



January 22, 2008

## Missouri Governor Blunt's State of the State & FY '09 Budget - Summary of Children's Priorities -

Governor Blunt delivered his 2008 State of the State address on January 15<sup>th</sup> to members of the General Assembly and the judiciary. Blunt outlined his priority issues for the 2008 legislative session that include education, health insurance affordability, property tax modifications, and immigration reform. Despite, several funding announcements for children's services in the weeks leading up to the address, the Governor did not highlight increases to the child care subsidy program, foster care or adoption subsidies, or the state children's health insurance program.

The complete address is available at [http://gov.missouri.gov/State\\_of\\_the\\_State\\_2008.htm](http://gov.missouri.gov/State_of_the_State_2008.htm).

Below is a list of the Governor's funding recommendations related to Partnership for Children's 2008 Policy Agenda. To view our complete agenda, visit us online at [www.pfc.org](http://www.pfc.org)!

### EARLY CARE & EDUCATION

- ▶ **\$2.1 million to maintain child care subsidy eligibility at 127% FPL (\$200.1 million total):** Child care subsidies support low-income working families by helping them maintain employment and stay off of welfare assistance. Without child care assistance, many families cannot afford high quality early learning opportunities that give children a stronger foundation to succeed in kindergarten, throughout their education, and in their adult lives. In the Governor's FY09 budget, a family of three will continue to be eligible for state child care assistance if their annual income is below \$21,800 a year.
- ▶ **\$6.4 million to offer transitional child care assistance for families up to 150% FPL:** Currently, if a single mom making \$21,800 a year gets a \$1 raise, her \$2,000 increase in annual income could cost her more than \$5,000 in child care costs for her two children when she loses eligibility for child care subsidy. The Governor's budget will help parents advance in the workforce while transitioning off of state assistance. The state will pay for 75% of child care costs for families between 127-140% FPL and 50% of costs for families between 140-150% FPL.
- ▶ **\$2 million to adjust and increase child care provider reimbursement rates:** Except for a 5% rate increase in 2007, provider reimbursement rates for subsidized child care have not increased since 1998 for infant care, and since 1990 for preschool and school-age care. In addition, rates were originally set for different regions of the state based on metropolitan statistical data that has changed drastically over the last decade. The Governor's budget will raise reimbursement rates in some areas of the state that have been disproportionately underpaid. Providers across the state will now at least be paid 65% of the market rate for infant and preschool care, and 50% of the market rate for school-age care.  
Though Missouri is making some progress on this issue this year, Partnership for Children recommends ultimately setting child care reimbursement at 100% of the market rate. This will

ensure that low-income families receiving subsidy can afford high quality child care programs in their communities.

- ▶ **\$1 million for Early Head Start:** Early Head Start promotes healthy prenatal outcomes for pregnant women, enhances the development of children age 0 to 3, and promotes healthy family functioning. Program services include: quality early education; parenting education; health and mental health services; and nutrition education. Currently, Missouri's Early Head Start program has a waiting list of 668 children and is only available in some regions of the state. Hundreds of eligible families in rural areas have no access to Early Head Start Services. The Governor's budget will allow 100 more children to be served across the state.
- ▶ **\$2 million for Parents as Teachers (\$36.3 million total):** Parents are a child's first and most important teachers. Family involvement in a child's early learning experiences is a key contributor to school readiness. The Parents as Teachers program provides over 110,000 Missouri parents of young children with important child development information and parental support services such as home visitations. The \$2 million increase in FY '09 will provide an estimated 4,000 additional screenings for children between the ages of 6 months and five years old.
- ▶ **\$2.5 million for early childhood special education (\$98.8 million total):** Missouri's Early Childhood Special Education Program helps reduce or eliminate the need for special education services by the time the child enters kindergarten. The program currently serves 11,000 children with developmental delays or disabilities.

## **CHILDREN'S HEALTH**

- ▶ **\$2.5 million for school-based mental health services:** This program is a partnership between community health providers and the schools to ensure that children receive the mental health services they need when they need them. This is a two-year funded program that will allow mental health professionals to be located within the schools.
- ▶ **\$7.4 million for autism treatment and services:** Children diagnosed with autism continue to increase each year. However, early diagnosis and treatment can be an effective way to improve outcomes for these children and their families.
- ▶ **\$4.8 million for the children's health insurance program:** Last year, two new provisions that passed in SB 577 were not included in the FY '08 budget. The Governor provided funding in this year's budget. Approximately 3,700 children will now be eligible who would otherwise be unable to get health coverage due to pre-existing conditions or because their families exceeded their annual maximum coverage limits.
- ▶ **\$52.8 million to increase physician reimbursement rates and \$7 m to provide a rate increase for dentists:** In order to ensure that every Missouri child has access to the medical, dental and mental health services they need, we must ensure that Missouri has a robust network of providers. To address this growing challenge, doctors and dentists must be reimbursed adequately for the services they provide. This year, the Governor included in his budget increases in reimbursement rates for both doctors and dentists.
- ▶ **\$2.1 million to fund comprehensive vision examinations for children entering kindergarten and first grade:** In order for children to be productive in school and in life, they need to be healthy. When children enter school with undiagnosed vision impairments it can hamper their educational success. SB 16, passed in 2007, requires that every child entering kindergarten or first grade receives a comprehensive vision exam. This funding will go towards helping families who cannot afford these costly exams.

## **CHILD PROTECTION & SAFETY**

- ▶ **\$3.7 million to attain national accreditation for the Children’s Division:** House Bill 1453, which passed in 2004, made it the goal and the intent of the General Assembly to have the Children’s Division achieve national accreditation by the Council on Accreditation within 5 years. To achieve this accreditation, the Missouri child welfare system is reviewed and measured against nationally-recognized standards of best practice.
- ▶ **\$3 million to fund a \$5/day rate increase for residential treatment facilities that provide services to abused and neglected children and youth:** Residential treatment facilities such as Boys & Girls Town and Epworth are facilities that are used when foster families cannot meet the children’s treatment needs.
- ▶ **\$1.3 million to fund a rate increase for foster care providers:** Foster parents open their hearts, their homes, and their pocketbooks to Missouri’s most abused and neglected children. State and local child welfare systems are obligated by federal law to provide payments to foster parents to cover the basic needs of children in foster care, including food, shelter, clothing and school supplies. A recent national study titled, “Hitting the MARC: Establishing Foster Care Minimum Adequate Rates for Children,” represents the first-ever nationwide, state-by-state calculation of the real expenses of providing for the basic needs of children in foster care. The report also proposes a new standard rate (the Foster Care MARC) for each individual state. According to this report, Missouri must double their current payments to families in order to cover the real cost of providing care for Missouri’s children. Last year, foster families received a \$1 million increase in payments which equated to about \$40-\$50 per month. Despite the fact that Missouri still lags behind, we are pleased to see the state recognize the commitment of our foster families by enhancing reimbursement payments this year.
- ▶ **\$1.2 million to fund a rate increase for families in the adoption and guardianship program:** The Adoption Subsidy and Subsidized Guardianship Programs provide financial assistance to parents who adopt or become legal guardians of special needs children in order to move these children from foster care into permanent arrangements. Despite an increase in payments to foster families last year, adoption subsidy payments did not receive a corresponding increase. This created a disparity in the program that could create an unintended disincentive for families who might want to adopt but who would not receive the same financial assistance as they would if they maintain foster family status. This increase will help decrease the disparity, helping move more children to permanency.

**The full Missouri FY ’09 Governor’s budget is available online at:**

**<http://www.oe.mo.gov/bp/budg2009/>**



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