

Policy Area 4:

More Resources ~~for At-risk~~ At-promise to Ensure All Students are Successful

Students

The education system proposed by the Commission is driven in large measure by the twin goals of elevating overall student performance to an international standard and eliminating achievement gaps-. This includes equity in the rate at which students are successful in achieving the CCR standard by the end of 10th grade and pursuing post-CCR pathways. Most emphatically, equity in student outcomes is a crucial linchpin of the Commission’s recommendations. This goal is not the focus of any one policy area, it permeates all of the recommendations.

Achievement of the Commission’s recommendations for an internationally benchmarked curriculum requires ratcheting up the standards for all students significantly. This will be challenging for many students at even our best schools. For low performing schools, many of which are schools with high concentrations of students living in poverty, it will require extra resources and a determined, persistent and comprehensive effort on behalf of these students, many of whom who are being left behind in our current system.

The alternative – continuing to do what we have been doing – is indefensible. It would mean that a large and growing fraction of Maryland students, those who the system is now failing, will fall even further behind. That is an unacceptable outcome, unacceptable for those students and unacceptable for a state that will increasingly depend on the contribution all of its citizens can make to the economy, political health and quality of life in our State. This is why, from the beginning of its work, the Commission placed special focus on addressing the needs of students who are being left behind by the current education system.

The Commission is recommending that more resources - staffing, funding, attention - be directed to the students who need it the most. Data shows that the State has made little progress in addressing their needs. Large gaps persist in student achievement among subgroups of students, and in many cases the gaps are growing. The largest gaps exist between all students and students from low-income families, those who do not speak English fluently (English learners), and students receiving special education services. Previously referred to as students “at risk” of failing to succeed in school, the Commission is proposing to refer to these subgroups of students as “at promise” students, meaning that they have the promise and potential to be successful in school if the education system is designed to meet their needs.

This is not simply a change in language. It is a change from the long-standing view in this country dating back to the Elementary and Secondary Education Act of 1965 that there was something wrong with the students who were performing poorly, not the education system itself. The Commission takes a very different view. After examining the education systems of countries in which all students, across the board, including students who typically perform poorly in our country, are performing much better than in the United States, the Commission concluded that the problem is not the students. The problem is the system, meaning the school system and the system of social, health and income supports outside the school. Thus, to fully understand what the Commission is proposing, to vault those least well served by the current system to much higher levels of performance, the answer will not be found simply in this policy area describing a series of special initiatives designed exclusively for low income and minority groups. That approach to education reform has produced an education system built on different expectations for different groups of students. The system the Commission has designed insists on high expectations for all students and in the totality of its recommendations provides the supports that all students will need to reach those expectations. These recommendations are intended to consign the old sorting system, so long in place, to the dustbin and to replace it with a system that will hold everyone involved accountable for getting all students to high standards and provide the resources needed to accomplish that goal.

Having said that, it is clear that students who come to formal schooling who might be homeless, who need and cannot get basic physical and mental health care, who live in a neighborhood or in a family surrounded by poverty and constant violence, whose English is poor, whose vocabulary is so small that they have difficulty understanding what is going on the classroom, or who have a disability, will need access to resources other students do not need to get the full benefits of the new system.

In this Chapter, the Commission describes ways the new system will work to greatly improve the achievement of those who up to now have achieved the least. This chapter also describes how financial resources will be distributed to schools in a way that is not only fair on its face but is calculated to close the gaping holes between the current achievement levels of our low achievers and the standards the Commission is setting. Some of those financial resources will be distributed through funding formulas matched to characteristics of the students. Some will be distributed through categorical programs that describe particular services for which those funds must be used. In some cases, schools and districts will have wide latitude in deciding how the formula funds will be used, but in other cases that latitude will be constrained to make sure that the funds are used in ways consistent with what research says will work. Throughout, the Commission has carefully considered how much additional resource will be needed by particular groups of students to get from their average current performance to the performance levels the Commission believes they can and must achieve.

Element ~~Detail~~ 4a:

- Add a **concentrated poverty weight** to the funding formula to support intensive services for students and their families to enable them to succeed in school, that are coordinated and able to meet the additional needs of students in schools located in distressed communities.
- Add fixed, categorical **funding amounts** for each school with concentrated poverty to be used to: 1) establish or enhance community schools and 2) establish or enhance school health and behavioral services.

Design Assumptions:

1. Achievement gaps between socioeconomic and racial populations are far too large in Maryland. Funding from the compensatory education formula and the concentration of poverty formula should be used to implement programs and provide resources that will close the achievement gap that exists between many student demographic populations.
2. Maryland provides substantial funding for ~~at-risk~~ students through its foundation and compensatory education funding formula which many schools utilize to provide wrap-around services to students in need of additional supports. However, top performing systems around the world provide additional funds to provide a greater degree of additional services for those students that are at the highest risk of not succeeding in school.
3. Providing a Additional funding ~~would be available~~ to schools with concentrated poverty will allow Maryland to provide funds to schools with high concentrations of poverty to enhance or establish programs and services to support the needs of students in those schools. The funding would be comprised of a fixed amount and a per pupil amount.
4. This additional funding would be available to every school with a **high** concentration of (at least ~~55%–X%~~) of its students living in poverty. This percentage ~~must be~~ is set high enough so that the students with the most need will benefit. ~~This percentage will be set by the full commission after the full commission has determined the proxy that will be used to identify students who are at risk of not succeeding in school.~~
5. A fixed amount would be provided for each school that meets the 55% threshold ~~with a high concentration (at least X%) of students living in poverty.~~ This fixed funding would be used to provide a community schools coordinator and a health services practitioner, who may work under a school health services program, school-based health center, or community-partnered school behavioral health services program. In addition to the fixed amount of funding would be an amount per student enrolled at the school. This per pupil funding (in combination with the compensatory education funding formula) could be

used to provide programs and services identified in a school's needs assessment. This would include, but not be limited to:

- a) additional extended learning time including before and after school, summer, and extended school year;
 - b) safe transportation to school;
 - c) vision and dental care services;
 - d) additional social workers, counselors, psychologists, and restorative practice coaches;
 - e) physical wellness including providing food for in-school and out-of-school time and linkages to community providers;
 - f) behavioral health services such as mental health practitioners and providing professional development to provide trauma informed interventions;
 - g) family and community engagement and supports including informing parents of academic course offerings, of opportunities for children, and of available social services as well as educating families on how to monitor a child's learning;
 - h) linkages to Judy Centers and other early education programs that feed into the school;
 - i) student enrichment experiences;
 - j) improving student attendance;
 - k) improving the learning environment at the school; and
 - l) other professional development for teachers and school staff to quickly identify students who are in need of these resources
6. The per pupil allocation should be provided on a sliding scale based on the concentration of students living in extreme poverty so that a "cliff" effect is minimized. ~~For illustrative purposes only, a school with 50% of students living in extreme poverty would receive a proportion of the per pupil amount whereas a school with at least 75% of students living in extreme poverty would receive the full per pupil amount.~~ Hence This means that, schools with 55% of its students living in poverty will receive 0% of the per pupil amount steadily increasing to 100% of the per pupil amount for schools with at least 80% of its students in poverty.
7. Schools could use existing staff to be the community schools coordinator or the health services practitioner. This will provide more flexibility for how a school can implement this item particularly if a school already is a community school or already provides health services.
8. The State should provide the full resources for the fixed amount while the per pupil amount should be wealth equalized as are all other per pupil amounts under current law.
9. The requirement to establish a community school will be phased in as follows: 1) in ~~year one~~ fiscal 2020 a needs assessment will be completed ~~and the fixed amount will be provided so that the coordinator can be hired to complete this assessment~~ and the fixed amount for a coordinator and health care practitioner

would be provided for the schools with at least 80% of students living in poverty; 2) in fiscal 2021 a coordinator and health care practitioner would be provided for the remaining schools with at least 55% of students living in poverty.

- ~~— The per pupil funding amount will be provided beginning in fiscal 2022 and is phased in reaching full funding by fiscal 2024. by year three all schools that qualify as a concentration of poverty school must have established a community school and the per pupil amount will be provided once the community school has been established (even if earlier than in year three). For community schools that already exist, the fixed amount and the per pupil amount will be provided in year one.~~
10. Funding for health care practitioners will be phased in over two years beginning in fiscal 2020.
- 9.11. MSDE may need to hire a director of community schools coordinator to provide professional development for staff at the school level as well disseminate information on and coordination of best practices.

Implementation ~~Considerations~~ Decisions:

1. For community schools, each school or school district would submit, ~~as part of its master plan,~~ an implementation plan based on an assessment of need. School or district level implementation plans should include but are not limited to:
 - a) A community based needs assessment process that may be conducted in partnership with a local capacity building organization to develop an implementation strategy for addressing the needs of the students and their families, building on and strengthening community resources near the school;
 - b) Ensuring that an experienced and qualified community schools coordinator at the appropriate administrative level is hired;
 - c) Inclusion, if possible and practicable, of community partners in geographic proximity to the school who can assist in meeting the needs identified;
 - d) Ensuring that time is made available to train staff on the support available, the need for the supports, and how to engage with the community school coordinator in accessing these supports; and
 - e) Development of strategies to maximize external non-State or local education funding.
2. Local school systems must demonstrate that funds provided under the weight are being provided to the schools in which the weight is applicable and are being used for the purpose of implementing the needs and implementation plans.
3. Local governments would be expected to demonstrate support through meaningful partnership and support that is supplemental to and does not supplant existing efforts.

4. Partner agencies such as local management boards should participate at the State level and provide necessary funding and support to enable local agencies to participate as partnering organizations.
5. Accountability measures should focus on indicators identified in the master plan that include, but are not limited to: successful implementation of the plan, number of students served and not served, time to receive services, attendance, enrichment opportunities, reduction in disciplinary actions, student and principal satisfaction, and meaningful family involvement. It is important that accountability measures and data points be clearly defined and developed locally in partnership with each school district.
6. Every year districts will be required to report on their program including progress on indicators. ~~The full commission should include this element in their discussions of accountability and governance including whether there should be consequences and what those consequences should be if progress is not being made.~~
7. Schools with a lower poverty threshold could still provide wrap-around services, organize a community school, and/or provide health and behavioral health services using their compensatory education funding.
- ~~8. The full commission is responsible for making recommendations pertaining to the State requirement that county governments maintain their effort of school funding from year-to-year and, while doing this, should take into consideration the recommendations contained in this document.~~

Element ~~Detail 4b (referred to full commission)~~: Train school staff in all schools to recognize mental health issues as well as other issues related to trauma and coordinate access to needed mental health and other services for students, as part of effort to increase school safety. (see SB 1265 [of 2018](#) – signed into law as Chapter 30)

Design Assumptions:

1. Dedicated staff at MSDE responsible for close collaboration with other youth-serving agencies to establish shared goals, processes to collect and share data and to identify ways to leverage and blend funding to support school behavioral health in schools. Dedicated staff at MSDE to coordinate with school behavioral health coordinator and staff in LEAs.
2. Each LEA shall have at least one licensed behavioral health coordinator dedicated to support school behavioral health with a Master’s Degree and behavioral health training and experience in schools (mental health coordinator in each LEA required under SB 1265 of the 2018 Session).
3. Staff in all schools will be trained to recognize student behavioral health issues, as well as students experiencing trauma or violence outside of school and how to refer students to behavioral health services.

4. Schools to develop and implement systematic screening to identify students with behavioral health needs using an evidence-based measurement approach.
5. School-Based Health Centers (SBHC) should be established or enhanced in schools with high poverty rates.
6. Scaling of school behavioral health service availability to ensure that all students have some exposure and access to behavioral health programming and services and to ensure that schools without an SBHC will organize response plans to connect all students to community-partnered school based or community behavioral health and other services, as needed.
7. Schools will be required to develop partnerships with available community resources and experts in order to develop an active and comprehensive referral network for community-partnered school based or community behavioral health services.
8. School staff will also be trained in protocols for how to support any student needing these services while he/she is enrolled in school.

Implementation Considerations Decisions:

1. Complexity of funding streams that currently exist through federal grants, state grants, local dollars, nonprofit grants and support, commercial insurance reimbursement and Medicaid reimbursement.
2. Current funding streams viewed as inadequate.
3. Current lack of capacity and access in many communities to behavioral health services and behavioral health providers.
4. Need to identify adequate staffing ratios to support student behavioral health including staffing of psychologists, social workers, professional counselors, occupational therapists (IDEA and other educational funds can help support these staff members).
5. Services needed include activities that cannot be billed to commercial insurance or Medicaid including, prevention, training, case management, behavioral health promotion, teacher consultation and team meetings.
6. Needs assessment for SBHCs is needed to determine the need to expand capacity through existing SBHCs and new SBHCs and the amount of funding needed to expand based on the assessment.
7. Parent/guardian engagement necessary to reduce stigma, permit access for students to services, enhance parenting skills and improve social, emotional and educational outcomes for students.

Element ~~Detail~~ 4c: Revise funding formula weight for **special education students**.

Design Assumptions:

1. State and federal law require school systems to identify, locate, and evaluate all students who have or are suspected of having disabilities and in need of special education and related services.
2. To ensure students are not misidentified as being disabled, the law defines a list of eligible disabilities and students must meet one of those criteria.
3. The timeline for identifying, locating, and evaluating students for special education and related services is established in State and federal law and regulation. Parental consent is required for students to be evaluated. An Individualized Education Plan (IEP) must be developed within 30 days of the date a student is identified as a student with a disability.
4. Federal law (IDEA) requires that schools provide a free appropriate public education (FAPE) to students identified as having a disability. Federal law defines FAPE as the provision of special education and related services that are provided at public expense and without charge to the parent, that meet standards set by the state education agency, and that are provided in conformity with individualized education plans (IEPs) that meet the requirement of IDEA.
5. The United States Supreme Court, in *Endrew F. v. Douglas County School District*, 137 S. Ct. 988 (2017), held that FAPE must be tailored to the unique needs of a particular student and that the school system must offer an IEP that is reasonably calculated to enable a student to make progress appropriate in light of the student's circumstances. The court ruled that a student's education program must be "appropriately ambitious" in light of his or her unique circumstances. The court also held that a student's IEP must include a statement of measurable annual academic and functional goals and enable a student to be involved in and make progress in the general education curriculum.
6. HB1415 was enacted in the 2018 session and it required MSDE, in consultation with DBM and DLS, to contract for an independent study to evaluate funding methodologies used nationally and internationally and make recommendations regarding the appropriate level of funding for special education students in Maryland.
7. Differentiated weights are preferred in principle, but APA proposed a blended weight. It is anticipated that the special education study required by HB 1415 [of 2018](#) will propose differentiated weights. In the meantime, the Commission will propose a single placeholder weight.
8. To provide special education resources, local school systems spend more than the current funding formula provides.
9. [Total](#) State and local expenditures on special education equaled \$1.567 billion in fiscal 2015. Of this, the State provided \$272 million, or 17.3% of the total. Thus the local funding accounted for the remaining \$1.296 billion.

10. ~~Given this data, and accounting for foundation funding for the education of special education students, a Aw-weight of 2.18 is recommended as the equivalent to \$13,619 in fiscal 2020 dollars is recommended as a "stop-gap" placeholder weight until the completion of the special education study required by HB1415 and until any recommendations of the study are implemented in law. This weight is calculated based on the fiscal 2015 foundation per pupil base of \$6,860. For context, the weight this amounts to about 2.5 times more than under the in current law weight. is 0.74. The weight will be recalculated once the Commission determines a new foundation base such that an equivalent amount of State funds are generated as the weight of 2.18 would generate.~~
11. ~~This placeholder The result of this stop-gap weight will result in greater parity in is that State and local funding , in fiscal 2015 dollars, increases by 195% from \$272 million to \$800 million. This increases the State proportion of expenditures from 17% to 51%for special education.~~

Implementation ~~Considerations~~Decisions:

— Because a special education study required by HB 1415 is due by December 2019, the new weight may be revised again in response to the study recommendations. It is anticipated that the placeholder weight recommended by the Commission may be in place for up to 3 years while the completed study is being reviewed and incorporated into State law.

- 1.
2. Although school districts will have discretion in repurposing ~~approximately \$529 million in~~ local funds as increased State funding becomes available, they are encouraged to reinvest a portion back into special education as appropriate to provide a robust level of services to meet the needs of the special education students.

**Table 1
Fiscal 2015 Special Education Expenditures**

<u>Adjusted Total Expenditures*</u>	<u>Fall 2014 Enrollment</u>	<u>Per Pupil Expenditures</u>	<u>Equivalent Weight**</u>
\$1,567,335,305	104,618	\$14,982	2.18

* Fiscal 2015 Selected Financial Data, excluding federal funds, infants and toddlers, and nonpublic placements. Includes fixed charges.

** Weight assumes current law per pupil base of \$6,860 in fiscal 2015 (weight of 0.74). Assuming the APA recommended base of \$10,880, the equivalent weight is 1.38.

Table 2
Fiscal 2015 Special Education State Aid

	<u>State Aid</u>	<u>% of Adjusted Total Expenditures</u>
Actual	\$271,702,887	17.3%
Using 2.18 Weight	800,442,277	51.1%
Difference	\$528,739,390	33.7%
% Difference	194.6%	

Element Detail 4d: Revise funding formula weight for English Learner students.

Design Assumptions:

1. The Commission’s preliminary report recommends increasing support for ~~at-risk~~at-promise students, including special education, low-income, and English learners (EL)~~L~~.
2. ~~The~~Because most of EL students also qualify for compensatory education funding, the compensatory education weight will provide for academic and social/emotional supports. ~~—~~ Commission is concerned that changes at the federal level relating to immigration status of documented and undocumented students will result in an undercounting of students for compensatory education purposes. It is, therefore, necessary to adjust the EL weight to ensure that students who would otherwise qualify for compensatory education would receive the resources they need to be successful. ~~Therefore, the EL weight as recommended by APA is only reflective of resources needed to specifically support language acquisition.~~ This will be done by incorporating the cost of providing the same instructional and intervention support, social and emotional support from counselors and social workers, and extended learning time through before and after school programming as well as summer school (referred to as “pupil supports”) that are included in the compensatory education weight into the EL weight. This would require a concomitant adjustment for calculating the compensatory education formula such that the compensatory education weight would only be applied to students who are not also English learners (i.e., an unduplicated count), as discussed below in Element 4e.
- 2.3. This weight would be provided for each student who is determined to be an English learner.
- 3.4. ~~In addition to what APA recommended,~~ the EL weight should be sufficient~~increased~~ to allow for the provision of a family liaison or services specific to supporting families and connecting home to school. The services that a family liaison would provide or coordinate could include: translation services for communication between school personnel and parents through a bilingual liaison, cultural competency training for school personnel, other family support

and family engagement, and referrals to outside resources that a school may not be able to directly provide. A school can determine what services would best meet the needs of their students.

- 4.5. EL teachers must have specialized training, proficiency in the other language(s), and cultural competency.

Implementation Considerations:

- ~~1. The workgroup is concerned that changes at the federal level relating to immigration status of documented and undocumented students will result in an undercounting of students for compensatory education purposes. It may be necessary to adjust the EL weight to ensure that students who would otherwise qualify for compensatory education would receive the resources they need to be successful. It will be important to establish methods to identify low income immigrant students.~~

Element 4e: Revise the funding formula weight for compensatory education.

Design Assumptions:

1. Provides additional resources for instructional and intervention support, social and emotional support from counselors and social workers, and extended learning time through before and after school programming as well as summer school (referred to as “pupil supports”).
2. The following table shows the additional resources identified by APA under the evidence based and professional judgement study panels and adopted by the commission. These are resources in addition to the resources identified in the recommended base per pupil amount.

	<u>Elementary School of 450 students 50% Comp. Ed. (225 students)</u>	<u>Middle School of 720 students 50% Comp. Ed. (360 students)</u>	<u>High School of 1,200 students 50% Comp. Ed. (600 students)</u>
Personnel (FTE)			
<u>Instructional Staff</u>			
<u>Teachers</u>	<u>2.0</u>	<u>3.0</u>	<u>5.0</u>
<u>Instructional Facilitator (Coach)</u>	<u>1.0</u>	<u>1.0</u>	<u>2.0</u>
<u>Teacher Tutor/ Interventionist</u>	<u>1.0</u>	<u>2.0</u>	<u>3.0</u>
<u>Pupil Support Staff</u>			
<u>Counselor, Social Worker, PPW, Behavior Specialist, etc.</u>	<u>2.0</u>	<u>3.0</u>	<u>5.0</u>
<u>Administrative Staff</u>			
<u>Dean</u>	-	<u>1.0</u>	<u>1.0</u>
<u>Other Staff</u>	-	-	-

School Based Site/Service Coordinator	1.0	-	-
Other Costs (per student amounts)			
Supplies, Materials and Equipment	\$100	\$100	\$100
Additional Programs (Summer School, Before and After School, etc)	\$1,537	\$1,537	\$1,537
District-Level (Alternative School)	\$125	\$125	\$125

3. Total funding generated by all free and reduced price meal students calculated under current law amounts to \$5.4 billion including the base per pupil amount.
4. Because the Commission determined to include pupil supports in the English learner weight under element 4d, the compensatory education weight will be applied to low-income students who are *not* also English learners.

Element 4f: Determine proxy for poverty to be used in the compensatory education formula and new concentration of poverty formula. While Maryland should continue to use poverty as a proxy count for educationally disadvantaged students in its compensatory education formula, it should transition away from its current practice of using FRPM eligibility to determine counts and instead, Maryland should determine its student poverty counts by using direct certification including Medicaid eligibility.

Recent developments have created difficulties in continuing to use FRPM counts for education aid formulas around the country. Most significant has been the implementation of the Community Eligibility Provision (CEP) of the federal Healthy, Hunger-Free Kids Act, under which entire schools or school districts that meet specific poverty threshold may provide free-meals to all students, regardless of income level. This means that the individual counts that are required for the compensatory aid formula are no longer available for participating schools and school districts. The Maryland Hunger-Free Schools Act (Ch. 665 of 2017) established a methodology to determine the compensatory enrollment count for schools and school districts participating in CEP, for fiscal 2017 through 2022, as a stopgap measure. Currently, Baltimore City, Dorchester County, and Somerset County participate in CEP district wide and schools participate in CEP in several other districts.

The Commission was charged with recommending a new proxy to be used in the education formulas and reviewed the report from APA, which recommended either continuing to collect FRPM certification forms, which imposes an administrative burden on school systems and may not provide an accurate count, or to use direct certification counts plus a multiplier. The Commission also explored another option to use direct certification and Medicaid eligibility as a more accurate replacement for FRPM.

Direct certification refers to federal programs that certify income eligibility for participants, including the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, foster care, Head Start, Even Start, migrant students, and homeless students. These programs use eligibility thresholds that are below 185% of

FPL, which is the income limit to receive a reduced price meal (free meals are provided to students with family incomes at/below 130%). Thus using direct certification alone will produce lower enrollment counts than the current FRPM count unless a multiplier is used to approximate the actual FRPM count. However, establishing a multiplier that accurately estimates a FRPM count for each school system and for each school is not possible.

Design Assumptions:

1. The Commission recommends that Maryland transition to using counts of students whose families qualify for certain thresholds of Medicaid, while also including students identified through Maryland's direct certification system.
2. Medicaid is appropriate to be included because one of its eligibility thresholds equates to 185% FPL, which matches the maximum FPL threshold for FRPM. This will enable the new proxy to count students living in similar poverty levels to the current FRPM count. Statewide, Medicaid has a 0.994 correlation with FRPM.
3. Medicaid data also meets many additional criteria required for an alternative count; it is accessible, transparent, student-level, updated annually, does not require the use of a multiplier, and distributes funding in similar proportions by school system to the FRPM method.
4. Several states (e.g., Illinois, Indiana, Massachusetts, and Michigan) have already begun using Medicaid and direct certification counts for their own compensatory programs.
5. A new direct certification information technology system is currently under development by MSDE, which will allow MSDE to verify student eligibility for the school systems.
6. While Medicaid and FRPM counts are highly correlated statewide, the Medicaid counts are somewhat higher than FRPM counts. This is due to various reasons, including the fact that not all children whose families qualify for Medicaid in Maryland attend public schools. Therefore, in order to determine the public school Medicaid count, the State will have to perform a match between its Medicaid counts and enrolled students.
7. Medicaid may undercount in instances when families with incomes below 185% FPL do not enroll in Medicaid, resulting in these students being excluded from the enrollment count. However, most if not all of these students would ultimately be included in the count through the direct certification system assuming they have enrolled in other assistance programs.

Implementation Decisions:

1. The State will need to ensure that MSDE and the Maryland Department of Health (MDH) can safely and securely exchange student level data. Therefore,

the Commission recommends that MSDE and MDH complete a memorandum of understanding on how and when student data will be exchanged so that this data may be used in a safe and secure way to determine enrollment counts.

2. Maryland will have to modify its new direct certification system so that it can receive and process Medicaid data, while not double counting students who appear in Medicaid counts and counts for other categories. Under its current contract, Maryland's direct certification system is scheduled to be fully operational for school year 2019-2020. However, in order to add a Medicaid function for the system, this contract will need to be expanded.
3. Until the direct certification system is ready to handle the Medicaid counts, the Commission recommends that the State continue to use its current methodology of using FRPM counts as a proxy count for its compensatory aid formula, along with its alternative method for CEP districts.
4. Additionally, if the State's direct certification system is not able to handle Medicaid data before the end of fiscal 2022, legislation should extend the State's ability to calculate compensatory enrollment counts for CEP districts as it does currently under Ch. 665 to a year in which the system is ready to handle Medicaid.

Developing Total Cost for Elements in Policy Area 4

The design assumptions and implementation considerations were used to guide the process of estimating the additional cost for each element. Total costs include State and local funding. The following is a summary and the full detail of the assumptions and methodology for costing out each element is in Appendix XX.

Element 4a Concentration of Poverty: Actual data for the 2016–2017 school year was used to identify all public schools in the State with at least a 55% poverty level. The data used the actual poverty level and the number of students at each of these schools. The salaries for both the community school coordinator and the health services practitioner were based on actual salaries in Maryland of a social worker and a physician's assistant, respectively. Benefits including pensions were estimated and included. A per pupil amount was determined that would provide the services that a community school would provide. This amount was then linearly plotted such that it increased from \$0 for schools with 55% poverty to \$3,265 for schools with at least 80% poverty.

Element 4b Health and Behavioral Health: Estimating the cost of this element was done as follows: 1) estimating salary and benefit amounts for the required coordinators at the Maryland State Department of Education and in each LEA; 2) estimating training costs; and 3) expanding school based health centers. For the remaining items under this element it was determined that existing resources would be sufficient.

Element 4c Special Education: Estimating this element involved a comparison of current law costs via the weight alone to the costs under the proposed placeholder weight alone, using the same enrollment assumptions in both cases. The estimate accounts for the placeholder weight of \$13,619 per pupil in fiscal 2020 dollars exceeding the current law per pupil weight of \$5,631 by \$8,258 per pupil. However, the estimate involves a two year phase-in of costs. Though it is assumed that the placeholder weight will be altered by fiscal 2023 (following the study required by HB 1415 of 2018), cost estimates are shown through fiscal 2030.

Element 4d English Learners: Estimating this element was done by comparing the total revenues generating for an English learner, including both the base per pupil amount and the amount generated by the weight for these students, under current law and under the APA recommended base and weight as identified in this element. Under current law a total of \$14,416 per English learner in fiscal 2020 dollars would be generated. Under this element a total of \$18,614 would be generated. The difference of \$4,198 was then multiplied by the estimated number of English learners in the State to reach the total new cost.

Element 4e Compensatory Education: A method similar to that used for English learners was applied to estimating compensatory education. Total funding under current law including the base per pupil and the amount generated with the weight was compared to funding under the APA recommended base and weight as identified in this element. It should be noted however that the APA recommended base was multiplied by all students eligible for free and reduced price meals whereas the weight was only applied to the number of students who are eligible for free and reduced price meals but who are NOT also eligible for the English learner weight. This unduplicated count is important to use given that pupil support resources are also included in the English learner weight.

As shown in Exhibit XX, the annual new cost for all of the elements in Policy Area 4 is estimated to be \$331.5 million in year 0 (fiscal 2020) and increasing to \$2.2 billion by year 10. The costs in the exhibit represent the cost of this policy area in isolation from other policy areas. See Chapter 7 for an explanation of deductions of costs that overlapped with costs already identified in another policy area as well as cost savings.