



Capitol Watch for Children

An update on state and federal policies affecting Pennsylvania's children

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Pennsylvania Partnerships for Children

Federal Update

President Bush Vetoes SCHIP Bill for Kids

Both chambers of Congress recently passed a bipartisan conference agreement that would have reauthorized SCHIP for the next five fiscal years before the end of the fiscal year (which ended on September 30). Despite support for the measure from his own party, President Bush carried through with his threat to veto the measure. In a joint press release with Philadelphia Citizens for Children and Youth, PPC expressed deep disappointment with the veto. "I do not understand how the President could veto this bill with such strong support across the board," said PPC's President and CEO Joan L. Benso. "It seems unfathomable to deny the will of the people—and leave millions of children vulnerable to a medical disaster."

The bill would:

- Provide \$35 billion in new funding. Under pay-as-you-go rules, the funding would be paid with a new \$0.61 cent increase in tobacco taxes. Total five-year funding for SCHIP would be \$60 billion when the new funds are combined with existing funding;
- Cover about 4 million additional children who would otherwise be uninsured;

- Establish a new funding formula that bases allotments on previous and projected expenditures and provides for recalibration in later years;
- Limit the time that states can hold onto their allotments to two years (they currently have three years);
- Replace the Centers for Medicare and Medicaid Services (CMS) directive (see September Cap Watch for details) with new collaborative ways to deter crowd-out of private insurance. Of importance, the measure allows states to cover children in families earning up to 300% FPIG before triggering certain crowd-out deterrents, instead of the August directive of 250% FPIG;
- Cap the use of federal SCHIP funds to cover children up to 300% FPIG. States that wish to cover children in families earning more than 300% would be entitled to a lesser matching rate (the Medicaid matching rate);
- Provide an incentive pool of funds to reward states for exceeding enrollment benchmarks;
- Establish outreach grants to improve enrollment of certain groups;

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- Allow states to use social security numbers for citizenship verification;
- Allow states to utilize express lane eligibility;
- Provide standards for states to use federal funds for premium assistance programs;
- Establish a new quality initiative to make sure that quality of care coincides with access to care.

The U.S. House passed the measure by a vote of 265-159. Nearly all Democratic House members voted for the measure, along with 45 Republicans. Of interest, 16 of Pennsylvania's 19 members of the U.S. House voted to reauthorize the program, including Representatives Altmire, Brady, Carney, Dent, Doyle, English, Fattah, Gerlach, Holden, Kanjorski, Patrick Murphy, Tim Murphy, Murtha, Platts, Schwartz, and Sestak. All Pennsylvania Democrats voted for the measure along with five Republicans (Dent, English, Gerlach, Tim Murphy, and Platts). The Senate passed the measure by a vote of 67-29. Senators Casey and Specter voted for the measure. "We are proud that the vast majority of our congressional delegation put partisan politics aside and supported the measure. These Representatives and Senators deserve high praise for their work on behalf of children's health," said Benso.

Congress will now attempt to override the veto. PPC will be working with our national partners and allied organizations in the Commonwealth to make sure that Congress overrides the veto and SCHIP will be reauthorized.

Strong Pre-Veto Bipartisan Activities Supported Reauthorization

In the days and weeks leading up to the SCHIP votes in Congress, there was a flurry of activity in Pennsylvania showing support for SCHIP reauthorization. More positive editorials and op-eds were published in Pennsylvania newspapers. As of press time, about 45 editorials and op-eds supporting SCHIP reauthorization had been published.

In addition, Pennsylvania's U.S. Representatives and Senators spoke out against the August SCHIP directive from the Centers for Medicare and Medicaid Services (CMS). Senators Specter and Casey signed onto a bipartisan letter to President Bush requesting that he withdraw the flawed directive. And Representatives Schwartz and Dent led the Pennsylvania delegation in sending a letter to Department of Health and Human Services Secretary Leavitt, urging him to reconsider the directive. The following Representatives signed onto the letter: Altmire, Brady, Carney, Doyle, English, Fattah, Gerlach, Holden, Kanjorski, Patrick Murphy, Tim Murphy, Murtha, and Platts. In the letter, the Representatives expressed concern that the administrative hurdles imposed by the directive "will make it prohibitive for states like Pennsylvania to implement responsible expansions that are providing benefits to some of our neediest children."

State officials joined the effort to support SCHIP reauthorization as well. House Speaker Dennis O'Brien (R-Philadelphia) sent a letter to the Pennsylvania congressional delegation urging them to "make sure that the CHIP coverage extended to Pennsylvania's hard working families and their children continues as promised."

Finally, Governor Rendell signed onto a bipartisan letter with 29 of his colleagues calling upon CMS to "reiterate its commitment to the state-federal partnership under SCHIP by immediately rescinding its August 17, 2007, letter and joining governors in our efforts to reauthorize SCHIP this year." In addition, Gov. Rendell delivered a national radio address, outlining his opposition to President Bush's plan to veto the reauthorization bill.

Rendell signed onto another letter with 29 colleagues urging Pres. Bush to sign the bipartisan SCHIP reauthorization bill. The governors note in the letter: "The legislation passed by Congress last week represents a bipartisan consensus and is the solution to ensure states and the federal government



meet our moral obligation to care for our youngest and most vulnerable Americans.”

Federal Budget Update

Congress enacted a continuing resolution to keep government functioning before the close of the 2007 federal fiscal year on September 30. The stopgap spending bill became necessary because Congress has yet to adopt any of the 12 annual appropriations bills that make up the federal budget for the 2008 federal fiscal year. With new leaders and new budget priorities, Congress crafted spending bills that make

increased investments in key non-defense domestic discretionary programs. The president has threatened to veto any and all appropriations bills that stray from his budget requests.

Of interest, the continuing resolution contains funds for SCHIP, so the program does not go without funds while the reauthorization of the program is worked out. The continuing resolution expires in mid-November, giving Congress and Pres. Bush more time to negotiate and hopefully avert a budget meltdown.

State Update

Teacher Certification Revisions Take Effect

Changes to regulations dealing with teacher education and certification became effective on September 22, upon publication in the *Pennsylvania Bulletin* by the State Board of Education. The regulations realign teacher certification and establish new teacher training requirements.

Beginning in 2013, those with early childhood certificates will be permitted to teach children in pre-K through fourth grade; those with elementary/middle level certificates will be permitted to teach children in fourth through eighth grades; and those with secondary certificates will be permitted to teach those in ninth through twelfth grades. The regulations also provide for new special education certifications and establish teacher training requirements to meet the needs of diverse learners.

“The State Board’s new regulations are based upon years of increasingly convincing research about the developmental learning needs of children and should, therefore, promote higher levels of achievement by children, said PPC’s Joan Benso. She added, “The State Board’s approach to this issue is a sensible one. It will result in more young children leaving third or fourth grade as able readers and

good students, ready for the rest of their school experience. It will result in more middle-level youngsters having the support they need to make the difficult transition through early adolescence without developing problems that lead so many today not to graduate.”

State Revenue Update

The Pennsylvania Department of Revenue reported that the Commonwealth collected \$2.5 billion in general fund revenue in September. This is \$54.5 million or 2.3 percent more than the official estimate. Fiscal year-to-date collections total \$5.9 billion, which is \$71.9 million or 1.2 percent above the official estimate.

CHIP Enrollment Growing

According to the Department of Insurance, statewide CHIP enrollment reached a milestone of 164,485 in September. Since the implementation of the Commonwealth’s “Cover All Kids” CHIP expansion in March, overall enrollment has grown by 10,000 children. The September enrollment is an increase of more than 17,000 children compared to September 2006 enrollment.



Honoring Afterschool Programs

The Pennsylvania Senate expressed support for and appreciation of afterschool programs by adopting a resolution designating October 18, 2007 as “Lights on Afterschool! Day” in Pennsylvania. The resolution notes that nearly 1.8 million school-age children and youth in Pennsylvania return from school to a home where each parent is working and many of these children are unsupervised for 20-25 hours per week. The resolution proclaims that afterschool programs provide safe, challenging, engaging and fun learning experiences to help children and youth develop social, emotional, physical cultural and academic skills. Senator Rhoades (R-Schuylkill) introduced the resolution in the Senate. Representative Wheatley (D-Allegheny) introduced an identical resolution in the House. Adoption of the House resolution is expected soon.

State Board Discusses Graduation Competency Assessments

The State Board of Education held an Invitational Roundtable on Graduation Competency Assessments (GCAs) Sept. 20 in Harrisburg. The purpose of this Roundtable was to discuss how GCAs might work at the school district level, if they were to be implemented. Roundtable participants were asked to comment on a number of questions: how many GCAs and in what content areas; what would it take to pass; how frequently would GCAs be administered by districts; how many times should students be able to retake exams, etc. The State Board of Education announced that they would be conducting two or three more Roundtables around the state this fall.

Nationwide Pre-K Investments Chronicled

A record-breaking 36 states increased funding for pre-K according to a report released by Pre-K Now titled: *Votes Count: Legislative Action on Pre-K Fiscal Year 2008*. The annual state-by-state analysis of

legislative support for pre-K shows historic momentum for funding early education across the country.

“With a final increase of \$75 million, Pennsylvania came through with one of the biggest state increases this year,” said Libby Doggett, executive director for Pre-K Now. “We congratulate state legislators for overcoming the political and budget challenges they faced so that more children can be ready for kindergarten and beyond.”

Pennsylvania was among the 36 states – including eight which anticipate enrollment-based budget growth – that increased funding for pre-K, a number that breaks last year’s record of 34, and far exceeds the FY05 record of 15. A total of \$528 million in new funds will allow at least 88,000 more children to attend pre-K. Seven states are now providing or phasing in pre-K for all children and three states moved to fully fund pre-K for all eligible at-risk children.

Additional report findings include:

- *A total of \$4.8 billion in state funds will be spent in FY 2008 nationally – this is a \$2 billion increase in just three years;*
- *Eight of the 36 increasing states anticipate enrollment-based pre-K budget growth;*
- *Just one state, Florida, decreased pre-K funding;*
- *Iowa and Pennsylvania had the highest increases at 241 percent and 135 percent, respectively; and*
- *Ten states still do not have pre-K programs, resulting in more than 500,000 children without access to quality, state-funded pre-K settings which have been proven to help all children.*

The report can be viewed at

http://www.preknow.org/documents/LegislativeReport_Sept2007.pdf

Making Diplomas Count for All Students

In “Ensuring Success for All High School Graduates,” PPC recommended that the



Commonwealth take steps to assure that all Pennsylvania high school graduates have the academic foundation they need by improving our statewide student accountability and support system. PPC urges the Commonwealth to develop and require that every student take a series of statewide end-of-course exit exams called Graduation Competency Assessments (GCAs) that are aligned to state standards in English/language arts, math, science and social studies to graduate from high school. The proposal should be phased in by 2014.

One of the requirements to graduate from public high school in Pennsylvania is that students must demonstrate achievement of the state standards either by scoring proficient or advanced on the 11th grade PSSA or a local school district assessment that is aligned to the state standards. In 2006, 45 percent of public high school seniors (nearly 57,000 students) who graduated in Pennsylvania did not score proficient on the 11th grade reading and math PSSAs or 12th grade re-take, or did not take the PSSAs – yet received high school diplomas based on local assessments. The report shows that 461 of Pennsylvania's 498 school districts that awarded high school diplomas in 2006 graduated at least 20 percent *more* students than scored proficient on the 11th grade PSSAs and 12th grade re-take.

The report concludes that the state has a responsibility to ensure that all high school students receive a diploma that confirms their achievement to the state standards and creates the same opportunity for all students everywhere to be successful.

“Pennsylvania is a state with a long history of local control over education matters, but we have an obligation to our youth to take steps to assure that all students have met the Pennsylvania academic standards which prepare them for the next phase of their lives,” said Joan L. Benso, President and CEO of Pennsylvania Partnerships for Children (PPC).

“The disparity between graduation rates and performance on PSSAs is cause for alarm.”

Benefits of the GCA include placing assessments closer to the point of instruction and creating a sense of relevance for testing and progress of all students; assessing smaller bodies of knowledge at one time; allowing students to begin taking the GCAs earlier and having multiple opportunities to retake and pass; and diagnosing specific areas of weakness allowing for targeted remediation. Replacing the local assessment with GCAs would build common expectations for all youth across the state and create uniform accountability for students in all school districts.

PPC's report notes that the Commonwealth should take a more comprehensive approach to providing support to students, teachers and school districts by developing a model core curriculum; implementing a sixth and ninth grade intervention system; creating remediation for students who don't pass the GCA; and other reform measures.

Data used in the report shows that 25 states have or are phasing in mandatory high school exit exams which require students to pass an exam or series of exams to receive a high school diploma. By 2012, more than 70 percent of all American public high school students will be required to take and pass one or more exit exams to receive a high school diploma.

The PPC report can be found online at: http://www.papartnerships.org/ensuring_success/index.asp

PPC Releases its 2007 School Readiness Report

PPC released its annual report on *School Readiness in Pennsylvania*, highlighting key indicators that illustrate the health, education and well-being of our youngest learners. The indicators are divided into four categories that measure school readiness: Ready Communities & Families; Ready Services –



Health; Ready Services – Early Care & Education; and Ready Schools.

The report indicates that investments in school readiness programs have reached an all-time high, due in part to the implementation of the Commonwealth’s “Cover All Kids” CHIP expansion and the growth of early learning programs. With the passage in July and recent implementation of Pre-K Counts, more children than ever before have access to high-quality pre-kindergarten this school year leading to even stronger gains next year. However, despite the gains, more needs to be done to provide access to child care and improve the quality of child care.

“Without a doubt this is a positive report card for Pennsylvania,” said Joan L. Benso. “The Commonwealth clearly is taking important steps to improve the school readiness of our youngest learners and should continue its successful investment strategy in the years to come. We look forward to releasing this report annually so policymakers, parents and the public can see how far we’ve come – and what more needs to be done.”

The report can be found online at:
<http://www.papartnerships.org/sr2007/index.asp>