

Texas Commission on Special Education Funding

WORKING GROUP RECOMMENDATIONS FOR CONSIDERATION

DRAFT – AUGUST 10, 2022

Non-Formula Based Funding Recommendations

Evaluation Cost Offset: Costs vary significantly for evaluations based on the individual student.

Fund LEAs to recover some costs by reimbursing at some fixed amount per evaluation:

- \$250 per Evaluation = \$25M Annual Statewide Cost; \$500 per Evaluation = \$50M Annual Statewide Cost; \$1,000 per Evaluation = \$100M Annual Statewide Cost

Stipends/increased funding for SPED Educators (*Cost TBD*)

- Stipend per sped teacher role type; could be one-time or recurring, could be based on career stage (prep, years of service)

Subsidy for SpEd Certification (*Cost TBD*)

- Subsidy for candidates become sped certified

Non-Formula Based Funding Recommendations

SSES Funding Increase Option (Cost = \$100M to cover current waitlist and \$45M annual cost for continued one-time funding)

- Provide increased funding support to cover growth of the Texas SSES program

Grants to Non-Profits (could be parent directed or state-directed) (*Cost TBD*)

- Provide grant opportunity for Non-Profit organizations that are serving SPED students with services/products that the education system does not cover

Double the CCMR Outcomes Bonus for Special Education Students (*\$1.7M per year*)

- In addition to the economically disadvantaged / non-economically-disadvantaged CCMR bonuses, CCMR bonuses are paid \$2,000 for each CCM-Ready annual graduate enrolled in special education
- Currently the cost to the state for this Special Education Students CCMR bonus is \$1,730,000

Non-Formula Based Funding Recommendations – Non-Publics, Residential, and Day Placements

Capacity improvements for In-District Programming for Day Placements (*Cost TBD – Possible amounts range from \$2M to \$10M annually*)

- TEA would provide seed funding to create permanent capacity increases in day treatment program placements across the state of Texas. A \$4M grant would seed approximately 8-10 program start-up grants.
- Use funding to incentivize capacity increases for locally based programs that keep students in their communities.

Cost Regulation for Residential Facility (*Cost TBD - \$150K - \$300K (???) for Agency Admin to monitor costs*)

- Require rate reviews/approval by TEA (or HHSC)
- Per-diem rates for nonpublic facilities (Similar to Illinois), HHSC set a flat rate of \$179.50 for room and board

Cost Transparency (*\$0 Cost*)

- Require facilities to publish tuition rates annually in order to decrease inconsistencies in pricing
- TEA only has monitoring authority. Statutory change would be needed in order to implement this recommendation.

Build Statewide Capacity (*\$0 Cost*)

- Change current statute requiring that LEAs have an executed contract prior starting approval process.
- Work with existing HHSC facilities that could possibly do this work (SSLCs for example)

Formula Based Funding Recommendations

Transportation *(See below for options)*

- Increase the Transportation Mileage Rate Increase from \$1.08 to \$1.29 = \$5M; \$1.08 to \$1.35 = \$10M; \$1.08 to \$1.42 = \$15M

Intensity Based Service Formula *(Cost – TBD)*

- See following pages for detailed options

Intensity of Service - Base Funding Weighted Funding Tiers + Additional Services Group

The proposed base funding model is made up of 7 different weighted funding tiers¹. The intensity of service needs increase as one goes up the tiers. Consequently, there is a corresponding increase in funding weight applied to the individual student.

The tier descriptors describe the types of services that an individual student receives and mention setting only when it is directly connected to intensity of service.

The lowest tiers are mainly for students who receive academic supports and then the tiers increase in intensity with the highest tiers pertaining to day- and residential placement.

In addition to the tiers, students who receive specific services, regardless of tier, would generate additional funding based on the specific services group that applies.

The model would do away with the need for high-cost fund and residential placement set aside as all LEAs with students requiring those placements would receive funding as part of the model.

Weighted Funding Tier Descriptors

Weighted Funding Tier One. Students in this tier receive resource room type services in one or two of the four main content areas.

Weighted Funding Tier Two. Students in this tier receive inclusion type services in one or two of the four main content areas.

Weighted Funding Tier Three. Students in this tier receive resource room type services in three or four of the four main content areas.

Weighted Funding Tier Four. Students in this tier receive inclusion type services in three or four of the four main content areas.

Weighted Funding Tier Five. Students in this tier require full day self-contained type of service

Weighted Funding Tier Six. Students in this tier attend an in district or out of district day program.

Weighted Funding Tier Seven. Students in this tier are in a residential placement.

Additional Service Funding Groups Descriptors

Additional Service Funding Group Level One. Students who are eligible to generate funding associated with this group receive a single ancillary instructional service such as speech therapy or dyslexia therapy or related services described in IDEA Section 300.34 such as physical, or occupational therapy, audiological services, music therapy, and special education counseling services.

Additional Service Funding Group Level Two. Student requires assistive technology and/or augmented communication or audiological devices or systems would generate funding associated with this group. Examples of this would be the need for an FM audio system within the classroom to support students who are hard of hearing or a student with a disability impacting communication that requires an assistive technology communication device.

Additional Service Funding Group Level Three. Students require a dedicated staff member for less than half of the school day would generate funding associated with this group. Examples of this would be dedicated nursing or paraprofessional staff that are assigned to an individual student as part of their Individualized Education Program.

Additional Service Funding Group Level Four. Students who require a dedicated staff member for at least half of the school day would generate funding associated with this group. Examples of this would be dedicated nursing or paraprofessional staff that are assigned to an individual student as part of their Individual Education Program.

Grouping Use Notes

Group one may be applied more than once and may be applied in addition to the other groups.

Group two may be applied only once and may be applied in addition to the other groups.

Groups three and Four may be applied more than once to individual students in rare cases where applicable and may be applied in addition to the other groups.

Weighted Funding Tiers Example

Seven weighted tiers using *weights applied to the adjusted basic allotment* and *special education student average daily attendance*.

	<u>Regular Program ADA Offset Ratio</u>
◦ Tier 1 – Weight TBD (est. 26% of special education ADA in tier)	2/6
◦ Tier 2 – Weight TBD (est. 30% of special education ADA in tier)	0
◦ Tier 3 – Weight TBD (est. 12% of special education ADA in tier)	4/6
◦ Tier 4 – Weight TBD (est. 18% of special education ADA in tier)	0
◦ Tier 5 – Weight TBD (est. 9.0% of special education ADA in tier)	5/6
◦ Tier 6 – Weight TBD (est. 4.5% of special education ADA in tier)	6/6
◦ Tier 7 – Weight TBD (est. 0.5% of special education ADA in tier)	6/6

Estimated **\$100M increase per year**

(Regular Program ADA Offset Ratio) SPED FTE formulas would no longer be used. But given MFS constraints, a similar mechanism would be retained. To facilitate simplicity, a common ADA reduction factor will be applied per student given the students tier – eliminating the need to report contact hours (and eliminating the FTE system), while avoiding MFS issues

All of the above recommendations have additional downstream impacts to tier two, recapture, and formula transition grant, etc.

Transition Timeline – To Begin SY 23-24

TEA does not currently collect the data that would be necessary in order to implement a model such as this. Therefore, it would be necessary to enact legislation establishing a transition plan, to allow for initial data collection, then to transition to funding based on the new tiering model after data has begun to be received.

Year One – TEA stands up the necessary data collection system and LEAs submit the data points necessary for the new funding model. Funding based on the existing system.

Year Two – LEAs continue to submit all required data points and are funded on a combination of the existing system and the proposed system. TEA adjusts weights and dollar amounts to constrain spending to \$100M* above spending associated with prior law².

Year Three - LEAs continue to submit all required data points and are funded on a combination of the existing system and the proposed system. TEA adjusts weights and dollar amounts to constrain spending to \$100M* above spending associated with prior law². **Legislature has the opportunity to evaluate and adjust.**

Year Four - LEAs submit only data required for the new system and are funded on only the new system. TEA adjusts weights and dollar amounts to constrain spending to \$100M above spending associated with prior law² **unless legislature has taken action to increase/decrease the weights.**

² Baseline would be adjusted for population growth.

* Target amount dependent on desired increase total statewide spending in sped, to be considered alongside other commission recommendations.

Appendix

CCMR Outcomes Bonus

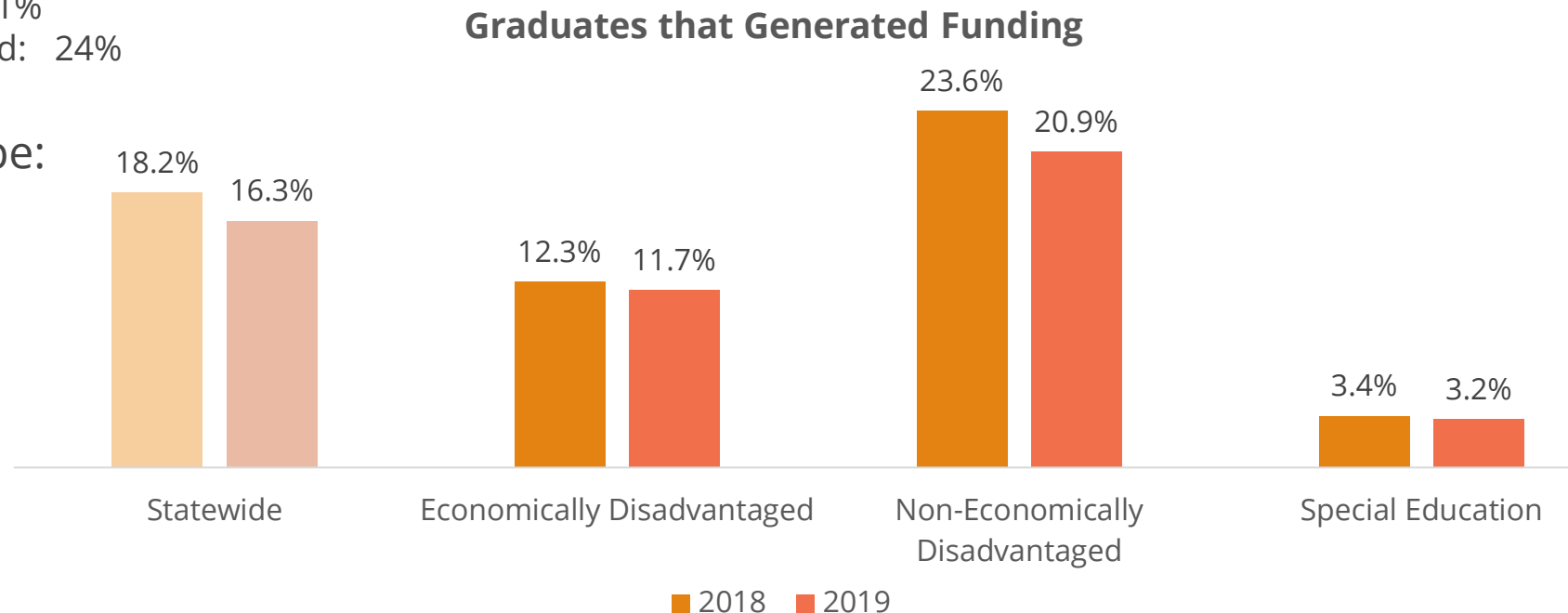
For the purposes of bonus payments, the definition of what it means to be College, Career, or Military Ready was specifically defined by HB 3.

HB 3 was designed to pay bonuses for each student that meets this Readiness definition, above these threshold percentages per graduating class:

- Economically Disadvantaged: 11%
- Non-Economically Disadvantaged: 24%
- Special Education: 0%


Payments vary by student type:

- Economically Disadvantaged: \$5000 each
- Non-Economically Disadvantaged: \$3000 each
- Special Education: \$2000 each



CCMR Outcomes Bonus Funding

Funding Amounts			
	School Year 2019-2020	School Year 2020-2021	School Year 2021-22 (Preliminary)
Economically Disadvantaged	\$107,015,000	\$108,715,000	\$114,355,000
Non-Economically Disadvantaged	\$131,469,000	\$105,885,000	\$137,493,000
Special Education	\$1,738,000	\$1,762,000	\$1,730,000
Statewide	\$240,222,000	\$216,362,000	\$253,578,000



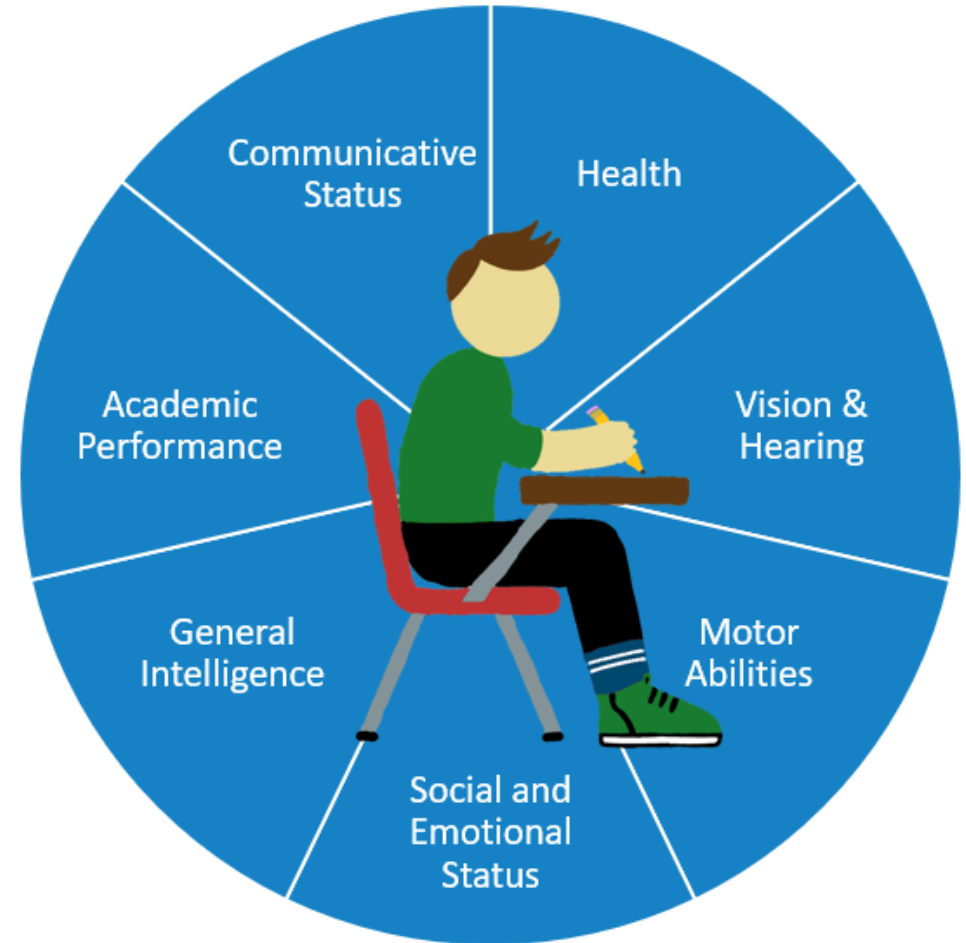
Examples of Full Individual and Initial Evaluations
(FIEs) Based on Different Student Needs



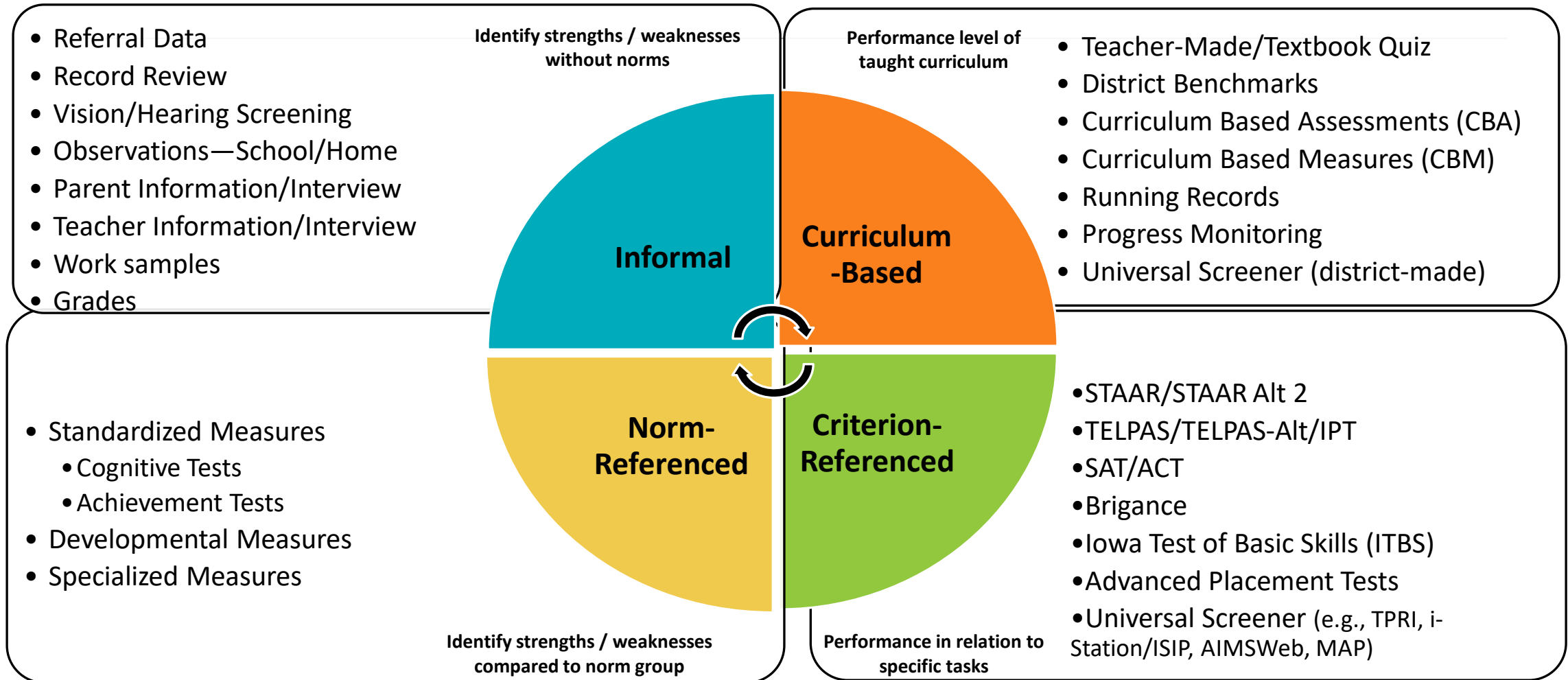
Evaluations must be sufficiently comprehensive to identify all the child's special education and related service needs

- The more complex the student's needs and the more areas of suspected disability the more involved the evaluation will be.

The child is assessed in all areas of suspected disability, including, if appropriate:



Assessment includes gathering and reporting data from a variety of sources



Multi-Disciplinary Evaluation Team (MDT)

The multi-disciplinary evaluation team is comprised of the professionals necessary to complete the evaluation based on the areas of suspected disability and student need. The more complex the evaluation- the more professionals that are (typically) involved.

- Licensed Specialists in School Psychology (LSSP)
- Educational Diagnosticians
- Speech Language Pathologist
- Occupational Therapist
- Dyslexia Therapist
- General Education Teacher(s)
- Parent(s)/guardian(s)
- School nurse
- Medical Providers
- And more....

Example of FIE for student suspected

Areas of Assessment	Evaluator(s) with Expertise in Area of Disability	Suspected Disability	Areas of Need/ Concern	Additional components
Communication	Speech Language Pathologist (SLP) gathers data and formally assesses in this area	Speech or language impairment (SI)	Articulation (mispronounces sounds in words when speaking)	
Health, including hearing, vision, motor abilities	SLP reports using existing data	None	None	
Social & emotional status	SLP reports using existing data	None	None	
General intelligence & adaptive behavior	SLP reports using existing data	None	None	
Academic achievement & functional performance	SLP reports using existing data		Articulation and communication impact on student's access and progress in general curriculum	

Student with moderate needs/ several possible areas of suspected disability and related service needs (Common Evaluation)

Areas of Assessment	Evaluator(s) with Expertise in Area of Disability	Suspected Disability	Areas of Concern	Additional Components
Communication	Speech Language Pathologist (SLP)	Speech or language impairment (SI)	Articulation & language	
Health, including hearing, vision, motor abilities	Occupational Therapist (OT)	Related service for occupational therapy	Fine motor & handwriting	
Social & emotional status	Licensed Specialist in School Psychology (LSSP) & Licensed Medical Practitioner	Other Health Impairment (OHI) Attention Deficit/Hyperactivity Disorder (ADHD)	Behaviors could include impulsivity and limited alertness	Licensed medical provider required for team (OHI)
General intelligence & adaptive behavior	Educational Diagnostician or LSSP	May be needed for specific learning disability (SLD)/no intellectual disability	Processing areas, such as phonological awareness & orthographic processing	
Academic achievement & functional performance	Educational Diagnostician or LSSP and dyslexia interventionist	SLD	Reading/dyslexia, math, & writing/dysgraphia	

Student with complex needs and many areas of suspected disabilities/ related services (complex evaluation)

Areas of Assessment	Evaluator(s) with Expertise in Area of Disability	Suspected Disability	Areas of Concern	Additional Components
Communication	Speech Language Pathologist (SLP)	Speech or language impairment (SI)	Language/swallowing	Medical swallow study
Health, including hearing, vision, motor abilities	Licensed Medical Practitioner Licensed ophthalmologist or optometrist	Other Health Impairment (OHI) for cerebral palsy	Medical	Licensed medical practitioner Licensed ophthalmologist or optometrist
	Occupational Therapist (OT) Physical Therapist (PT) Certified orientation & mobility specialist (COMS)	Visual impairment (VI) Related service for occupational therapy Physical therapy	Vision Fine motor/feeding Gross motor/walking Orientation & mobility evaluation	Doctor's orders for PT evaluation
Social & emotional status	LSSP or educational diagnostician reports data			If behavioral concerns, then a functional behavior assessment may be necessary

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Student with complex needs and many areas of suspected disabilities/ related services(continued)

Areas of Assessment	Evaluator(s) with Expertise in Area of Disability	Suspected Disability	Areas of Concern	Additional Components
General intelligence & adaptive behavior	Educational Diagnostician or LSSP	Intellectual disability	General intellectual ability Adaptive behavior skills (e.g., self help, self care)	
Academic achievement & functional performance	Educational Diagnostician or LSSP Teacher of students with VI or COMS	Intellectual disability, visual impairment	Academic skills & functional performance Disability's impact on student's access and progress in general curriculum	Learning media assessment, functional vision evaluation