



To: Representative Troy Waymaster, Chair of House Appropriations Committee and members of the House Appropriations Committee

From: David Jordan, President & CEO, United Methodist Health Ministry Fund

Date: January 22, 2020

RE: Early Childhood Learning Trip to North Carolina

Thank you for your willingness to provide the United Methodist Health Ministry Fund (Health Fund) an opportunity to brief the committee on the early childhood learning trip to North Carolina that took place in November.

The United Methodist Health Ministry Fund has a long history of supporting convenings and learning trips to learn best practices from other states. In alignment with our strategic focus on early childhood development, this year we planned a trip to North Carolina to learn about their early childhood system.

As we worked with national partners to identify states to visit, North Carolina emerged as the top pick. North Carolina has long been viewed as a leader on early childhood issues and continues to work to improve how the state supports its most valuable assets – its children. North Carolina is in the midst of implementing a robust early childhood action plan developed with support from the Preschool Development Grant, and is seeking to use Medicaid, through the transition to managed care, to maximize and connect the fully range of supports young children (0-5) and their families may need. North Carolina's early learning system and home visiting services serve as a national model as well.

With that in mind, our goals for the trip were to:

1. Learn from North Carolina leaders on how they have or seek to structure and align their Medicaid, early learning, and home-visiting systems to best support children
2. Participate in experiential site visits to gain understanding of how early learning centers and home visiting services are implemented in urban, rural and suburban settings to help envision how this work could be supported in a variety of settings in Kansas
3. Foster relationships with North Carolina administration and agency peers to help support use of best practices in Kansas
4. Learn about financing for North Carolina's early childhood system and the role of public-private partnerships
5. Utilize learning from the trip to help build shared knowledge among Kansas' early childhood leaders that can inform the evolution of the field in Kansas, and to strengthen relationships between? Kansas' administrative and legislative leaders seeking to advance early childhood

With those goals in mind, we partnered with North Carolina's Governor's Office, the North Carolina Department of Health and Human Services, the Pritzker Children's Initiative and the Hunt Institute to develop an agenda for the trip that included a wide variety of learning opportunities. Below are some key take-aways from the learning.

#### **Key Program & Policy Lessons (additional learnings included in attached PowerPoint)**

**Maximizing Medicaid to support kids 0-5.** More than many other states, North Carolina uses Medicaid to support children 0-3 under the program's broad and comprehensive pediatric benefit protections (EPSDT). The state is also in the midst of implementing a Medicaid transformation process, moving most Medicaid beneficiaries into managed care plans (MCOs).

The state is seeking to use new agreements with managed care organizations to prioritize prevention for young children. The trip provided an opportunity to understand what North Carolina's Medicaid system is already doing to support children, specifically in the areas of screening and reimbursement practices to improve access to services. The trip will also allow them to learn how NC seeks to leverage the managed care transition to prioritize and better serve young children and their families. The state is in the process of drafting final contracts with plans now, based on a robust RFP. For example, the Medicaid agency plans to require MCOs that do not meet a minimum 75% EPSDT screening threshold to adopt a child-focused Performance Improvement Project. The state is also piloting a more comprehensive focus on Social Determinants of Health (SDOH) in selected communities, including a digital platform for SDOH screens/referrals/tracking as part of their Medicaid waiver.

**Financing of services and public private partnerships.** North Carolina has strong early childhood leadership, which helped to create a robust early childhood system that has enjoyed a strong bipartisan commitment to sustainable state funding. State funding has also leveraged federal funding, including child care development funds and Medicaid. There is also a history of important public-private partnerships.

**Home visiting services and structure.** North Carolina's home visiting services are funded primarily by local Smart Start partnerships, MIECHV and a state appropriation for Nurse Family Partnership. The state also has a waiver to pay for services through Medicaid. North Carolina is also in the midst of a planning process around home visiting and parent education. The goal of the planning process is to create a more seamless approach to home visiting and parent education assuring that more families are being served and that they are being served in the right programs. One other aspect that was a key take-away was that North Carolina's use of uniform screening and referral systems as part of home visiting programs ensured kids and families were referred to the most appropriate home visiting program.

**Childcare licensing.** North Carolina is seen as a national leader for their work to create a quality early childcare system and to build and maintain a well-trained early childhood workforce. To maintain and improve quality, the state uses a 5-star rating system that is tied to reimbursement. Improvements are made through local Smart Start Partnerships that maintain quality locally in 100 counties throughout North Carolina. Smart Start state appropriations fund much of the quality improvement work. Several years ago, the legislature passed a law mandating that all children on subsidy must be in a child care program that is rated at least a 3-star level. As a result, it is estimated that 90% of kids are in settings with 4- and 5-star care.

**Incentivizing Quality Workforce.** North Carolina leverages state and federal funds to support three programs known as the TEACH, WAGE\$, and Infant Toddler programs to support child care providers in completing their associate's, bachelor's and master's degrees, and increasing their compensation through subsidy bonuses.

### Next Steps

It is important to note that many of the learnings of this trip align with bi-partisan efforts of Kansas legislature and the work of the administration to improve early childhood in Kansas. At the Health Fund, we see investment in early childhood as critical to improving health and school readiness. With a 7:1 return on investment, there is no better investment. Our hope is to continue to partner with legislative leaders like you to make Kansas the best state to raise a child.

# North Carolina Early Childhood Learning Trip

House Appropriations Committee  
January 23, 2020



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## EARLY CHILDHOOD DEVELOPMENT

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- Ensure children are physically, mentally, and socially healthy and go to school ready to learn
- Investments in early childhood interventions can have a ROI of 7:1



# Early Childhood Development

- Young Children's Mental Health through supporting 13 regional ASQ:SE/maternal depression screening projects (2011- present)
- Breastfeeding support through maternity care practices and support of state and local efforts (2009- present)
- Support of ABC project utilizing evidence-based home visiting program targeting children 6-24 month at high risk to the effects of toxic stress

# North Carolina Trip Attendees

**Secretary Laura Howard**, Department of Children and Families/ Kansas Department of Aging and Disability Services

**Senator Dinah Sykes**

**Representative Monica Murnan**

**Representative. Troy Waymaster**

**Representative Susan Concannon**

**Melissa Rooker**, Children's Cabinet

**Jackie Counts**, KU CPPR

**Rebekah Gaston**, Department of Children and Families

**Karen Beckerman**, Department of Children and Families

**Amanda Petersen**, Kansas Department of Education

**Ashley Jones-Wisner**, Kansas Department of Health and Environment

**Liz Dunn**, Kansas Department of Health and Environment

**Deanna Van Hersh**, Kansas Health Foundation

**Kristi Zukovich**, Kansas Health Foundation

**Betsy Wearing**, Dane G. Hansen Foundation

**Katie Schoenhoff**, UMHMF

**David Jordan**, UMHMF

**Bailey Stiggins**, BowerComm

# NC Early Childhood System

## Public

- **Department of Health and Human Services**
  - Division of Early Education & Care
  - Division of Public Health
  - Division of Mental Health
  - Division of Medical Assistance
- **Office of School Readiness**
- **Department of Public Instruction**
  - **Head Start**

## Private

- **NC Partnership for Children (NPO)**
  - **75 local partnerships across the state's 100 counties**

\*Funded through state appropriation, federal dollars and private local fundraising



# 5 Takeaways for Kansas





# #1 – Bipartisan commitment to early childhood

## State-wide bipartisan commitment to support and fund early childhood programming

- Exemplified through the funding of 75 early childhood “hubs”/local partnerships
  - Approximately one per county, though some serve multiple counties.
- Recognition that early childhood programs are a feeder to businesses and central to business competitiveness –both in terms of workforce readiness and to recruiting new businesses

## About the “Hubs”/Local Partnerships

- Serve as resource and referral networks
- Comprehensive programming for children 0-8
- Business leaders, local legislators, schools, and parents are bought in to the system.
- Everyone’s children use services
  - Businesses and community members serve on the board
  - Locals support with donations/fundraising (approximately 8-10% of budget comes from local support)
  - Funding and support maintained as a result of local advocacy catalyzed by hubs

## True collaboration and partnership with the schools

- “We make sure our kids are ready for schools, and our schools are ready for kids.”
- Early Childhood focused on learning measures instead of test scores

# #2 – Early childhood is central to all state planning and policy efforts

Beginning in the 1970's Governor Hunt began requiring the incorporation of Early Childhood

- He mentioned it in every speech, put it at the top of every piece of paper
- He required cabinet members to include it on every agenda and report, made sure everyone had the early childhood plan displayed in their offices
- “Everyone is an early childhood stakeholder”

## Commitment

- The system is maintained because it's engrained
- Early childhood system seen as critical economic development and maintaining business friendly climate

## Creation of Early Childhood Action Plan

- Provides a framework for action across public and private stakeholders
- Measurable outcomes
- 10 data informed goals
- Executive order by Governor Roy Cooper in 2018





# #3 – Use Incentives to Achieve Quality Workforce & Care Across Early Childhood Settings

North Carolina understands that Quality = Funding

Programs like T.E.A.C.H., WAGE\$ and Infant Toddler Educator Award\$ demonstrate commitment

- T.E.A.C.H. offers scholarships for those pursuing higher education to become early childhood educators
- WAGE\$ and Infant Toddler Educator Award\$ are education-based salary supplements for low-paid teachers, directors and family child care providers working with children 0-5.
- Kansas utilized T.E.A.C.H. and WAGE\$ in past
- New infant/toddler subsidy is beginning to encourage providers to work with younger children

Licensure process incentivizes quality

- 1-5 Star Rating System for childcare centers/in-home providers
- Funding for subsidies is tied to quality centers



# #4 – Universal Home Visiting

## NC aiming to increase utilization of home-visiting

- Funding from local partnerships/hubs
- Medicaid waiver also provides funding/reimbursement to support services
- Comprehensive referral system
- Alignment with other programs and services
- Limited state appropriations (just Family Connects)

## Duke's Family Connects Program (Pilot)

- Nurses schedule a home visit before discharge from the hospital; visit 3 weeks post-partum
  - 80% take up rate in three counties, and available to all families
  - Not based on income
- Nurse can refer, and provide linkages to other community supports
- Outcomes – 44% lower rates of child maltreatment investigations; Rate of maternal health problems is 18% lower
- Oregon exploring use of private dollars, private payers and Medicaid to support program

# #5 – Maximizing Medicaid Supports for Early Childhood

Prioritizing early childhood as part of Medicaid & holding MCOs accountable

## Medicaid services :

- Universal Screenings
- Integrating with Social Determinates of Health including social supports
- Homevisiting
- Care coordination

## Data Systems:

- Integration within EMR and streamlining screening and referral tools
- Care coordination
- Billing
- Full inventory of needs and utilization
- Track community needs and creates feedback loop

## Sustainability

- How do you maximize federal dollars – Medicaid key funding source
- How do you braid funding with other state, local, and federal sources

# Alignment with Kansas Early Childhood Planning

- **Cross-agency team focused on improving early childhood system and developing action plan, including public private partnerships**
- **Exploring how to scale universal home visiting**
- **Piloting quality improvement in early care settings**
- **Building onto screening referral tools in use in Kansas**
- **And, more.**



# Recent Health Fund Supported Early Childhood Resources

- **Furthering Federal Funding to Bolster Outcomes for Kansas Kids,** [https://kac.org/wp-content/uploads/2019/04/FedFunding\\_4.pdf](https://kac.org/wp-content/uploads/2019/04/FedFunding_4.pdf)
- **The Benefits of Home Visiting,** [https://kac.org/wp-content/uploads/2019/04/homevisit\\_328.pdf](https://kac.org/wp-content/uploads/2019/04/homevisit_328.pdf)
- **Maximizing Medicaid for Kansas Kids,** <https://kac.org/wp-content/uploads/2019/03/Medicaid-3.20.pdf>.
- **Early Childhood Education in Kansas: Challenges and Opportunities,** <https://kac.org/wp-content/uploads/2019/03/Childcare-3.11.pdf>



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