

R00A02

Aid to Education

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

House Education and Economic Development Subcommittee –
February 27, 2019

Senate Education, Business, and Administration Subcommittee –
March 4, 2019



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The Maryland State Department of Education (MSDE) welcomes this opportunity to share with the Committee some of its success stories and to address questions raised by the analyst.

Performance Analysis: Managing for Results

Graduation Rates for Class of 2018 Not Yet Available

MSDE should report to the budget committee on the statewide graduation rates for the Class of 2018 by LEA and how these rates compare to those of the Class of 2017.

The State Board of Education met on February 26th and was presented with the statewide graduation rate for the Class of 2018. The graduation rate for the Class of 2018 decreased 0.6 from a rate of 87.7 in 2017 to a rate of 87.1 in 2018. However, we have consistently been above the national average. For context, the Class of 2017 national average graduation rate was 84.6 percent. The Class of 2018 graduation rates by LEA have not been published. The Maryland Report Card Website (mdreportcard.org) will be updated on March 15th, with State, Local School System and School 4-year graduation rates for the Class of 2018. We will provide the information to the committee at that time.

Federal Fund Changes

Striving Readers Grant

MSDE should explain to the budget committees if it anticipates receiving funding under the grant beyond fiscal 2020 or if fiscal 2020 represents the third and final year in which funding will be provided under the grant.

MSDE does not anticipate funding for the federal Striving Readers Comprehensive Literacy (SRCL) grant beyond FY 2020. The grant is issued in three phases, and the final phase will be issued in federal FY 2020. However, this period includes all of State FY 2020 and the first quarter of State FY 21.

The United States Department of Education (USDE) has announced a new Comprehensive Literacy State Development (CLSD) competitive grant. The MSDE intends to apply for the CLSD grant to continue and extend the literacy work that began under the SRCL.

Issues

P-TECH Schools Grow in Size and Number

DLS recommends that funding for P-TECH planning grants be made contingent on the enactment of this legislation.

This program is one of the Administration's priorities. As such, MSDE respectfully disagrees.

Local School Systems and Claiming Medicaid Funding

DLS recommends that MSDE establish a working group to review how local jurisdictions could maximize Medicaid claims for school-based services, including for administrative services.

DLS also recommends that this workgroup review opportunities for LEAs to safely and securely receive student social security numbers from MSDE's direct certification system in order to claim Medicaid reimbursement.

MSDE believes this work is more closely related to the expertise of the Department of Health and the Department of Information Technology as the work relates to the security of personally identifiable information. We respectfully disagree with the recommendation that MSDE establish the work group.

Grantees Reporting Communication Difficulties with MSDE

MSDE should explain to the budget committees if it is paying out its full appropriation for 21st CCLC, and how it determines grant amounts, how it schedules grant awards and payment.

The MSDE distributes the full appropriation for 21st Century Community Learning Centers (CCLC) to fund out-of-school time (OST) programs. The selection of all OST programs is through a competitive Request for Proposal (RFP) process. Final award amounts are based on the number of students served and the number of days of program operation in each proposal. The 21st CCLC competition in Maryland is open to Maryland local school systems, interagency, interdepartmental, community and faith-based or other private or public organizations, or a consortium of two or more of the aforementioned, proposing to provide afterschool programming. For fiscal 2019, the MSDE posted the RFP in May 2018 and in September 2018, awarded \$16.4 million in 21st CCLC grants to 53 programs and 12 local school systems. Program recipients receive 15% of the award up front and the remaining funds are reimbursed based on submitted invoices. In FY 2018, the MSDE awarded \$15,085,743 to 21st CCLC OSTs. All FY 2017 funds were distributed to 21st CCLC OST recipients.

MSDE announced a new 2019 Summer Learning Program that focuses on improving academic achievement of students and decreasing summer learning loss that will be funded with accumulated carry over funds. Projects are expected to provide youth with skills and knowledge to navigate an educational path, and to develop career readiness skills. Nineteen proposals have been received in response to this competitive grant program. The awards will be announced spring 2019.

MSDE should explain to the budget committees how it can improve its communication with current and potential grantees about the amounts of funding available and the requirements under funding agreements.

The MSDE has facilitated training webinars for grant recipients at the beginning of each grant year on the program and fiscal requirements. The MSDE has scheduled additional fiscal trainings in person and via webinars. Grantees receive communication from the MSDE via emails, webinars, monitoring site visits, regional networking meetings, and newsletters.

For federal and state funded grants, the Division instituted a detailed internal peer review process to ensure sub-grantee programs plans and budgets are reasonable and expenses are allowable. Any discrepancies or questions that result during the review process are presented to the potential sub-grantee for clarification or necessary revisions.

Additionally, each sub-grantee is required to submit a signed copy of the Recipient Assurances prior to receiving a grant award. The Recipient Assurances require all sub-grantees to maintain compliance with all State and federal statutes and regulations. The OST team provides the sub-grantee with annual monitoring performance feedback, to ensure compliance with all grant requirements.

Concerns about Adequate Provider Capacity for Autism Waiver

MSDE should provide to the budget committees details on how its Autism Waiver waitlist operates, and how it is determined when children on the waitlist receive services.

The Maryland Department of Health (MDH) works with a contractor to manage the Autism Waiver (AW) Registry. The overall enrollment process, however, has remained the same since its inception. Individuals on the Registry receive services on a first come, first served basis, if eligible. When AW Slots become available, families are assigned a Service Coordinator to assist them in completing the eligibility determination or application process. MSDE and MDH grant enrollment to receive AW services once financial, technical and medical eligibility has been determined.

MSDE and MDH have made ongoing improvements to notifications regarding the registry. Families on the registry are regularly contacted to confirm interest and provide any updated contact information. Families with up-to-date contact information receive monthly information letters. Finally, age-out letters are sent to those over the age of 21 as they are no longer eligible based on their age.

MSDE should explain if its efforts have yielded expanded provider capacity for the Autism Waiver in fiscal 2019, and whether competing waiver programs that also bill for Medicaid contribute to limited provider capacity.

The MSDE and the MDH have implemented a number of program enhancements, including improved technical assistance, focused stakeholder participation, enhanced monitoring and oversight practices, and increased outreach and dissemination of information to support prospective and current providers to meet the demands of the 1,200 Autism Waiver (AW) participants and their families. In FY 2018, only two new service providers' applications were processed; one was not approved, and the other did not submit the required additional materials.

As a result of these enhancements, in FY 2019, seven new service providers have a pending approval.

Autism Waiver provider capacity is driven by ability to recruit and retain appropriately credentialed and trained staff to serve the children, youth, and families with special needs. AW service providers do compete with other home and community based waiver programs, as well as, adult service providers, in hiring for self-directed services.

AW providers report salaries as a barrier to recruit staff who are specifically trained in early intervention initiatives and Applied Behavioral Analysis (ABA) services. Staff with this level of training and proficiency command higher pay for employment than AW providers are able to pay.

Operating Budget Recommended Actions

1. Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer funds from program R00A02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

Explanation: The Maryland State Department of Education (MSDE) should not transfer any funds from Aid to Education until the transfer is reviewed by the budget committees.

Information Request	Authors	Due Date
Report on any transfer of funds from R00A02	MSDE	45 days prior to transfer

MSDE concurs.

2. Add the following language to the general fund appropriation:

. provided that \$300,000 of this appropriation made for the purpose of providing planning grants for Pathways in Technology Education Early College High Schools is contingent on the enactment of SB 167 or HB 152.

Explanation: This language makes funding for Pathways in Technology Early College High School planning grants contingent on the enactment of legislation ending a moratorium on such planning grants.

MSDE respectfully disagrees.

3. Adopt the following narrative:

Maximizing Medicaid Claims for School-based Services: Various recent reports have had multiple findings regarding opportunities for local education agencies (LEA) to potentially claim Medical Care Programs Administration (Medicaid) funding. This includes a report from a consulting firm hired to review Medicaid under the Maryland Department of Health, which found that LEAs could potentially claim Medicaid for administrative services. Meanwhile, the Office of Legislative Audits found that Baltimore City Public Schools (BCPS) did not obtain social security numbers for all of its students or review denied claims in order to maximize Medicaid reimbursement; this issue may not be isolated to BCPS. Therefore, the Maryland State Department of Education (MSDE) in consultation with local boards of education should convene a workgroup to review and make recommendations on how local jurisdictions could maximize Medicaid claims for school-based services, including for administrative services, and on how LEAs may safely and securely receive student social security numbers through the State’s direct certification system. MSDE should provide the findings from its review and its recommendations to the budget committees no later than November 1, 2019.

Information Request	Authors	Due Date
Report on maximizing Medicaid claims for school-based services	MSDE	November 1, 2019

MSDE respectfully disagrees.