for preschoolers with disabilities in their districts.
- Community readiness assessments have been conducted by several SAUs. DOE staff continue to provide training and technical support to assist these processes. DOE team members have worked with SAUs to enhance understandings and capacities for implementing inclusive practices to ensure an equitable percentage of students with disabilities are represented in state and federal grant programs and in local public Pre-K classrooms.
- Pre-K start-up and expansion grant funds through Maine DOE's Office of Special Services and Inclusive Education (OSSIE) have been augmenting resources provided for Pre-K start-up and expansion through the Preschool Development Grants (PDG).
- Training in developmentally appropriate practices and technical assistance in working with young children has been provided to all SAU staff involved in Pre-K startup and expansion projects.
- DOE has increased the CDS budget by \$30 million since 2019 to provide more services for children and to support local efforts to establish or expand current Pre-K programs. Staffing for CDS has been increased by 50 positions.
- Maine DOE has established partnerships between CDS and local SAUs to foster inclusive practices in public pre-K programs, allowing SAUs to act as service providers contracted by CDS, alongside private providers. In the span of three years, 60 SAUs have begun providing education and related services to three- and four-year-old children with IEPs. This is a change from <1% to >22% of eligible students now being served in their local public schools, alongside typically developing peers.
- CDS has provided infrastructure support to SAUs in order to upgrade playground equipment and school facilities (e.g. adding a preschool bathroom), and to provide classroom and curriculum materials.
- Regional programs established and staffed by CDS to augment available services in areas where needs exceed capacity of existing programs, providing direct services to additional children. Child Development Services opened the first CDS preschool program in August 2021. The CDS Preschool program has since expanded to six locations in identified areas of need across the state and the development of CDS preschool programs has allowed children waiting for services to access needed services and programs and has allowed for the provision of compensatory services when required.
- Maine DOE team members have provided trainings and toolkits for SAUs to help with establishing and strengthening partnerships with community-based providers.

- Federal emergency relief and Special Education funds have been invested in certification courses, training, and technical support for individuals currently working with – or aspiring to work with – Pre-K children with IEPs.
- Supporting the expansion of CDS MaineCare billing services to increase capacity for supporting SAUs.

V. Successful Models in Other States

As part of this ongoing work, Maine has studied other states’ delivery systems in the provision of Section 619 Services. Maine is the only state in the nation that provides stand-alone special education for Pre-K children outside of the public education system. While there are states that have service providers, they act as service centers, supporting local schools and preschool children in mixed Pre-K delivery models.

In identifying states similar to Maine who are successfully implementing one or more of the prioritized categories required in this report, our team focused on Connecticut, Ohio, Massachusetts, and Wyoming - states with both urban and remote/rural populations. When examining the regional service hub model, Maine DOE examined the structures and services delivered in Wyoming, Wisconsin, and Ohio. There are a number of promising practices in place in Ohio’s [OCALI](#) model.

The PCG report (2020) identified the following State models for funding and service delivery and the Maine DOE has examined them and applied some of the approaches in the proposed recommendations.

Funding Models

State	State Part B-619 Funding
Connecticut	<ul style="list-style-type: none"> • Children receiving 619 services are included in state general education funding and supplemented with local dollars. • Children who are 3 and 4 years old without disabilities are included in cost sharing formula if the district is not charging tuition for these children. • LEAs have strong local control, and it is completely their responsibility if they access and bill Medicaid. • Most district are accessing Medicaid for school plans - OT, PT Speech and Language services, but not for specially designed instruction.
Massachusetts	<ul style="list-style-type: none"> • State funding for 619 is through chapter 70, a state formula which considers child count and district size, includes three and four-year old's and takes into account high needs factors. • State Pre-K is included in this funding formula, receiving funding for half-day preschool which disincentivizes full-day programs.

	<ul style="list-style-type: none"> • Districts bill Medicaid for OT, PT and Speech and Language services, but not for specially designed instruction.
Ohio	<ul style="list-style-type: none"> • Ohio provides state funding for multiple early childhood programs, including 619, and has guidance on how these funds can be braided to support coordinated early childhood programs serving children with and without disabilities. • LEAs bill the state for Medicaid reimbursement using a web portal. The billing process, what can be billed, and payment rates are in administrative code. There is no state or local education match.
Wyoming	<ul style="list-style-type: none"> • A state appropriation is provided from the state legislature on a two-year cycle to the Department of Health, and accounts for approximately 90% of 619 funds. • These funds go to 14 regional Child Developmental Centers, contracts based on December 1 child count, serving 23 counties. • Each region is required to have a 3% match - either in kind or funds, donations. • WY 619 bills Medicaid through the state Medicaid Billing Division, with a state match of 50/50. Several regions don't bill due to reported administrative burden.

Service Delivery

<u>State</u>	<u>Service Structure / Delivery</u>
Connecticut	<ul style="list-style-type: none"> • LEAs are responsible for delivering the IDEA Part B, 619 program. • Local control dictates how services are delivered. • The Office of Early Childhood encourages districts to braid funds and programs to work together and provides coaching materials. • DOE is working hard to ensure districts understand special education is a service and not a place. • The DOE has provided encouragement for itinerant services to be provided in the locations where children with disabilities are being served. Due to building capacity and COVID-19, there is an increased interest and successful experiences relating to this. • CT has two Pre-K opportunities: State Pre-K, referred to as School Readiness, is a grant held and administered jointly by district and community partners. Smart Start, the second option, is a preschool option that allows public schools to draw general education funds to provide preschool programs for children for whom the district is not charging a tuition.
Massachusetts	<ul style="list-style-type: none"> • LEAs are responsible for delivering the IDEA Part B-619 program to all children ages 3-5 and may organize into regional programs. • Districts vary on how they provide services, but most districts serve their own children. • IDEA services may be provided in state Pre-K settings. • There is a state budget line item that provides funding for universal Pre-K in six districts in which the LEA receives the funds and

	<p>contracts with childcare for inclusive programs. DOE is encouraging districts to serve children with IEPs in the childcare programs they may already attend.</p> <ul style="list-style-type: none"> • LEAs often run their own early childhood programs and charge tuition for typically developing peers.
Wyoming	<ul style="list-style-type: none"> • Many of the 619 program’s Child Development Centers provide itinerant services and classrooms with typically developing children, while others have separate special education classrooms. • Some Centers hold the Head Start and TANF grants. • The Centers utilize teachers and paraprofessionals, particularly CODAs OT assistants and SLPAs. • Some regions use teachers to be case managers to review IEPs and function as administrative staff. • Children receiving service who are eligible in the category of autism receive services determined and delivered in any of the CDC programs. At one time there was a separate autism classroom, but it was decided best for children to be integrated in other programs, where staff have seen children make great progress. Most all staff have received specialized training. • There are also public non-profit regular early childhood programs run by some LEAs, where CDCs provide itinerant teachers.

VI. Proposed Plan:

Process: The following plan has been developed based on the PCG recommendations, findings and priorities from the legislated LD 255 and LD 386 advisory groups that met in 2022, OSEP guidance, existing data, national experts, and a thorough examination of the current needs and capacities in our state. Our team has conducted multiple meetings, focus groups, and individual interviews with stakeholder representatives, including parent advocacy groups, superintendents, school board members, educators, public school service providers, private schools and community-based providers, special education directors, and other state experts and practitioners, including:

- Rita Furlow (Maine Children’s Alliance)
- Carrie Woodcock (Maine Parent Federation)
- Nancy Cronin (Maine Developmental Disabilities Council)
- Jamie McLeod
- Taren Macdonald
- DOE Early Learning Team
- Stephanie Jalinis (Sandcastles Childcare/Pre-K)
- MSSA
- MSBA

- MADSEC
- MACSP (community service providers)
- CDS Employees
- Pediatric Development Center (community based OT providers)
- Yarmouth OT (Tim Reidman)
- RSU 5 Pre-K/Early Childhood program related services specialists (OT, PT, SW, S&L)
- Cathy Dionne, Autism Society Maine
- DHHS leadership
- State Advisory Panel
- Leaders of Educational Organizations Groups (MASBO, MPA, MEA, MSMA, MCLA, etc)
- DOE Early Learning Team

Ideas and concerns from these wide-ranging perspectives are addressed in the following plan.

- The proposed plan recommends a 3-year phase-in of FAPE responsibilities by SAUs.
- The pilot FAPE transition year begins July 1, 2024, with several willing SAUs receiving both the funding and the responsibility for provision of FAPE to 3- and 4-year-olds with IEPs.
- Monthly meetings with Pilot SAUs to examine costs and refine funding model, as needed. Develop report at the end of Year 1 to inform permanent funding model.
- Subsequent years would phase in the assumption of FAPE as a requirement for all SAUs. All SAUs would assume FAPE responsibilities by the fall, 2026. Students may be served directly in local public Pre-K classrooms or may continue in current placements, with the goals always leading toward full inclusion in the general education setting (LRE).
- DOE will continue to support the CDS organizational improvement plan to ensure a strong agency.
- The 9 CDS sites will be reorganized to align with SAUs using the 9 Superintendent Regions.
- Part C extended option will be offered beginning Spring 2024 to allow parents the option of continuing with an IFSP after the child's 3rd birthday and for up to the school year after the child turns 4 years old.
- Additional improvements will include expanding Part C eligibility criteria and examining service delivery models to strengthen IFSPs. *This work will happen independently from the transition of FAPE for Part B students, however there may be some Part B CDS staff who would be able to support increased Part C services.
- Engage a national expert to lead a Statewide Transition Team who will inform and support the process throughout transition of FAPE to SAUs.
- Engage with a State Advisory Committee throughout transition.
- Procure updated data and financial systems for CDS.

- Open application for new Revolving Renovation Fund targeting facility needs to accommodate younger learners.
- Merge pilot SAU students from CINC to the NEO Student Information System.
- Develop and implement policy for real-time support for high-cost situations.
- During this year, intensive professional learning, early childhood learning trainings, and technical assistance will be provided to all SAUs to increase capacity and understandings related to serving young children and their families.
- Community readiness assessments and additional training in serving young children and their families would be ongoing.
- Provide support for identifying and collaborating with community partners, including daycare programs with classrooms, private schools, and private providers.
- Additional planning and supports will be necessary for certain regions and SAUs, as there are communities who because of geographical and/or capacity challenges will require wraparound support plans reflecting the unique situations in some parts of our state.
- Transition CDS sites to function as Regional Service Hubs that can provide a variety of services to SAUs, including but not limited to clerical support, MaineCare billing, parent communication, assistance with finding evaluators, scheduling, recruitment, training, and deployment of BHPs, Ed Techs, other service providers. Maine DOE will examine Ohio's OCALI model to inform Maine's approach to Regional Service Hubs.
- Additional supports and services to be provided by regional CDS staff as needed by SAUs. Regional CDS sites and Part B staff will work with SAUs to refine services in response to needs in each region.
- Work with DHHS to bring Maine into alignment with recent federal guidance on Medicaid availability for schools.
- CDS will remain responsible for any violations of IDEA or MUSER that occurred while a student was the responsibility of CDS, subject to the generally applicable statute of limitations in IDEA/MUSER.

Transportation

Transportation is not a universal requirement for Pre-K programs but is required when a student's IEP designates this as a necessary related service for access to FAPE. Currently, CDS utilizes a number of options for provision of required transportation, including parent reimbursement, MaineCare transport service, contracts with private providers and with SAUs. Transportation as a related service is included within the Special Education allocation. Other transportation costs would fall within existing funding practices.

DOE will be releasing a grant application this spring using federal emergency relief funding for Year 1 piloting SAUs to cover costs of specialized transportation-related equipment in addition to a variety of other necessary material resources.

Certain SAUs and regions face unique challenges, some of which relate to transportation. During the first two years of the transition, DOE and the CDS Service Hub staff will work with these SAUs to design solutions or consider extending time for phasing in FAPE responsibility.

Funding Model

The recommended funding model is informed by the Essential Programs and Services (EPS) formula, with allocations for student subsidy counts flowing through the formula, but with the special education and related services funding remaining outside of the formula, paid upfront in quarterly payments requiring no local share.

Subsidy counts for all additional pre-K children will generate allocations that reflect additional weights and multipliers including: multilingual learners, socioeconomically disadvantaged, student assessment, and the Pre-K multiplier. Subsidy would flow through the EPS formula, generating a state and local share. *During pilot YEAR 1 (Fy2025), the funding generated by the formula would be provided outside of the formula at 100% state share, since the mill rate and total cost of education have already been established and local budgets are in process.

The per pupil Special Education funding will be generated by the cost-building part of the EPS formula, however the allocations derived from those calculations would be held outside of the distribution formula in a separate line within DOE to be paid in upfront quarterly allocations at 100% State share. Additionally, expenditure-driven adjustments would apply, per EPS.

Overview of funding mechanisms:

1. **PreK Subsidy Counts:** PreK subsidy count through the EPS formula for all 3- and 4-year-olds with IEPs in an SAU's catchment area (whether or not they physically attend a local public Pre-K program offered by the SAU)
 - a. Year 1 (FY2025), these allocations would be paid at 100% State share, outside of the formula
 - b. In future years, these allocations would be subject to local/State share
 - c. Estimate counts as is consistent with the procedures for new and expanding Pre-K program
2. **Special Services Funding:**
 - a. Generated by the EPS the formula, but paid outside of the formula in upfront, quarterly allocations.

- b. While generated / built out in accordance with the EPS cost-building, it will not be funneled through the distribution side of the formula
 - c. This allocation will be 100% State funded.
3. **High Cost** adjustments and expenditure-driven subsidy provided as with K-12
 4. **MaineCare:** DOE will continue to fund the 9 regional CDS sites as service hubs; the hubs can offer a variety of services, including MaineCare Billing

Supplemental Budget Supports the Following:

- Unencumbered Fund Balance (UBF) in GPA will cover the estimated \$10 million for increased subsidy based on an estimated 1000 students in Year 1 (FY2025); in subsequent years, these allocations will be part of the total cost of education, included in the recommended funding level, and would be subject to a State and Local share.
- A General Fund appropriation of \$10 million, combined with existing funds within the CDS contracts line, will cover the Special Education allocations.
- A \$4 million Revolving Renovation Fund project targeting facilities needs for Pre-k

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