

**Spending Smarter:
How State Early Childhood Comprehensive Systems Grantees Can Maximize
Existing Funding Streams
to Promote Social-Emotional Health for School Readiness**

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PHYLLIS STUBBS: Good afternoon, I'm Phyllis Stubbs from the Maternal and Child Health Bureau. I would like to welcome you to this webcast. Today's program is entitled "Spending Smarter: How State Early Childhood Comprehensive Systems Grantees Can Maximize Existing Funding Streams to Promote Social-Emotional Health for School Readiness" Before beginning our program we have two introductory remarks to make. I'll call on Dr. David Heppel for the first remark.

DAVID HEPPEL: Thank you, Phyllis. This message is for those of you who are actual state ECCS grantees. Several days ago, a letter from the HRSA administrator was distributed to grantees in several HRSA programs informing them that their program funding would be either be terminated or significantly reduced. The state ECCS programs appeared on that list. We suspect you have received the letter. The letter's contents are not really accurate insofar as the ECCS program is concerned. It is not so severe as one might infer from reading the letter. At last September's grantee meeting we mentioned if the MHC budget was reduced there was a risk there would be insufficient funds to fund activities that will begin September 1, 2006. We said we would not be routinely approving use of unexpended grant funds or carryover because we might need that money to support regular grant activities from September 1, 2006 to August, 2007. In fact the budgetary reduction was more severe than we anticipated and the program has sustained

a significant reduction. However, we are confident that we have enough resources to fully fund every approved grant next year. Unfortunately, we're also fairly confident that we will need to use most, if not all, of the carryover funds in order to keep us all whole. This is not the end of the story. We will need to work together to assure that resources are available for the 2008 grant year and we will. But this technical assistance webcast is not the place or time to do so. So let's focus on spending smarter. Thank you.

PHYLLIS STUBBS: Thank you, David. I have another set of introductory comments. The slides will appear in the central window and should advance automatically. The slide changes are synchronized with the speaker's presentation. You do not need to do anything to advance the slides. You may need to adjust the timing of the slide changes to match the audio by using the slide delay control at the top of the messaging window. We encourage you to ask the speakers questions at any time during the presentation. Simply type your question in the white message window on the right of the interface, select question for speaker from the dropdown menu, and hit send. Please include your state or organization in your message so that we know where you're participating from. The questions will be relayed to the speakers at the end of both presentations. If we do not have the opportunity to respond to your questions during the broadcast we'll email you afterwards. Again, we encourage you to submit questions at any time during the broadcast.

On the left of the interface is the video/audio window. You can adjust the volume of the audio using the volume control slider which you can access by clicking on the loudspeaker

icon. Those of you who selected accessibility features when you registered will see text captioning underneath the video window. At the end of the broadcast, the interface will close automatically and you'll have the opportunity to fill out an online evaluation. I say opportunity because we really want to hear from you and we would really want you to take a couple of minutes to do so. Your responses will help us to plan future broadcasts in the series and improve our technical support.

Now, this afternoon's webcast will discuss early childhood systems development issues in relation to early childhood comprehensive development grants program. For those of you who may not be familiar with this program, in setting the stage for our discussion let me just say that the Maternal and Child Health Bureau's State Early Childhood Comprehensive Systems development grants were launched to implement the bureau's strategic plan for early childhood. There are two goals in our early childhood strategic plan. These slides showing our first goal, goal one. That is to provide leadership to the development of cross service systems integration partnerships in support of children in early childhood. And to enhance their abilities to enter school healthy and ready to learn. Our second goal is to support states and communities in their efforts to build early childhood service systems that address the following five critical components. Access to medical homes, social/emotional development of young children, early care and education, parenting education, and family support.

The purpose of the Early Childhood Comprehensive Systems grant, in fact, we have three, the first is to support states to plan, develop and ultimately implement collaborations

and partnerships that support families and communities in their development of children that are healthy and ready to learn at school entry. The second is to provide opportunities with state MCH agencies to engage in statewide cross agency early childhood systems development planning activity. And the third is to sustain the work accomplished through the Healthy Childcare America state grants program by integrating the healthy start America program objectives into the early childhood planning and implementation activities. Three characteristics of the early childhood grants that I would like you to remember. The first is that they were originally designed in two stages. Phase one planning and phase two implementation. In phase one which we funded in 2003, planning grants were awarded of \$100,000 a year for two years. The funding was limited to the 59 state jurisdiction or territory Title V agencies and at the time of funding 48 states, Puerto Rico, the District of Columbia received planning grants.

Phase two was originally planned as implementation as we got closer to phase two in our discussions with the states it was clear that there were states ready to implement, states that still needed to continue planning and there were a couple of states that, for reasons they were not able to apply earlier, were now ready to apply. As a result of that in phase two we have funded 53 states and territories, three will begin planning, 30 will continue planning and 20 will begin implementation. With these grants in place, we do have a vision for the future. The first is that there will be strong state MCH leadership and participation in early childhood systems development. We also envision that every state will have in place a statewide Early Childhood Comprehensive Systems plan, and a three-year systems implementation schedule. And lastly and most importantly, it is our vision that

these grants will lead to strategic partnerships among critical state stakeholders for sustainability of their State Early Childhood Comprehensive Systems. With that as background, this afternoon's webcast will discuss early childhood systems development issues in relation to the State Early Childhood Comprehensive Systems development grants program.

Today's presentation will focus on financing as an early childhood systems issue particularly as it relates to two of our five early childhood programs critical components. The two components are, the mental health and social/emotional development of young children and the early care and education component. Our two presenters are Kay Johnson and Dr. Geoff Nagle. I would like to introduce Kay Johnson at this time. For the past 20 years Kay Johnson has worked on child health policy as an advocate, consultant and researcher. Her expertise encompasses a wide range of Maternal and Child Health topics such as perinatal. Dental care, genetics, home visiting, early development. Adolescent health and risk reduction and services for children with disabilities and other special needs. Kay has been actively involved in Medicaid and children's health insurance policy development at the state and at the federal level since 1984. And has served as an advisor to many state and local health agencies.

Currently working as a consultant to the National Center for Children in Poverty, Kay is director of Project Thrive for instance and young children. Funded through a cooperative agreement with the Maternal and Child Health Bureau at HRSA project thrive is unleashing policies for child health, early care and learning and family support. Kay's

presentation this afternoon will give an overview of key strategies described in the publication *Spending Smarter*, a funding guide for policymakers to provide social and emotional health and school readiness. This publication was recently released by the national center for children in poverty. Kay will also describe the Early Childhood Comprehensive Systems that spend smarter. Maximizing resources to serve vulnerable young children. This publication is in draft and under review but Kay has agreed to present the issue for your discussion and feedback today.

KAY JOHNSON: Thank you Phyllis and others in the audience today. It is really my pleasure to join you for this call and talk a little bit about the concept of spending smarter and how we maximize the resources that are currently available from federal, particularly federal but also from state funding streams and other private resources. I think in light of the mention that David made about the challenges of funding public health and child health programs in today's fiscal environment, these are very important topics and we all can learn more from one another about spending smarter. The next slide shows you a little bit about the National Center for children and poverty and the work that I'm doing. I'll tell you more about it but NCCP has been working since 1989 at Columbia university as one of the university's leading public policy centers. The primary work of NCCP is around the conduct and synthesis of research to promote health, well-being and security of America's most vulnerable children and families. The work is particularly concentrated on early childhood topics right now on a range of topics, not just this one.

The next slide is our project THRIVE logo giving you an idea of how we hope to link pieces together and it really is our mission, if I could see slide four, to ensure that young children and their families have access to high-quality healthcare, the child care and early learning. Early intervention and parenting support by providing policy analysis and research that inform state's efforts to strengthen and expand State Early Childhood Comprehensive Systems. Could I see slide four, please? The mission is really about how we help you get the information and ideas related to policy that you need. It's about how we help you do peer-to-peer learning and how we bring in expertise both from myself and other members of the project THRIVE team and other national experts so that you have access to the kind of policy information and analyses that you need. We are, in effect, what many people in the ECCS grants call the policy center.

And the next slide shows you our logic model for this work and what we hope is that by helping you improve policy and finance context, that we can help you improve child and family services across systems and improve child outcomes. Particularly focusing on better use of existing resources, improved coordination of processes in the administrative realm. Mechanisms to integrate service systems and to sustain those operational decisions that you make about systems development, as well as the cross systems approaches to services. We hope that together we'll all learn from one another about those. As you can see how those translate across to overlap with many of the things that I know people are hoping to achieve through ECCS.

So next slide. What are the policies and finance strategies intended to support? What are we trying to do? What are we trying to pay for? On slide seven I believe you see the most cogent statement I know about what do we know and what works. This comes from the Institute of Medicine report and I think it is a conclusion that bears repeating. I'll read this one. The over arching question of whether we can intervene in children's lives has been answered in the affirmative and put to rest. I think all of us need to build from this statement. However, interventions that work are rarely simple inexpensive or easy to implement. On the next slide I talk a little more about the one size fits all challenge. It is not one size fits all. I think there are three very important pieces here. One that we know we have and can implement through early detection and prompt intervention, we have interventions that can shift the odds, whether it's a child with a biologically-based or psycho socially based challenge.

The second point is that interventions that are tailored specifically to what children need have been proven to be more effective than what goes on generically. And finally, one of the things that I hear as I listen to people talk at various conferences and as I've read the ECCS proposals. I think the tension that so many of us are facing is between the pull, the competition, if you will, of is the solution, pediatric child development services. Is the solution services to promote healthy mental development and childcare consultation? I want to reaffirm here that all of those are needed. And that they should be complementing, not competing strategies. A little bit more on the next slide about what services are we talking about financing. And that we use a framework of three levels. One service that all children needs to strengthen their caregiver relationship, what do children at risk need and

three, what do children who have diagnoses of severe problems need? Going on to slide 10, graphically we can show that same concept, what do all kids need? They need the kind of promotion and parenting support and services and that we need prevention and then we need intervention. With increasing need you have decreasing numbers of children. But often an increasing number of dollars spent. I put some of this in slides 11 and 12, so looking first at slide 11, and put some of this into the Title V framework. I'm sure most are all of you are familiar with the pyramids that they've used to define services for state Title V agencies. You can see some alignment between some of the core functions and the ECCS functions. What kind of things are we talking about financing in direct service context? It might be maternal depression screening. It might be services for children with special healthcare needs, with social/emotional needs the state has never funded before.

What about enabling services? How do we manage the care coordination, family support services and home visiting? In the population based services category we might have those kind of public education and public engagement that many of you are engaged in or the direct parenting education piece. And an infrastructure what are the quality standards, whether it's for children with special healthcare needs and early intervention or childcare and how are we going to evaluate and build a professional base and use our information systems to monitor what goes on once we have a plan and begin implementation? So that said, let's shift over to spending smarter on the next slide. Spending smarter is a report that we completed that was published by the National Center for Children in Poverty in December. Jane and I prepared this document to do a cross-cutting look at how federal

programs and policies can be used, particularly for the most vulnerable children. Children who have high risk socially and emotionally and medically and how do we get beyond into that second level of two category and sometimes into level three?

Slide 14 shows you the common challenges related to finance and policy that we concluded from looking through case studies and in a variety of examples of state programs. States tell us and advocates tell us that there are restrictions on eligibility and benefits. That there is a failure to screen for and identify risks early. That without reimbursement it's very difficult to get children with a risk but no diagnosis the services they need. The dollars are not available for serving the parents when the parents needs are really those that are affecting the child's development when the parent is uninsured, and too many low income parents are uninsured. We have too few providers available to see young children and qualified with the skills they need to see those children and we have, as you well know, thinking about the gaps between health, mental health, early intervention childcare and other systems of care. Out of that end of spending smarter report is available at the NCCP website. You can see it downloaded immediately as well as an executive summary of it and the checklist.

But slide number 15 shows you our checklist in summary. This checklist is actually a three-page document which you might find useful in your planning. Number one is something that all of the ECCS grantees are doing and that's convening that cross cutting strategic planning group. Number two is to develop that agenda or plan. Mapping your services, tracking dollars and showing your strengths and weaknesses, opportunities and

threats and an analysis. One of the things we've noted that while mapping the services and developing the environmental scan of services has been easy for many states, it's been harder for them to do the fiscal analysis that ought to be part of that environmental scan as well. We'll talk more about that today. The third item on our checklist is how we maximize entitlement funding. I suspect Congress is taking a vote as we speak to change state's options for covering children under Medicaid and CHIP. There will still be opportunities there to do better, I'm sure. Using the flexibility in Block Grant programs. Maximizing the impact of childcare dollars or Special Ed dollars and using opportunities such as the child abuse prevention and treatment act rules to leverage change for children who are affected by abuse, neglect or domestic violence as well as using programs such as foster care or TANF and other programs that serve more vulnerable families. So how do we move ahead and talk a little more about finance and policy to support comprehensive early childhood systems?

The next slide says -- gives you a slogan that I think about and that's how do we give kids a leg up in terms of building the financing that their families need? The five core components of the ECCS program are listed on slide 17. I'm not going to review those, Phyllis has already mentioned them but I've used them as a framework for some of my presentation today. On slide 18 I've used some examples from state proposals related to health coverage in medical homes. How are states improving Medicaid? They're recommending age-appropriate screening and diagnostics schools. In states like North Carolina, Iowa and Minnesota they're trying to figure out what are the right diagnosis codes and figuring out how to cover services in a range of settings. My home State of

Vermont and others are engaged in that. How do you separate the developmental screen that front line providers might provide from the diagnostic evaluation that's needed? States such as Iowa, Illinois and Minnesota that are all part of the Commonwealth funded ABCD2 project are giving us demonstration projects that show us how to do that in the Medicaid and chip context in particular. How do you play for parent/child family therapy? Florida got out front and issued new guidelines and demonstrated this is not only effective but cost effective. The next area would be to develop common screening protocols across payers across Medicaid, chip, private insurance, state health plans. West Virginia is exploring opportunities there. And paying for medical home care coordination both Connecticut and Pennsylvania are looking at opportunities to pay for medical home care coordination. I'm using these state examples as some that I know. I'm sure that many other states are doing some of these things. I apologize if I didn't mention you.

On the next slide, slide 19, we can look at examples of how states are approaching social emotional development thinking about the collaboration between part C child protection and mental health thinking about how they grow their own clinicians and providers. Many states are thinking about the challenge of training professionals. Too few states have yet to pool the training dollars that they have from across programs in order to get that job done. Linking programs where there are similar screenings such as the early periodic screening diagnosis and treatment program in Medicaid and the part C early intervention screening. Both are required components of the program and we don't always have them linked in a systems approach. Finally, using the child abuse prevention and treatment act to development the systematic approach for referral of children who have experienced

abuse or neglect or those who witnessed domestic violence. Massachusetts has taken a lead on this. Particularly doing an evaluation of that work.

On the next slide I use some examples of early care in education and particularly states have been focusing on childcare quality and figuring out how to maximize the dollars they have available and how to move dollars from TANF and other categories into the childcare system in order to do both the professional training and the quality work as well as childcare consultation they want to do. Quite a number of states are both looking at how they support health childcare consultation and mental health childcare consultation. This is going to be an ongoing theme for us. We do have another publication that gave examples of how five areas were funding their mental health consultation but there is much more to be learned there. And others are writing about that as well. The other arena in early care and education is building on head start strategies and already parent involvement coordinators and educators who know a lot about how to get the work done and how are we cross fertilizing those elements in the system? We have examples of parenting, education and family support.

Connecticut is using a warm line that has been widely discussed and is really a model that many states ought to look at. It is called help me grow. Massachusetts is offering family development training and credentialing for good parenting. Rhode Island families are driving the move toward having a family support alliance statewide. Another opportunity that others may learn from. Family resource centers in many states are refocusing on how they can help promote early childhood development and many states are systematically

offering home visiting. Not just saying here is one size fits all but say here is a basic level of home visiting onto here is a more intensive level that serves families with more complex and higher risks.

The next slide just shows you the title of our first project THRIVE issue brief. Early Childhood Comprehensive Systems that spent smarter. Maximizing resources to serve vulnerable young children. We looked at our spending smarter list and began to try to place some of the comments to give you more specific ideas about how we think those ideas maybe used to spend smarter. The draft is available at the website and also circulated on the ECCS listserv. And it is posted so that you can get to it. We invite your comments. We really have circulated this as a draft because we want your input and ideas about things that aren't clear, things you need to know more about or examples of things that you know that we have not included.

The next slide and the next three slides, really, is moving on to slide 23 talks about that ECCS framework. First using your environmental scans and critical analyses. We think it's important to use a finance stand, do the budget analyses and the fiscal mapping in the planning process and Geoff will talk more about this, as well as using this process to create a statewide definition. On the next slide we talk about state level multi-agency partnerships which are a required component of your ECCS activities and planning. How can they be used to support priority plans and agreements that solidify the work that you're doing? And I think that these partnerships also can be the way to use opportunities

that are better created when Congress makes changes in federal programs. We realize that cuts in funding are seen as lemons. We have to spend smarter and make lemonade.

In the next slide we have discussed a little bit this element of your planning process that calls upon you to have concrete methods to align funding streams, program resources and policies to support that systems integration you're trying to achieve. I think one of the important lessons here is how you use the flexible Block Grant dollars or smaller federal grant programs to build linkages that you can't fill with entitlement programs and have you work to clarify the eligibility and payment mechanisms so we know who is on first and who is the payer of last resort. Which dollar yields the most federal matching and so forth. And finally, adopting mechanisms that encourage providers to do the right thing and doing them on a cross system basis. So again, on the next slide together I believe we can build coordinated systems of care to help our youngest children be ready to thrive. We invite your comments.

On the following slide, slide 27 I'm going to apologize. My brain did a transposition and I put a wrong name on this slide. There you will see our project team and how to reach us. My name. Jane Knitzer, the national director, Leslie Davidson, a pediatrician at Columbia university and our senior health advisor and our new project coordinator whose name is Suzanne. Today is Suzanne's first day at work joining us on the call and you'll be hearing more from her. In next two slides show you websites of interests as well as selected references. I won't dwell on those but just to say the final slide here is a diagram about financing early childhood mental health services and as I turn back to Phyllis and over to

Geoff, he's going to talk a little bit more about how that diagram can begin to help you frame physical planning in a practical way at the state level. Phyllis.

PHYLLIS STUBBS: OK. Thank you very much. And I would say to those of you who have questions or want to make a comment on Kay's presentation, now would be the time to type them in to the messaging center and at the conclusion of the next presentation we will entertain all of the questions. It is now my pleasure to introduce our next speaker, Dr. Geoff Nagle. He is a graduate of Duke University with a degree in political science. His first career was in the entertainment industry where he was a literary agent representing screen writers and film directors. He returned to graduate school and Tulane University and earned a masters of social work degree in 1996 and a masters of public health in 1997. In 2002 he completed his doctoral work in mental health policy research and an interdisciplinary degree that combined social work, biostatistics and epidemiology. He's currently an assistant professor of psychiatry at Tulane University School of Medicine. The director of the Tulane University Infant Institute and the Louisiana Early Childhood Comprehensive Systems state coordinator. He serves on numerous advisory groups including the Louisiana children's cabinet, the children's cabinet advisory board which he chairs, the childcare development fund advisory group, and the recently created Human Services task force of the governor's Louisiana recovery authority. His research interests are in the economic benefits of prevention and how the results of research in early childhood influence public policy decisions. His presentation this afternoon is entitled, financing strategies for Early Childhood Comprehensive Systems using an early childhood budget. Geoff.

GEOFFREY NAGLE: Thank you, and good afternoon. Everyone. Can you hear me OK, Phyllis?

PHYLLIS STUBBS: Yes.

GEOFFREY NAGLE: Can you hear me?

PHYLLIS STUBBS: Yes, Geoff. We can hear you.

GEOFFREY NAGLE: I'm a little confused. Can you hear me right now?

PHYLLIS STUBBS: Yes, we can.

GEOFFREY NAGLE: Sorry about that. Thank you for having me here. I appreciate the opportunity to speak. I certainly would have been a very excited participant on this phone call anyway in terms of my role in Louisiana working with ECCS. It's great to have the added opportunity to participate in this role. I want to express my gratitude for that. I get to talk about everybody's favorite subject, which is the budget. And usually when I start talking about this people run out of the room or quickly go to sleep. So I'm glad to have a new way of doing this on the phone and I won't see how everybody averts their eyes when we start talking about the budget. If you look at slide two simply stating the question, what is a budget? And we all know that it's a document with a bunch of numbers and dollar

figures that many of us hate to look at. But, of course, if you look at slide three, while it is this type of document, it's more importantly we must all recognize that it is the most significant policy document that our state governments use in planning or the most important policy document in the state that impact our children.

Next slide, please. So the basic premise of what I want to talk about today, of course, ECCS initiatives are working -- I believe the ECCS initiatives must achieve a deep understanding of this budget if we expect to have an impact, an ability to influence the policy that does impact our young children. In other words, we can't think of the budget anymore as just a document that contains all the dollar figures. That ultimately we must think of the budget as the policy document that it really and truly is. So if you want to change or influence policy in our state, which ultimately our strategic plans are designed to do, then we have to think about how we're going to influence the budget. And how we influence the budget, I believe, comes through a thorough understanding of how the budget is created and how the budget is operationalized into the programs and services and policies that impact our children. So we have to learn about our budgets, we have to have deep understanding and insight and then with that insight we need to organize a budget that speaks to the policies of early childhood. Ultimately as I will describe, I think to do that we need to create an early childhood budget.

So on the next slide again just in terms of what our basic premises are of working on the finance component of ECCS is to build a cross system plan. You can't build a cross system plan without a cross system budget. If you don't have them both, I believe it will be

impossible to truly implement your strategic plan. So on slide six just beginning to talk about a few ways that we can all look at our budgets, recognizing that all of our state budgets may be organized or displayed to the public in different ways. We'll kind of do it a couple different ways. On slide seven I give you an example how it is organized here in Louisiana. We have what is called a children's budget in the state. So at the end of the budget document after the legislature passes the state budget for the year at the end of that document is basically the best estimation we can have in terms of the dollars in that overall budget that are specifically spent on children. And so those numbers -- about 30% of our dollars in our overall budget are supposedly directed at children. If you look at where the source of those funds are, you can see that 53.7% are the state general funds which are basically the tax revenues that come into the state budget. Another 8%, almost 9% are other state funds that are various trust funds and things the state gets that generates revenue each year that comes into the state treasury.

The last 37, 38% comes from the federal government. What does that really mean? What does that mean to you? Obviously it tells you the majority of the funds in the state budget for children are actually our state dollars which may or may not be surprising but it is interesting to see that if you put together your other state dollars with the general funds you're over 60% of the money the state spends for children comes from state dollars. So another way to say that is 62 cents of every dollar that is spent in Louisiana on children comes from state taxes or other state funds. If you look at the next slide, breaking down how those state funds are used. If you looked at just the state funds in the children's budget you would see that just over 80% goes to education. I want to be clear that when

looking at these slides, it is not to make any judgment about how those funds are used. It is simply to understand the distribution of the funds in the budget. So many people here in Louisiana may have been surprised when you think that 80%, 80 cents of every state dollar that is in the children's budget is spent on education.

Of course, if you think about it with the number of kids that are educated in public schools across the state and other areas of educating children up to the age of 18, it is certainly not shocking to think it would be a big number. But I think many people were quite surprised to see that it actually represented 80 cents out of each dollar. And then what does that really leave for all the other programs that we advocate for? All the other services we work toward? You see 10% goes to our Medicaid serving children in the Medicaid program. Another 2 1/2% for our Office of family support which administers the food stamp program, childcare program, various programs like that. So it means everything else that is not education, Medicaid or food stamps and childcare, everything else competes for just 7 cents of each dollar that is spent in the state that is derived from state-generated funds. So it tells us what we all painfully know but it tells us in a different way. 7 cents of each state dollar that's available to us.

On the next slide, looking at that same type of distribution but for how federal funds are spent in the state, here again the largest categories being education at 38%. Medicaid at almost 37% and our Office of family support because of childcare dollars, food stamp dollars, etc. Those three slices of the pie make up 89% of all the federal dollars that are spent in the state on behalf of children. So again, every other program is competing for

that last little slice of the pie or 11%. Again, 11% is another way of saying 11 cents of each dollar. On the next slide, because I recognize that the majority of states -- my understanding is the majority of states do not have a children's budget. So it would be hard to get that same basic understanding of how funds are spent in the state. But I would imagine that most states have some way that you could get to basically looking at the key departments that serve children and looking at how their budgets expand or contract from year to year so you can see how things are evolving in your state. This is just one example here looking at our Department of Social Services here in Louisiana and you see from fiscal year 2005 to 2006 a dramatic decrease in the funds from \$702 million to -- a dramatic decrease.

Then if you need to look inside those numbers and say where are we losing the funds? Are we shifting state funds or federal funds? Obviously many times they do go hand in hand but you see that from one year to the next in the state general funds we lost almost 50% of the money from \$152 million down to \$82 million. In our federal funds from \$527 million down to \$342 million. It's not the greatest insight into what is happening but it does give you some ability to see what is happening in the big picture in terms of the money that is being spent for children. So also I want to stress the point that this is not to make any judgments as you advocate in terms of how these departments should be spending their money. It is to gain an understanding of how this money is being spent. Similarly when you look at the Department of education in those same two years. Of course this was a biggest component of the state budget, you actually see an increase in funds from \$3.7 billion to \$3.9 billion from 05 to 06.

The entire education budget represents 64% of the entire children's budget in the state. So you have to understand how much money is spent. Again, this plays into how you bring partners to the table and how much of a voice they have. This big of a financial impact as the Department of education is in the budget, in the children's budget in the State of Louisiana they are the most difficult partner for us to get to the table. And so when we think about how invaluable they would be in terms of what they do day-to-day. When you add to the fact look what a huge piece of the financial pie they are, it really presses upon us the urgent need that we get them at the table and get them fully engaged in the ECCS initiative. This next slide just reiterate the point in terms of the state dollars. If you remember the Department of Social Services almost a 50% decrease in their state dollars from a previous fiscal year and you see an increase in those dollars in education. So again their piece of the pie is growing while other pieces of the pie are shrinking.

Now, I imagine -- I think these words come from the guidance in ECCS, if you think about the primary -- I'm on slide 14 now, by the way -- the primary funding goals for ECCS to coordinate funding for all components of the early childhood system certainly some close variation of that statement and also to offer flexibility in the use of federal and state funds to address the needs of children birth to five.

The next slide 15 this is a slide that Kay used at the end of her presentation and it is a wonderful slide. It has an incredible amount of information. That's in my view both its strength and its weakness. It has so much information that if you are not familiar with what

each of these bubbles and squares contains, it's very difficult for this to be useful. And so it would take someone, I believe, who has a lot of insight and expertise into the various funding sources and services to be able to use this to organize financial decisions in the state to really talk about blending and braiding yet ultimately all of this information is crucial if we want to accomplish that. So certainly while this is important to our understanding, we have to take all of this information and see how it is most applicable. Obviously to people in budget sections, it would be very applicable. I think when you start talking about the other ways to break it down, Kay has mentioned fiscal analysis that such as the environmental scan. Your environmental scan would need to include all of the funding sources and how they're spent in the state, certainly. A fiscal mapping to see how these funding sources flow in the state in terms of federal and state funds. Many of these require matching funds or maintenance of effort funds so there is state funds that get tied into all of these federal components.

There is a lot more in-depth work in terms of all of that fiscal breakdown and some of the other work that has been produced by NCCP over the years. I imagine there on the resource slide that Kay provided but really what I want to do is provide another way to take all of this information and hopefully make it very useful as you try and take your strategic plan into implementation mode. So if you look at the next slide, slide 16 at this point, again looking at the main goals, what are you trying to achieve in terms of funding, and look at the last bullet there which I've added which is to create an early childhood budget. The way I see it taking all this information from your environmental scan. The break down you can provide from the funds flow in your state is to create an early

childhood budget. Not just a children's budget like we have in Louisiana, but, of course, specific to the goals of this grant would be an early childhood budget. So now try and provide one way that we're trying to do that here and certainly it's only one way.

There are many ways to skin this cat and I'll just show you these examples. I'm on slide 17. Our budget in the state is broken down by department. You'll see in the top left box on slide 17DHH which is our Department of Health and hospitals. Our Office of public health. Then in the subsequent column would be the source of the funds for the programs that I'll list afterwards. You'll see the funds that come from the state funds. Funds that are transferred between departments in the state. Generated revenue if any of the programs charge a co-pay. Statutory dedications which are other trust funds in the state like we have oil money here and certain monies like that are used for education or healthcare. And then, of course, the federal funds. If you go to slide 18 now, just giving three examples here because it's all that fits on a slide. Certainly within our Office of public health we have the nurse family partnership, the home visiting program, the part C program is administered through our Office of public health and immunization program. There you would see as all the numbers are filled in from last year's children budget how much of those funds come from state sources, what type of state source that is and the federal funds. That's very helpful information and the Office of public health provides a breakdown by program that is not provided by most of the other departments. I'm kind of giving you the best case example that we have here.

On the next slide would be -- this slide begins to try to organize is that rather than I believe the early childhood budget would be more useful if rather be organizing by department and breaking down what program the department provides that we broke it down by the components that the ECCS grant focuses on. This slide would be focused on early care and education. So you would list across departments the programs that serve early care and education. Basically breaking down the silos the departments operate in. You would also pay attention to the major funding sources on that slide that was in Kay's presentation and in this presentation a couple slides ago which illustrated all of the many funding sources that are available out there. So if you now go to slide 20, it begins to fill in some of this information just a partial list of the major funding sources for early care and education. So you see the childcare and development funds, TANF funds can be used for this, obviously, title 1 funds and start funds. The Block Grants or discretionary project grants that the state applies for and most importantly the department that is responsible for administering these funds which may vary by state depending how you're structured. The point is that if you articulate who is responsible for the funds.

So with this slide I'm now on slide 22. I was moving from slide to slide as I filled in each of the cells. You should be on slide 22 which would contain all of the information from the last three slides. This shows very quickly that there is multiple departments. In this case just because of the size of the slide two departments that receive major federal funding sources that serve and provide early care and education. This can be done for all of the areas of the ECCS grant.

On the next slide, slide 23, you would see a partial list of the funding sources that could be used for mental health, social, emotional development component of the grant. You see the community mental health services Block Grant. Title IV-E money. The explanation of the funding sources but the report that came out the first in the series for the ECCS grant that Kay did have great information on the funding sources in that report. On the last column you see how these are multiple departments that are able to provide or do provide various mental health and social-emotional services to the young children in the state.

Moving to slide 24, just similar example for family support and parenting education. Again you see three different departments listed there and, of course, head start goes direct federal to local. You have many different entities in providing family support and parenting education.

On slide 25 access to medical homes, a partial list which of course includes the CHIP program, Medicaid, Maternal and Child Health Block Grants and you see the different departments that are involved in sometimes trying to achieve the same goals. So how does that all impact what we're trying to do with the early childhood budget?

If you look at slide 26, what I've called the new early childhood budget, now instead of listing the top left there the departments and the programs within the department, you would be listing the topic area or in this case in red there early care and education. And so now you would list by program irregardless of department the programs that provide early care or education.

So on slide 27 again just a partial list but currently some of the major programs in our state a growing pre-K program initiative. The childcare subsidy program. The quality initiatives that are funded through the CCBF funds. The foster care programs and, of course, the children that the state has in state custody, they provide early care and education for.

And then the next slide, 28, these are some rounded numbers. These aren't accurate numbers in Louisiana. I was just filling in numbers to show you. Again in one place you would be able to see on slide 28 how the pre-K program has \$35 million in state general funds. In the last column had \$17 million in federal funds. Contrast that to the childcare subsidy program in the second row with \$5 million in state general funds and \$70 million in federal funds. This can quickly be used as an important policy document because in the Louisiana we do not access all of the available federal funds through our childcare development fund because we do not put up all of the state match. You can say there are budget constraints and all sorts of reasons why we don't do that. If you look at this document and if this budget existed you would see on one piece of paper right in front of you that we say there is not enough state general funds to pull down all of the federal match. And yet we're spending seven times the amount of state dollars in the pre-K program that we are for the childcare program.

Now that may be what the policy leaders decide but they may be deciding it right now in a vacuum because the Department of education works to get funding for their program and

the Department of Social Services works to get funding for their program. Both of those departments are trying to serve the early care and education needs of children. Of course they do it differently. But one is eating the other as they are successful at the expense of the other one. And again that may still happen even though you have an early childhood budget but I think it would make it much more clear to people how money spent for young children in this case for early care and education, may be better maximized by looking at what you're trying to accomplish with this kind of spending in your state and then deciding are you spending it in the most efficient manner? Right now the way it's all pieced together it's almost impossible to get a clear picture of it and potentially this early childhood budget would provide very clearly how we spend money and what the implications are of that spending.

I have one or two more slides here. I'm a little confused by my slides here are duplicated. Oh, I was just giving another example. So we're on slide 28. On slide 29 actually you can jump to slide 30 another way to do it would be to just look at the programs that do serve early care and education but just as a variation of what I'm saying, I think it would be much better to break down the walls of the department but you could just organize it by the programs and so this would be the same topic early care and education but specifically looking at childcare which comes through the Department of Social Services. Versus the next slide, 31, where you would look at early care and education but just as pre-K programs and then on slide 32 you would see you would break that down for our state what is called a public pre-K and public pre-K what receives federal and state funds.

There are many ways to skin this cat. Reorganizing the way at least for our state the budget works so that we can see in one area how we spend money rather than how we spend money by department. If you're really talking about how the money impacts people or in this case the children 0 to 5 out there, those children don't care what department the money is coming from. They really are impacted by the areas in which we spend money. It is really for our state in Louisiana the way we budget and the way we show that budget a very important difference. I think could have a tremendous policy difference with the premise being that this budget really is the most important policy document and the changes that we hope to make here in Louisiana based on our strategic plans are really going to be shown through its impact on this budget. That really gives a similar example with mental health and social-emotional developmental programs that address the needs across the departments and on slide 34 give some sort of the monies that go into those programs again just in one nutshell you can see how and where we're spending money and how we're spend being whether it's state or federal money in these areas.

My last slide is just my contact information and with that I will close and turn it back over to our moderator if there are any questions.

PHYLLIS STUBBS: Thank you, Geoff. We've had two excellent presentations by Kay and Geoff and this is the time in our program for questions and answers. If you have a question, or a comment and you haven't done so already, please take the time now to type that in. I'm going to ask our technical moderator if there are any questions.

JOE ZOGBY: Kay, I have written down a few questions that were sent in already. The first one was from Mary McCrane and it's addressed to Kay Johnson. The question is, who wrote the report on five other states who are funding mental health programs?

KAY JOHNSON: That is another report by myself, Jane Knitzer and our colleague from Georgetown university child development center, Roxanne Kaufman. It is called making dollars follow cents. It is also available at the NCCP.org website. Making dollars follow cents.

JOE ZOGBY: I have another question from Lorraine and it would be addressed to Kay Johnson as well. Steve answered it, I saw that he answered Lorraine, but for the rest of you the question was, can we receive a copy of the Power Point slides used today? Steve answered, to get it at the site www.mchcom.com.

Next question -- actually there were two questions from Diane ponder and they are for Geoff. The first question is, is there information available about the assumptions and methodologies used to estimate the children's portion of your Louisiana state budget?

GEOFFREY NAGLE: No. And what happens here is that each of the state departments and their budget people, when they submit their budget requests for the year, part of their paperwork they have to break out how much money they spend for children. And so it's a quite subjective process. They aren't given a lot of guidance and they make their best guess. And you hope that they're pretty close. Obviously when you're into the \$6 billion

range if you're off by \$10 million it won't affect your percentages very much but where you really see big things in the budget looking at -- the Department of Social Services that big decrease that I showed there, the reality was when you go back and look why was there a big decrease? The child welfare program had no money in it. The child welfare program spends almost the same amount of money year to year because the majority of their money is federal money for child protection. The person who was responsible for filling out their paperwork didn't bother to do the children's budget so it was listed as zero because there was no information. So it's not something that is given a lot of diligent review by the budget people. They're concerned with the main budget and they see the children's budget as an extra thing. And what we're trying to do here is not only pay more attention to it but make it specific to early childhood and really get on top of the number and make it more useful and accurate.

KAY JOHNSON: This is Kay. For you and others I think there are a couple more things to say about that. And one is that if you want a little basic background on generally how people have approached children's budgeting I would recommend the finance project and it is financeproject.org is their website. There are a variety of documents there about results-based accountability in children's budgets. I know they're actually working on an update to some of their older documents to reflect some of the latest work such as Louisiana and children's budgeting. There are some general rules that people have used. On the other hand I think Geoff is exactly right. Those tend to be the decisions made within agencies in a process and it best happens through the kinds of partnerships that most of you are formed. It can be done by administrative request such as the one Geoff

described. It's how we got to an early childhood budget in Vermont when the deputy commissioner for Human Services got together with the governor's office and said they would like everybody to submit their numbers and they did.

My work, I had an opportunity to be the study director for a children's budget project in San Diego county and we spent -- we spent a year figuring out just how -- what the definitions were in reaching agreement on consistency of those including the formation of a group. I think it could be done a little faster where you have a group already formed. The kind of assumptions that you have to make, the trickiest parts are how much is to a child and what to a child's family counts. For example, in terms of TANF payments. In San Diego we made a very clear line that in TANF it was only the payment that went to the child in the child's name. Not the payment that went to a parent. Medicaid those things are easier. When you get into a family support dollar and the family resource center, for example. How many services provided there are adult employment services versus services both parenting or child development and on those we came to some pro rating. The group made decisions based on the recommendation of that agency and then we did that pro rating on the basis of a group consensus. I think it's the best way that it happens. I would say the other thing is that we hope to do not a full issue brief but what we're calling a short takes document which would be a much shorter sort of four to six page document talking a little based today on some of what Jeff was talked about and what some of you have done around fiscal mapping. If you have ideas, share those with us but I hope to capture some of those in that document.

JOE ZOGBY: Diane has another question and I'm going to ask the question again. Her second question. That is, to Geoff, are you extrapolating an early childhood budget from the larger children's budget?

GEOFFREY NAGLE: I'm assuming that question means would we take the children's budget and try to figure out from that what was spent on young children? That's not our plan. We're hoping to use the ECCS strategic plan and the buy-ins we've had from the senior leaders of the departments and endorse as part of the strategic plan the implementation piece which would call upon the departments to give us an accurate breakdown of how their money for children is spent for children 0-5. We're looking to really drill down and get as accurate information as we can.

KAY JOHNSON: I would just say that I think it would be very difficult to do that extrapolation and it is -- it can be as simple as just getting people around the table to list the portion of their spending that goes to children birth to 6, for example. It can be an excellent starting place for the larger conversation. And then moving on to something that is much more integrated and cross-systems thinking that Geoff has presented to you today. That probably wouldn't be the first leg. The first leg would be, you know, basically people figuring out and pro rating and calculating by the age of child. Vermont did some of that work and then Connecticut has done some work on trying to do their physical mapping and figuring out what portion of what dollars are going to activities. The framework Jeff outlined here is an excellent one. But you're going to reach that in stages.

JOE ZOGBY: Now we have a question from Tammy Ladue. The question is, in developing the ECCS budget, what is the easiest/best way to classify programs in the five ECCS components? As many cut across sectors. For example, nurse home visiting promotes social-emotional development. Provides parenting and family support and access to medical homes.

GEOFFREY NAGLE: Well, Kay, you may have a different answer to this. The way I've always envisioned it is that the budget -- the utilization of the budget is as a policy document. Not a way to show -- in our state by our state Constitution we must have a balanced budget. It doesn't mean the early childhood budget has to be a balanced budget. Because there is duplication. Some of these programs may be serving different areas of the grant. From my view it would just be important to list them in each of the areas that they impact because again what I'm trying to see by looking at this budget is how do we spend money for early care and education? How do we spend money for social emotional? How do we spend money for parent education and family support? A program like nurse family partnership would definitely be in perhaps all of those areas. Maybe not early care and education but in all the other areas and I think that's important to see it there because it does across all those areas. I don't know how you would get to refined as to say 20% of the program is really medical, access to medical and 30% of the program is, you know, social-emotional. To me it is not the important thing. The important thing is to look at something and say how much do you invest and spend in these areas? Of the many spent in the area how is it distributed?

KAY JOHNSON: I think that's a perfectly fine way to do it. In San Diego they made the decision that they wanted to do pro rating. The family resource centers were an excellent example of how much of that they thought was going to children, going to young children as opposed to going to services that would help the larger family. So an interagency group such as a partnership planning group might decide, they might actually be willing to make that call about, you know, we expect that, well, this isn't exactly what we mean by medical home even though it facilitates it. We really think it is 30% family support and 20% parenting education and the rest is in another category social-emotional or whatever based on the intention of the program a group may be willing to pro rate it and you could certainly cross list it. It doesn't necessarily have to be 100% budget although that may be the will of the group.

JOE ZOGBY: We have a question from Jane Peacock with regard to the slides being available. We answered that question already but I just want to acknowledge Jane.

KAY JOHNSON: We would also in addition to questions, if there are people on the phone who have done some of this financial analysis or started thinking about a budget, we would love to hear a comment from you. It does not have to be a question.

JOE ZOGBY: Now, we've gotten another question from Jane Peacock. It's for Geoff Nagle. Have you shared your children's budget with the state legislators and children's

cabinet and has it generated any policy decisions that have been played out through legislation yet?

GEOFFREY NAGLE: The children's budget is actually generated by the legislature. It comes from -- it's in what is known as house bill one, the state budget. The last ten pages or so of that couple hundred page document is this children's budget. It has had minimal impact to date in terms of policy. What we've tried to do through the children's advisory board is to use it to push for some of these changes that are now showing up in our ECCS strategic plan. Of course, the children's cabinet and advisory board looks at the world of all children and our ECCS grant is technically the young kids but we've tried to carry the work of the advisory board and kick it into hyper drive by pushing for these young kids' issues thinking it would help us take a few steps because it's not as big an issue as breaking it down for all children. So really right now the way it exists, it is an afterthought as the budget works its way through, you know, the amendments and changes, a lot of those changes may not be accurately reflected in the children's budget at the end. No one takes responsibility for updating it. And it's a bit of a disappointment in terms of what it should be. But I do think it kind of has already established that each of the departments and the agencies in the department have to already break out money for children. I think it will make it potentially easier to implement this next step, this early childhood budget.

KAY JOHNSON: I guess to reiterate a point that Jeff has made several times that I think is really fundamental to this conversation and to this topic of the call today about spending smarter, this -- the children's budgets are not useful in and of themselves. They are useful

when they're applied in a process and even when the legislature, as Jeff demonstrated in his comment just now, if they're only attached at the back of the document and there isn't a constituency thinking about the policy decisions behind it or an advocacy force that's pushing on the policy decisions around that, it won't be the policy document that Jeff has rightfully said it should be. And so part of this whole notion of spending smarter is being able to draw conclusions about the spending patterns you see and not just value judgments, it's too much or too little, but examples of where your goals in Early Childhood Comprehensive Systems don't meet your spending or examples of getting down to detail of where you have parenting education or family support dollars that are duplicates. In a couple of states I've worked thinking about home visiting they suddenly realized they had three or four home visiting programs and their roles weren't clearly defined and wanted them to be more on a continuum and wanted to understand when one program should leave off and a family might be served better by another piece of the program.

Thinking about those decisions strategically when you have the dollars in front of you. Or thinking about -- again that home visiting example of how the dollars were being spent so that someone who made a basic welcome every baby home visit was getting paid more than the nurse or the social worker who was going out for an intensive visit. Suddenly those decisions -- it was clear that those decisions had not been made deliberately or rationally and they needed an adjustment. In working with the State of Pennsylvania -- excuse me the State of Massachusetts around their early childhood systems, when the commissioners of health, education and childcare got together and they began following the dollars and looking at the spending, they saw that there were dollars going out from

the Department of education which would be much more efficiently used if they were in the childcare budget and that change was affected. It's giving people the information, drawing conclusions and seizing opportunities I think that makes these things come alive. And really to support, I think, a lot of what you're all hoping to do through your plans.

JOE ZOGBY: Our next question is from Lynn with the together for kids project community health link in Worcester, Massachusetts regarding fiscal environment -- the fiscal environmental scan and mapping of resources. Can you please speak to your process of convening stakeholders pros and cons and expected time frames from completion of the document?

KAY JOHNSON: Want me to go first? On this one I see, again, if you can build on an existing partnership, that process of people learning to trust one another helps. If you're talking about doing an environmental scan or having done perhaps an environmental scan around programs, and then you come back with that same group and say now we'd like to look at the dollars that we're spending on these programs and think about our same categories, then you're building on a basis of trust and common language and knowledge. If you're starting from square one it will take a year for people to trust one another and reach consensus on the kind of decisions, the conversation that they want to have. I think that's true whether it's at the state or the local level. If you're building on an existing partnership and I think most of the states have an existing environmental scan around programs, it may mean going to a different person at the Department of education, a person who keeps the budget numbers. If you have buy-in from leadership and shared

conversation and the person on your ECCS partnerships knows who to go and get those budget numbers from and what the question is, that facilitates the process enormously and it could be done in a matter of months. Does that answer your question? Go ahead, Geoff.

GEOFFREY NAGLE: I'll try to highlight and bring to life what you said. That's what we did. You also said the most important thing. If someone in your ECCS collaborative knows who to go to and knows the right questions, that's with this budget stuff it is almost the most important piece because sometimes the flexibility or the lack there of or around the restrictions is just how you ask the question. And it's really hard to know what you don't know. And the budget person may be withholding information or may just not know how to communicate the information to you. I'll give you an example of that. We had the situation here, as I explained, where we never drew down all of the available federal funds. We had made that a huge priority in the children's advisory board and would be of the largest factors in terms of our advocacy in being able to get enough state dollars budgeted to draw down all of the federal funds. And so we were all very happy about that and loved to go to meetings and say look at this great success.

We're finally drawing down all the PCDF match for the first time in the history of the state. 3/4 of the way through the year come to find out that even though we had enough money this year to draw down all the available federal funds we were really drawing down last year's funds that we had left on the table. We still were leaving all this money in Washington but we didn't know that until 3/4 of the way through the year because we

didn't understand all the rules around how you draw down money to know that we were still leaving a lot of money in Washington. That whole thing. This is why I started saying it is so important that you understand the budget. Part of that understanding is to have a relationships just like you have more naturally relationships with program people in the state government, is to get -- establish relationships with the budget people. The way we've tried to do that to do exactly what Kay just described was again our ECCS program is kind of embedded as an initiative of our children's cabinet. When we need everyone to come together and participate we always have that request come out from the cabinet and the secretaries on the cabinet.

Basically the people have to come because they're responding to the fact that their bosses are directing them to go to such and such meeting. So when we were having our financial meeting as part of our strategic planning process we went to the cabinet first. We asked this directive be put out. They requested that their various budget directors in each of these agencies in their departments would go to this meeting. We had very large turnout at that meeting and I think for most of those budget people there it was seeing people they didn't know and they were in a strange place wondering why they were there. We gave them an overview of the grant and provided them guidelines in terms of the presentations we were looking for from them to describe the federal funds that they were responsible for administering. The rules around those funds, the eligibility criteria, etc. It was amazing how engaged they all were. It was one of our best strategic planning meetings because you could see these people were just so thrilled to be hearing all this information, to be seeing all these common areas that they could be working in and just for them to be able

to get out of their daily budget routines and think more about the big picture and how this all fits together. Of course, that is a key -- that was a key day in just establishing the relationship, establishing the awareness of who we are as an ECCS grant and how we'll need to be working with them as we try to implement pieces of our strategic plan, namely the big piece that we just discussed.

JOE ZOGBY: Thank you, Geoff. We have another question from Diane from the Oregon state ECCS. You mentioned that Florida has determined that the Medicaid services provided under its recent guidelines are cost effective. Is the cost effectiveness data available?

KAY JOHNSON: I may have overstated myself a little bit there. I think a full cost effectiveness/cost benefit analysis has not been done. Let me state it another way. The program went into effect in 2002 and they did a pilot evaluation study. Data from each of those, both the carefully done evaluation study as well as sort of the ongoing implementation of those guidelines is available. And in each of those, while a full -- have the economists run the numbers for you cost benefit analysis has not been done, what it is showing is that there is no pattern of excessive costs that the number of visits and interventions that they're using has actually come down. One of the things just on the -- one of the superficial sort of judgments about the cost effectiveness of what they're doing is that they went into changing their guidelines for billing for children birth to 5 and developmental services because they saw excessive use of things like daycare. Not childcare, but daycare for children with social-emotional needs for young children.

Where children weren't getting the therapeutic interventions they need and they weren't getting the kind of on site childcare consultation and support they needed to stay in regular childcare and Medicaid was ending up paying for a specialized placement for those children in an all-day therapeutic program. They actually changed their guidelines in order to reduce those specific costs. And felt they were effective in doing that. And those data are available. Let me look -- check on the website and I will get it back to you. But it actually is available and the evaluation from Florida in the Center for early intervention and preventive services. I think it's CEIPS. But I will double-check on that.

JOE ZOGBY: Thank you, Kay. We've got a comment, not a question from Jane Peacock from the New Mexico state ECCS. The comment may be useful to the participants. Jane states that New Mexico generated an analysis of the New Mexico expenditures on children last year. This helped them to generate the state policy recommendations for the children's cabinet for this legislative season.

Now we have another question. From Diane of Oregon. She notes that this is a resubmission. Partners here are concerned that creating a picture of financing levels without also showing the level of unmet need and the overall cost of a comprehensive system might backfire with policymakers and funders. Some agencies don't have definitions or methodologies to determine on that need and haven't estimated the cost of a fully-funded system. Are there any models or resources for determining these for the various types of early childhood services programs?

KAY JOHNSON: This is an interesting question and Diane always asks smart questions and challenges us to think about things in a new way. We appreciate it. I actually see it from the other vantage point. I don't know of a good way to estimate the full cost of a system. And I'm not sure from the point of view of spending smarter I would go there. I guess I would say rather that to do your children's budget and then look at it in alignment with what your strategic plan calls for. Then do your spending smarter thinking. How can we pool the training dollars that are available from four programs? How can we make sure that we're getting the best match for our dollar and that we're drawing down all of the federal funds available in how can we look at the opportunities in the context of children who have health coverage and then think about those that don't? How do we -- how are we spending and aligning a continuum of services to do all of that spending smarter thinking and figure out where your gaps are and try to do estimates within those gaps? That's very different than putting a big ticket on it and I think A, it shows good faith in the current fiscal climate. B, it gives you specific opportunities to think about how you might better spend existing dollars. C, it gives you, I think, in times when budgets may become more restricted a very targeted way to go in on this. But, you know, Geoff, you're the guy on the ground. What do you think about this?

GEOFFREY NAGLE: I don't have any great insight about how you would get that type of information and -- I don't know, my advocacy hat is always not to hold child advocacy to a higher standard than other advocacy areas. And I always feel that people love to try and box us into corners by asking us for information that is impossible to provide or that

somehow distorts the need and it is a tough balance because someone may have ask Diane for that information in the legislature and what are you going to do? I don't know, it's a tough predicament when you don't have access to that information or that information is going to paint a picture that makes the problem look so big that funding becomes even harder to get.

KAY JOHNSON: I think using that media technique where if you take media training they tell you don't answer the question you were asked. Answer the question you wanted to be asked. So to me that's that whole breaking it down and presenting it in bite-sized pieces that people can then take and -- take in and digest from which you can build a base of action.

JOE ZOGBY: OK. Thank you. We now have another question and it is from Judith Hall of the New Jersey state ECCS grant. Judith asks, could you tell us about the composition of your children's advisory board, who are the members and where does this board sit? This question is addressed to Geoff Nagle.

GEOFFREY NAGLE: Let me start by explaining the children's cabinet. The children's cabinet is a 12-person body that is comprised of the state secretaries of the departments that serve children so social services, health and hospitals, Department of Labor, has the superintendent of education, a member from the state board of education, has a member from the Supreme Court, it has a member from the -- our Division of administration, which is basically the budget wing of the governor's office. That's the most important person. We

have a state representative and a state Senator and then we have the chairperson from the cabinet advisory board. The advisory board is a 40-person give or take a few member board which is made up of the assistant secretaries from the departments that are on the full cabinet and statewide one delegate from each of the statewide advocacy groups or statewide child serving agencies. So that all gets us about 40 people and there all the membership is in statute so it has the weight of statute behind it. I hope that answers the question. Where do they sit? We come together for meetings once a month in the state capitol and the cabinet also meets I think by statute they have to meet every quarter. We've been meeting about every other month prior to Katrina. We have not met since Katrina, which I think speaks volumes for what was the weight, if you will, that is given to the children's cabinet that here we have had this tremendous crisis and the children's cabinet has yet to meet.

JOE ZOGBY: Thank you, Geoff. I don't have any more questions on my message board. So I'm going to turn the meeting over to Phyllis again.

KAY JOHNSON: Phyllis, could I ask something?

PHYLLIS STUBBS: Before closing I would like to give each of our speakers an opportunity to make any summary or closing comments. First if we can hear from Kay.

KAY JOHNSON: Phyllis, I just wanted to go back and maybe reiterate a little bit the importance of thinking about where we are and how we use dollars wisely. We heard from

David at the beginning that Maternal and Child Health Block Grants program as it's appropriations from Congress has been squeezed. We know that the Medicaid program is going to change both by Congressional action and by state by state decisions and waiver programs. We know that TANF and childcare dollars and other dollars that support children and families are not faring as well in our federal budget as we would hope. And that means having all of us think about this together thinking less of our silos and being very strategic so that we're spending as smartly if you'll pardon the expression, as we can. It will be absolutely critical to making sure that our resources are available. It is a high-risk, high-stakes environment when funds start to be cut, people tend to want to shut down. But it is exactly the time when we need these partnerships and collaborations the most.

PHYLLIS STUBBS: Thank you, Kay. I couldn't agree with you more. Geoff, any closing comments?

GEOFFREY NAGLE: My only thought would be to -- again, everyone on this phone call may already buy into this but don't be intimidated by your state budget. I have been quite struck at how people are -- in Louisiana are afraid to really dig in to the budget to ask questions about the budget to the powers that be. And it puts us at a huge disadvantage. Even in our minimal work at the cabinet advisory board level in terms of the simple pie charts of how does the money break down in terms of use of federal funds and state funds to what general areas do those funds go to, you know, the reception we received by providing that type of information even to the budget -- even from the budget people in the state either within the agencies or within the entire Division of administration which are

supposed to be looking at everybody's budget. When they come up to you after a presentation of information you feel is basic financial information and they say that's invaluable. That will be such a help for me to do my job, it is shocking what an information void there is out there. And this could be a huge role for ECCS grantees to play in their states and it very quickly puts you into the center of the policy game for children's issues. I really hope that people will be empowered to get in there and start looking around at the numbers and poking around and trying to get an understanding of the money in your budget. Thank you.

PHYLLIS STUBBS: Thank you, Geoff. Well, I think today both of our speakers have not only given excellent verbal presentations, but the materials, the slides and the handouts that they've referenced are also excellent. I with like to thank them for taking the time to put the material together in such a way that we can all benefit from it. In closing, I would also like to thank Joe for serving as our technical moderator and I would like to thank David for delivering a difficult message with a soft glove approach. I would also like to thank Nate and Matt for the technical support their team provided us. This was the first in a series of four early childhood webcasts. We are planning three others. On March 29th our topic will be evaluations, on April 26th we'll talking about using data in systems building and on June 7th our topic will be sustainability. We'll have additional information on dates, times and speakers in the near future and again in closing, I thank you all for joining us. Good afternoon.