# Leveraging Existing Funding Sources to Support Early Head Start and EHS-like Services

CLASP policy solutions that work for low-income people

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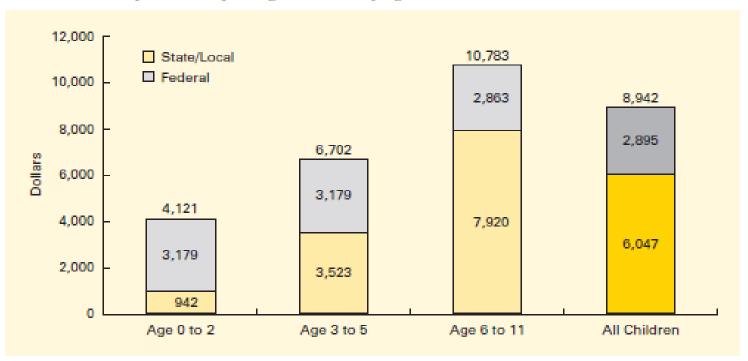
## Today we will discuss...

- The case for investing in birth to three
- Financing for what? Revisiting the continuum
- A framework for thinking creatively about financing
- Example strategies
- Oklahoma's Pilot Early Childhood Program
- Vermont's Children's Integrated Services
- Discussion



# Per Capita Public Spending for Children Under Three is Low

FIGURE 1. Per Capita Public Spending on Children by Age, 2004



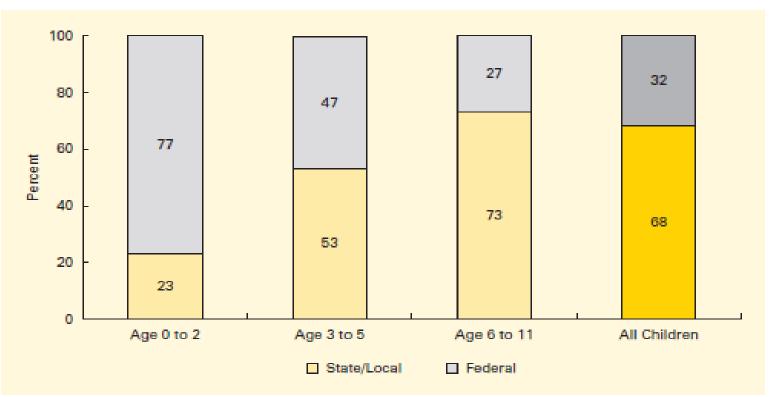
Source: Urban Institute and Brookings Institution 2010. Authors' estimates are based on the Budges of the United States Government, Fiscal Year 2010 and Billen et al. 2007.

Note: Tax expenditures are not included at either the federal or the state and local level.



### Overall States Spend Less on Children Under Three than Older Children

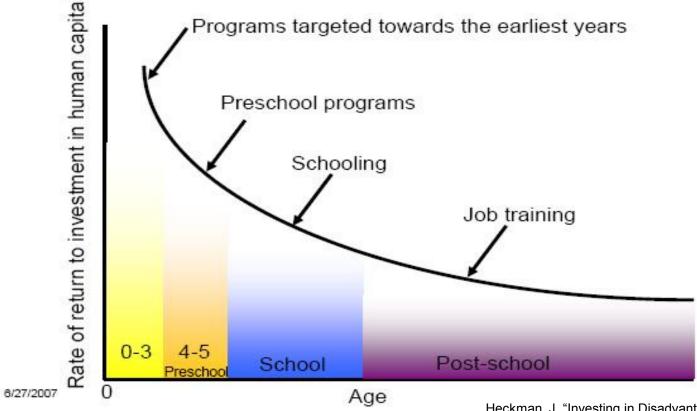
FIGURE 2. Portion of Federal and of State and Local Spending on Children by Age, 2004



Source: Urban Institute and Brookings Institution 2010. Authors' estimates are based on the Budges of the United States Government, Fixed Year 2010 and Billen et al. 2007.

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Figure 9: Rates of Return to Human Capital Investment at Different Ages: Return to an Extra Dollar at Various Ages



For the full discussion, see:

The Heckman Equation, www.heckmanequation.org

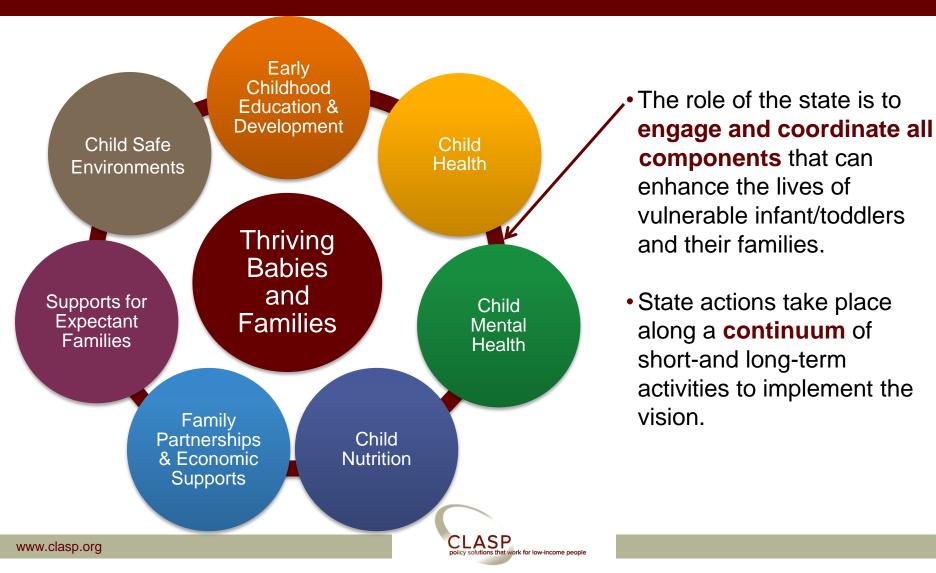
Heckman, J. "Investing in Disadvantaged Young Children Is Good Economics and Good Public Policy" Testimony before the Joint Economic Committee Washington D.C., June 27, 2007

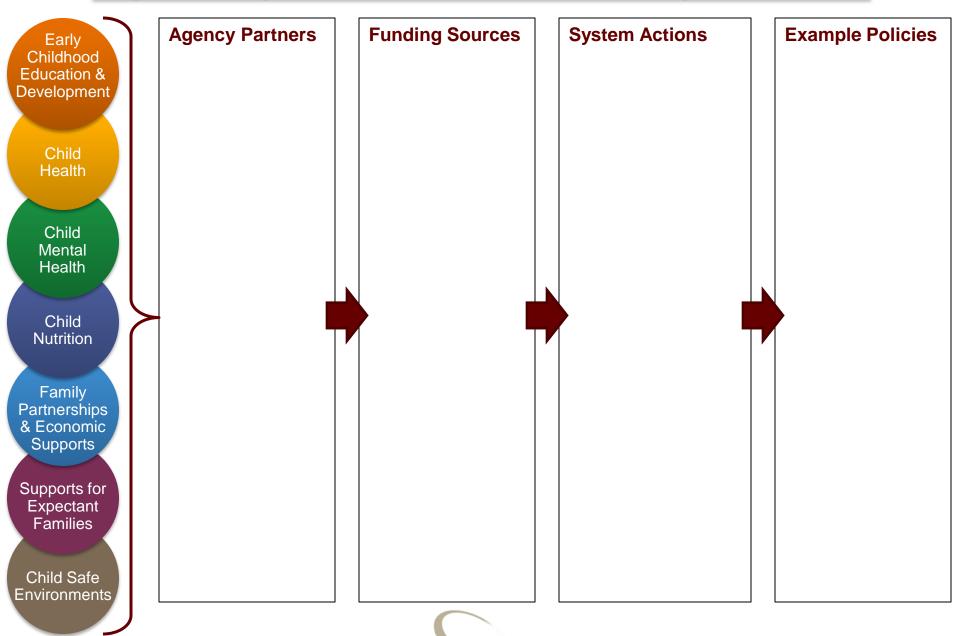


### A Continuum of Ways the EHS Model Can Inform State Systems and Services

Connect federal EHS to state and local early childhood systems Coordinate state early childhood systems to offer EHS-like services to families Support community partnerships between EHS and local programs, e.g. child care and home visiting Expand
access to
programs that
meet federal
Program
Performance
Standards for
EHS

# State Role in Building Comprehensive Supports, Prenatal to Three





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Early
Childhood
Education &
Development

Child Health

Child Mental Health

Child Nutrition

Family
Partnerships
& Economic
Supports

Supports for Expectant Families

Child Safe Environments **Agency Partners** 

**Funding Sources** 

**System Actions** 

**Example Policies** 

#### **Agency Partners**

- Child Care Subsidy
- Child Care Licensing
- Child Care Resource and Referral
- Education
- Head Start State Collaboration Office
- Early Intervention
- Health
- Mental Health
- Maternal and Child Health
- Public Health
- Child Welfare/Child and Family Services

- Welfare/Workforce
- Substance Abuse Services
- Adult Education/ Family Literacy
- Institutes of Higher Education/State and Community Colleges
- Immigrant/RefugeeAssistance
- Home visiting (state or local)
- Liaison with business and philanthropy community



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#### **Funding Sources**

- •CCDBG
- •ESEA
- Early Head Start
- •IDEA Part C
- •WIC
- •CACFP
- •SNAP
- •EPSDT
- Medicaid/SCHIP
- Community Mental Health
   Services Block Grant
- Comprehensive Community
  - Mental Health Services for Children Grants

- CAPTA
- Child Welfare Title IV- B and IV-E
- Even Start
- •SSBG
- •CSBG
- TANF
- Title V Maternal and Child Health Block Grant
- New Home Visiting (federal)
- Private Foundations
- Business
- Tax system



Early Childhood **Education &** Development

> Child Health

Child Mental Health

Child **Nutrition** 

Family **Partnerships** & Economic **Supports** 

Supports for Expectant **Families** 

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**Funding Sources** 

**System Actions** 

**Example Policies** 

#### **System Actions**

- Plan across agencies
- Set benchmarks across early
   Allow flexibility to braid funds childhood
- Leverage federal funds
- Mandate linkages across agencies
- Work with Region staff
- Create cross-agency mechanisms to share funding, staff expertise and functions, and decisionmaking

- Support local partnerships
- locally
- Align functions, e.g. shared intake, screening, training, technical assistance, professional development, and program support
- Establish cross-system competencies and standards
- Coordinate monitoring, reporting, and evaluation

community

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- Tax system



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- Fund state EHS or EHS/child care partnerships
- Make families eligible for child care subsidy as long as in EHS/HS
- •Require health screenings for children in licensed or subsidized care
- Use Medicaid to pay for mental health therapy and home visits

- Make FFN eligible for CACFP and conduct outreach
- Put family support workers in subsidized child care centers or support community hubs
- Extend home visiting to low-income pregnant women, and include FFN

community

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reporting, and evaluation



Early Childhood Education & Development

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# How 20 States Finance Initiatives to Build on EHS

States use multiple sources of **State**, **private**, and **federal** funding

State General Revenue (10)

CCDBG Subsidy (10)

CCDBG Quality Set-aside (3)

Infant/Toddler Earmark CCDBG (1)

State Gaming Revenue (1)

Private Foundation (1)

TANF(1)

State Tobacco Settlement (1) Head Start – State Collaboration (1)

Source: CLASP and ZERO TO THREE, Building on the Promise, 2008.

www.clasp.org CLASP policy solutions that work for low-income people 14

# Other Strategies

- State
  - Set-aside in state pre-kindergarten funding
  - Public/private partnership
  - Endowment
- Local
  - Shared services/hubs
- Individual
  - Refundable state income tax credit for low-income filers tied to QRIS rating

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