

Workgroup Budget Ideas

Proposal: Utilization of Neighborhood Preschools

Expand the availability and use of neighborhood preschools as a natural environment service setting which may be less costly than segregated center-based infant development programs.

Background Information on Program Area:

Early Start is California's system of interagency, coordinated early intervention (EI) services provided to infants and toddlers and their families with or at risk for developmental delays or disabilities. Early Start is available statewide through regional centers, local education agencies, and family resource centers. Currently, Early Start serves children who are at high risk for developmental disability, manifest established risks for developmental delay, or who have developmental delays. Of the 60,000+ infants and toddlers served annually in Early Start, approximately 23% enter the regional center caseload at age 36 months as ongoing regional center consumers. POS expenditures totaled \$278 million in FY 2007/08 (\$39 million federal funding for POS) at an average growth rate of 19% while population growth has averaged 11%.

Early Start provides specialized EI services in the home, community and center-based settings through infant development programs (IDP) by a team of qualified interdisciplinary professionals that often include early interventionists, physical therapists, occupational therapists, and speech and language therapists. Usually toddlers begin attending center-based programs after turning 18 months of age. Typical attendance at an IDP ranges from two to three times per week for approximately three hours each day. The rates for IDPs range from \$28.66 to \$48.34, using a staff ratio of 1:3, or \$42.58 to \$73.65, using a staff ratio of 1:2.

In some areas of the state, regional center funds social/recreational programs (525) at \$13.12 to \$24.74 per hour or preschool using the Child Day Care (851) service code at a "usual and customary" or negotiated rate. These programs are used to enhance social/emotional or language development. However, they do not meet the description for specialized instruction or therapeutic services. Occasionally, individually vended early interventionists and therapists are funded to provide EI services in a preschool setting at the "usual and customary" or Medi-cal rate.

Neighborhood preschools provide a variety of child care and development programs to young children and youth up to 12 years of age. Preschools may include public and private programs. Specific services and age ranges offered are based on program design. Preschool programs under California Department of Education's Child Development Division serve three to five year olds and are state and federally funded. Their rates are based on "usual and customary rates" in each region of the state.

Please check applicable box(es):

- Trailer bill language
- Regulation change
- Waiver amendment/New waiver

Pros:

- Could result in a cost savings of \$242 per child per week for children over 18 months of age who are currently served in IDPs.
- Consistent with research supporting the delivery of services in natural environments such as integrated preschools.
- Would increase the use of natural environments and could be an alternative solution to IDPs that do not provide services in natural environments.
- Takes advantage of preschools that provide a clean, safe, and positive environment for children with special needs, especially in high crime areas.

Cons:

- Neighborhood preschools may not provide a multidisciplinary team approach which is recommended by research.
- Multiple preschools may need to be vendored to ensure that the setting remained integrated resulting in increased workload for regional centers.
- To ensure positive child outcomes, training would be needed to support the interagency collaboration necessary for effective early intervention services.

Fiscal :

2009/10 Savings \$8.9 million TF (\$8.9 million GF)
Annual Savings \$17.8 million TF (\$17.8 million GF)

Assumptions:

In order for preschool services to be comparable to an IDP, an EI provider must be funded to provide specialized instruction in addition to preschool services.

It is estimated that a preschool program funded at \$19 per hour for 3 hours 3 times per week would result in a cost of \$171 per week. Add an additional cost for an early interventionist or speech therapist to provide specialized EI services at a cost of \$136 for 1 hour of intervention 3 times a week for a total cost of \$307 per week for preschool and therapy services.

IDP center-based services would be approximately \$549 for 3 hours 3 times per week whereas neighborhood preschool services would be an estimated \$242 less than the cost for the IDP.

Based on DDS' Expenditure Information Report by Budget Category for 2007-08, there were 30,700 children served by IDPs. It is estimated that 5% of those children (1,535), 18 months of age or older, could be served in a neighborhood preschool program at a savings of \$242 per week for six months resulting in a total savings of \$8,915,280 for six months.