Special Accommodation Grants: Increasing Equitable Access to High-Quality Child Care for Children with Specialized Needs

Release of State Fiscal Year 2022 Special Accommodation Grant (SAG) Data and Implications

Executive Summary

Overview

Special Accommodation Grants (SAGs) are a key way that Vermont supports the inclusion of children with specialized needs in high-quality child care programs by providing training and individualized one-on-one supports to eligible children. Building Bright Futures in partnership with the Child Development Division's Children's Integrated Services State Team analyzed quantitative data on SAG applications and grantees for State Fiscal Year 2022 (July 2021–June 2022) to better understand the program, make data publicly accessible, and support continuous quality improvement.

The teams also qualitatively explored the systemic and administrative challenges to implementation of the SAG program to its full potential and considerations for policies to mitigate these challenges.

Findings

Applications: There were 74 applications in SFY 2022, with 64 meeting scoring criteria.

+ Of the 64 approved applications, 27 programs were awarded grants but withdrew. **93% of programs withdrew because of an inability to hire an assistant.**
+ Regional differences in the proportion of applications received cannot be explained by population or program capacity.
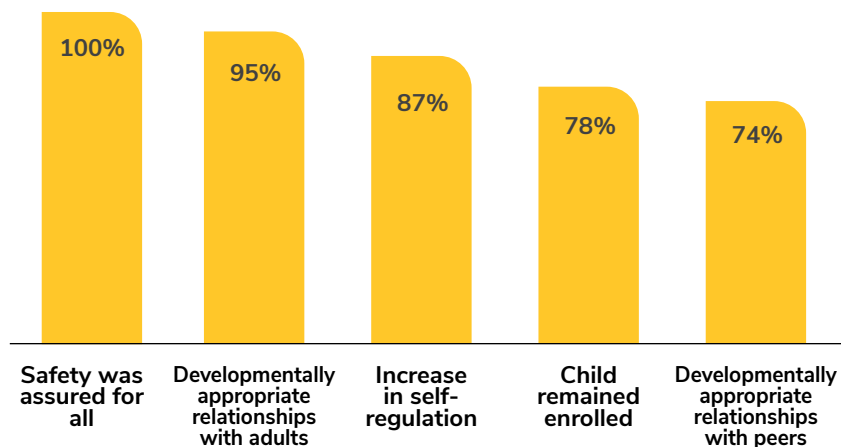
Children served: In SFY 2022, 40 children received services across 37 programs utilizing $252,592 in SAG funds. The majority of children received benefits from Medicaid and/or the Child Care Financial Assistance Program.

+ 85% of children served had a mental, emotional, developmental, and/or behavioral health diagnosis.[1] The child care placement of 91% of these children was in jeopardy at the time of application.
+ 50% of children were ages 3 to 5.

Outcomes: There are five key child-level indicators rated on a three point scale: All of the Time (100%), Most of the Time (75%), and Less than 50% of the Time. As can be seen in Figure 1, each of the five key indicators showed the majority of children achieving the desired outcome most or all of the time.

Figure 1: Child Achieved Desired Outcomes Most or All of the Time

Safety was assured for all	Developmentally appropriate relationships with adults	Increase in self-regulation	Child remained enrolled	Developmentally appropriate relationships with peers
100%	95%	87%	78%	74%

Funding: There is a widespread narrative that the SAG program in particular is chronically underfunded. The data compiled was an important first step in understanding this funding, but more information is needed to determine the true demand and cost for the SAG program to meet its potential.

Recognition of the importance of SAGs has led to the use of one-time federal American Rescue Plan (ARPA) and Preschool Development Grant funds, more than doubling the allocation for SAGs in SFY 2023 and SFY 2024.

Governance Tensions: A lack of clarity on the future of the administration of the early childhood system has contributed to continuous uncertainty about the prioritization of the current systems supporting our youngest and most vulnerable children.

Continuous Quality Improvement: Specific changes resulting from the Plan-Do-Study-Act model of continuous quality improvement utilized by CDD include: increasing the scope of allowable expenses to include training and consultation as well as materials and equipment, streamlining and improving the accessibility of the application, and improving data quality.

Data Limitations

The generalizability of the data and findings are limited by the small sample size, response bias, self-selection bias, suppression of data points with small numbers in line with BBF's data privacy policy, and the impact of the COVID-19 pandemic.

Challenges and Significance for Future Policymaking and Decision-Making

Administrative Burden: Applicants face challenges in completing the SAG application, hiring and managing an individual assistant, and producing the funds to pay an individual assistant until the SAG program provides reimbursement. To address challenges related to administrative burden, consider:

+ Returning SAGs to an advance payment model, or upfront payment for 60 or 90 days
+ Increasing the bonus reimbursement rate for children enrolled in CIS Specialized Child Care (CIS SCC) Programs
+ Involving families and program directors and staff in continuous quality improvement efforts
+ Providing additional support to programs throughout the application process
+ Exploring opportunities to centralize hiring and management of individual assistants
+ Continuously updating the application to improve the process based on feedback from applicants and grantees

Unknown Need: Available data only captures utilization of the SAG program, not the full unmet demand for services. It is likely that the current number of SAG applications significantly underestimates the service need. As a result, the cost to fully fund the SAG program to meet its potential is also unclear. To address challenges related to unknown need for the program, consider:

+ Using administrative, proxy, and survey data to support more accurate estimates of the full need, appropriate budget, and barriers to meeting the needs of all eligible children

Staff and Capacity: The CDD CIS State Team has insufficient time and capacity to fully administer the program. To address challenges related to staff and capacity, consider:

+ Investing and dedicating additional CDD CIS State Team staff time to the administration and implementation of Specialized Child Care Services including the SAG program
+ Expediting the development and execution of the Child Development Division's Information System (CDDIS), including a module for Children's Integrated Services (CIS) that supports data collection, monitoring, and case management
+ Conducting an objective assessment of the impact and challenges of the CIS program would better support data informed programmatic and funding decisions

Exclusion: 91% of SAG applications for children with a mental, emotional, developmental, and/or behavioral health diagnosis indicated that the children were in jeopardy of losing their placement. To support the need to prevent expulsion, consider:

+ Exploring short-term alternative strategies to prevent exclusion while SAG applications are being processed

The findings of this brief do not necessarily indicate the views of the State of Vermont.

Introduction

Children's Integrated Services

Vermont's Children's Integrated Services (CIS) is a unique model for integrating early childhood health, mental health, evidence-based home visiting, family support, early intervention, and Specialized Child Care Services (SCCS) for pregnant and postpartum individuals and children from birth to age 6 (except for SCCS, which goes up to age 13). The model is designed to improve child and family outcomes for vulnerable populations by providing family-centric holistic services, effective service coordination, flexible funding to address gaps in services, prevention, early intervention, health promotion, and accountability.

Specialized Child Care Services

SCCS support equitable access to high-quality child care and afterschool care for children with specialized needs, their families, as well as resources (support and training) to the educators serving them.[2] SCCS are integrated across all Child Development Division (CDD) programs including the Child Care Financial Assistance Program (CCFAP), professional development, and services from CIS Specialized Child Care Coordinators'. SCC Coordinators work with families and programs to support inclusion of children with specialized needs. This support includes the identification of and connection to resources, including coaching and consultation for programs and coordination with the child's team to ensure the child access to or maintenance of their placement in the Specialized Child Care Program and mitigate suspension and expulsion rates.

Special Accommodation Grants

For the past two decades, children with acute needs at Specialized Child Care Programs have been supported through Special Accommodation Grants (SAG). Special Accommodation Grants make it possible for Specialized Child Care and afterschool programs to hire qualified assistants who support the inclusion of a small number of children with specialized needs posing a safety risk to the child or others within the child care setting. Individual assistants, or one-on-one staff members, support the child's needs in the program so they can learn in a group setting along with their peers. These grants also support the expansion of staff skills and capacity, which enhances inclusive practices and improves staff retention within the program. While not an allowable expense in State Fiscal Year (SFY) 2022, current SAGs support "the purchase of adaptive equipment, materials, consultation or training(s) for childcare staff specific to the child(ren)'s needs, and/or hiring of an individual assistant to support the child(ren)'s need." The grant funds are specifically designated to address service or funding gaps that remain after all entitled or eligible services for the child have been exhausted.

Purpose

In order to contribute to Vermont's understanding of SAGs in promoting equitable access to high-quality child care for children with specialized needs, Building Bright Futures (BBF) supported the Child Development Division's Children's Integrated Services (CIS) State Team in an analysis of a single year of descriptive data. This data brief describes the application process, child characteristics, and outcomes. It also focuses on the long-standing barriers and challenges to successful implementation of the SAG program. Finally, the brief provides an outline for future analysis of the impact of SAGs on child care accessibility, inclusive practices, and program staff retention over time.

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Data and Analysis

Quantitative analysis was focused on Special Accommodation Grant applications and final report data for SFY 2022 (July 1, 2021, through June 30, 2022). The CIS and BBF Data Teams members completed the quantitative analysis collaboratively in three phases. Analysis focused on descriptive statistics.

+ Phase one focused on identifying available application and final report data.
+ Phase two focused on selecting which data elements to use to inform an understanding of the SAG program.
+ Phase three focused on analyzing program and child-level data.

The CDD CIS State Team and Building Bright Futures met from February 2023 through June 2024, with meetings serving at times as focus groups to provide context and information. The CDD CIS State Team also shared relevant internal documents related to policy approaches and previous years of data.

Findings

Findings are broken out by application process, child characteristics, outcomes, funding, and continuous quality improvement efforts.

Applications and Funding for State Fiscal Year 2022

Table 1 shows the outcomes of applications and total spending for SFY 2022.

Table 1: Special Accommodation Grants Applications by Outcome and Spending, SFY 2022	
Total grant applications received	74
Grant applications denied due to scoring or grant requirements	(10)
Total grant applications approved and awarded	64
Total grant applications withdrawn*	(27)
Total grants approved, awarded, and utilized**	37
Total SFY 2022 spending	**$252,592**

* 93% of withdrawn grants were due to an inability to hire.
** 37 grants serving 40 children

Applications by Outcome and Spending

In SFY 2022, 40 children received services across 37 programs utilizing $252,592 in Special Accommodation Grant (SAG) funds. There were an additional 27 programs that were awarded grants but were unable to hire assistants and therefore funds were not utilized. In other words, **42% of eligible children were not served in SFY 2022.** Over 90% of programs were center-based child care programs, with the remainder being afterschool programs and family child care homes. Final report data shows an average of 29 hours per week of support from an individual assistant for each child.

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+ **74 Submitted Applications:** There were 74 programs that submitted applications for SAGs. Of the applications submitted, 64 applications (87%) were determined to meet the scoring criteria and grant requirements outlined in Appendix A. Of note, one application can serve more than one child enrolled in the same program.
+ **27 Withdrawn Applications:** Programs whose applications were approved and awarded funding were not always able to use that funding. In SFY 2022, 42% of eligible programs withdrew from their grant agreement. **Of the awarded grants that were withdrawn, 93% were due to an inability to hire an individual assistant. Of note, SFY 2022 was an outlier with regard to withdrawn applications. This was likely due to the use of reimbursement-based grants along with workforce shortages related to the COVID-19 pandemic.**

Application Opportunities

During the 2022 State Fiscal Year (July 2021-June 2022), SAG applications were accepted six times: September 2021, November 2021, December 2021, January 2022, February 2022, and May 2022. The number of applications received ranged from two in December 2021 to 23 in May 2022. Increased applications in May were likely due to programs applying for summer and camp months when school is out of session.

> Continuous Quality Improvement in Action: Based on requests from child care programs for more timely supports, beginning in December 2022, SAG applications were again accepted and reviewed on a monthly basis, consistent with the implementation from 2009 to 2019.

Regional and Program Variation

There was regional variation in the proportion of received applications across Agency of Human Services (AHS) regions and in the type of programs awarded grants. It is important to consider the capacity of Specialized Child Care programs across the state and across the mixed-delivery system rather than simply comparing the number of applications. Over 90% of children receiving SAGs were served in licensed child care centers. As can be seen in Table 2, when comparing the total licensed program capacity to the percent of applications received, four regions (Bennington, Brattleboro, Morrisville, and Rutland) had over-representation (greater than a 40% difference vs. licensed capacity) and four regions (Burlington, Hartford, Middlebury, and Newport) were under-represented (greater than a 40% difference in licensed capacity) in the applicant pool.

Table 2 also includes comparisons with the estimated percent of the population and the number of regulated programs. This data, alongside qualitative data captured by the CDD CIS State Team, does not explain the reasons for the differences across region and program type, and further investigation and ideally root cause analysis is needed.

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Table 2: Percent of Applications Received vs. Licensed Capacity, Estimated Population, and Number of Programs by Agency of Human Services District, SFY 2022

Agency of Human Services District	Percent Applications Received	Total Licensed Capacity	Percent Difference	Estimated Percent of Population (Under 10)	Percent Difference	Number of Programs	Percent Difference
Barre	11%	9%	18%	10%	5%	10%	8%
Bennington	15%	6%	85%	6%	88%	6%	85%
Brattleboro	11%	6%	57%	5%	70%	6%	57%
Burlington	20%	34%	-51%	25%	-22%	20%	1%
Hartford	0%	7%	-*	8%	-*	7%	-*
Middlebury	1%	5%	-115%	5%	-119%	7%	-135%
Morrisville	9%	5%	62%	6%	55%	6%	45%
Newport	0%	3%	-*	5%	-*	6%	-*
Rutland	15%	9%	49%	8%	58%	9%	49%
Springfield	4%	4%	1%	5%	-23%	6%	-39%
St. Albans	7%	6%	12%	11%	-47%	11%	-48%
St. Johnsbury	7%	6%	12%	5%	26%	6%	12%

* This difference cannot be calculated because there were no applications submitted from this region in SFY 2022.

Districts in green were over-represented in the applicant pool, meaning they made a higher percentage of applications vs. their total licensed capacity in early care and education programs (greater than a 40% difference)

Districts in yellow were under-represented in the applicant pool, meaning they made a lower percentage of SAG applications than their total licensed capacity in early care and education programs (greater than a 40% difference)

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Characteristics of Children Served by Special Accommodation Grants

Table 3 includes information about the children served by SAGs in SFY 2022.

Table 3: Characteristics of the 40 Children Served by 37 Grants in SFY 2022	
Characteristics	**Percent of Children**
Enrolled in Medicaid	78%
Receiving Child Care Financial Assistance (CCFAP)	69%
Mental, emotional, developmental, and/or behavioral diagnosis*	85%
Children with mental, emotional, developmental, and/or behavioral health diagnosis* whose placement was in jeopardy at the time of the application	91%
Children who were previously asked to leave an early childhood education or afterschool program	47%
Age of Children	**Percent of Children**
Under age 3	**
Ages 3 to 5	50%
Ages 6 to 13	**
Program Type	**Percent of Children**
Licensed center-based child care (including Head Start)	>90%
Licensed afterschool	**
Registered family child care home	**

* Conditions include: ADHD, autism spectrum disorder, developmental/communication delay, Down syndrome, parent-child relational problem, emotional disturbance/oppositional defiant disorder, global delays, seizures/epilepsy, hearing/visual impairment, cerebral palsy, and children in the process of being evaluated for autism spectrum disorder.
** In order to protect personally identifiable information, these data points have been suppressed or combined for cell sizes with 10 or fewer children or counts per BBF's data privacy policy.

Of note, when a specialized child care program receives a SAG, all children within that program, including the child in need of specialized services, are broadly benefiting from the training that staff receive and the addition of an individual assistant.

Household and Family Characteristics Served by SAGs

The SAG application captures data on three household and family characteristics: enrollment in Medicaid, receipt of funding from the Child Care Financial Assistance Program (CCFAP), and engagement with the Department for Children and Families, Family Services Division (DCF-FSD). These characteristics serve as proxy measures for poverty and family stressors, although measures of resilience are not captured.

As can be seen in Table 3, the majority of children served by SAGs were enrolled in Medicaid (78%) and the majority of children received support from CCFAP (69%). Of note, some children were either on Medicaid or receiving CCFAP support, while some received both forms of assistance. Some children were engaged with the Department for Children and Families, Family Services Division (DCF-FSD) either those with an open case or those adopted through DCF-FSD.

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Mental, Emotional, Developmental, and/or Behavioral Health Diagnosis

One of the primary purposes of SAGs is to "support the successful inclusion of a child or group of children with identified special needs," including a mental, emotional, developmental, and/or behavioral health diagnosis. 85% of children served by SAGs had a mental, emotional, developmental, and/or behavioral health diagnosis.

Program Stability in Jeopardy

Of the children with a mental, emotional, developmental, and/or behavioral health diagnosis served by SAGs, 91% were in jeopardy of losing their placement at the time of the application. Further, 47% of these children had previously been required to leave a child care program.

> 91% of children with a mental, emotional, developmental, and/or behavioral health diagnosis were identified as being at risk of exclusion from the child care setting

Age

The majority of children served by SAGs were under age 6. Children ages 3 to 5 made up 50% of children served, with the remaining 50% under age 3 or ages 6 through 13. Of note, beginning in pre-K, eligible children who are unsafe in their programs may receive one-on-one support services in school-based settings through different funding mechanisms. Afterschool and summer care programs often continue to utilize SAGs to support children outside of school hours when the school district deems them ineligible for Extended School Year services as part of their Individualized Education Plan (IEP). The application scoring process ensures that there are no alternative resources or funds that could be used to support this child.
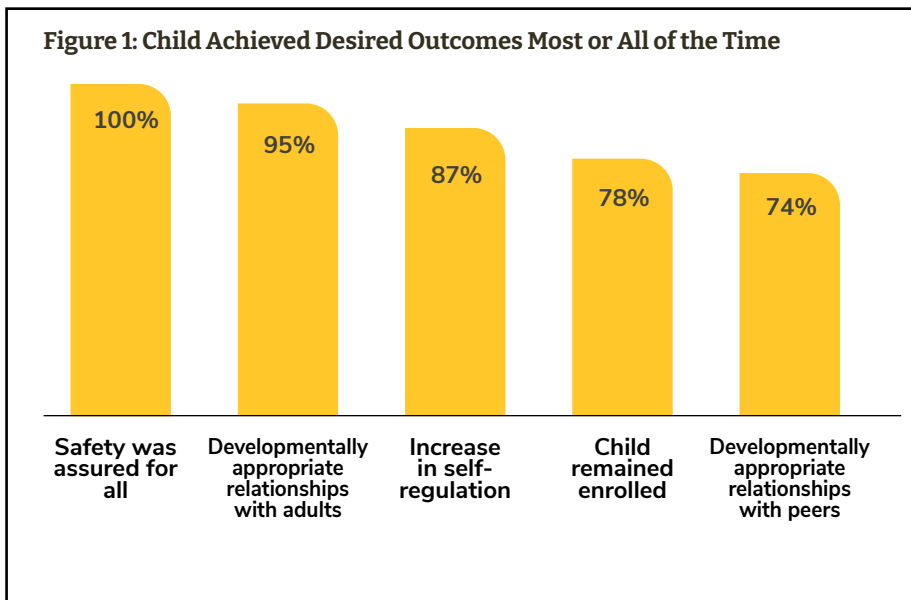
Race and Ethnicity

Race and ethnicity data have not been collected as part of the SAG application or final report. Based on national data on the biases against male and Black children,[3] the CDD CIS State Team is planning to begin collecting race and ethnicity data as part of the revised application beginning in August 2024.

SAG Implementation Outcomes, Activities, and Challenges

The primary desired outcome for SAGs is the safe and successful inclusion of children with specialized needs within their early childhood education or afterschool programs. Outcome measures are captured through required final grant reports. These reports include child outcomes, program outcomes, challenges and where there is continued need, and how the current process served the specific child. Collectively, these reports inform a continuous quality improvement (CQI) cycle to improve the SAG program.

Final report data was submitted by 62% of grantees serving 24 children. This was a lower response rate than in previous and subsequent years, in part due to the loss in May 2020 of a 25-hour Specialized Child Care Program Technician, who supported programs throughout the SAG process, from application to implementation to reporting. While 62% is a high response rate, there is a high potential for bias in the findings from the final reports as information for 16 children was not included. **Activities and outcomes may not be representative of the full SFY 2022 cohort of children receiving SAGs.**

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In SFY 2022, individual assistants supported children for an average of 29 hours per week in their early childhood education or afterschool program.

Figure 1: Child Achieved Desired Outcomes Most or All of the Time

Safety was assured for all	Developmentally appropriate relationships with adults	Increase in self-regulation	Child remained enrolled	Developmentally appropriate relationships with peers
100%	95%	87%	78%	74%

Child Outcomes

There are five key child-level indicators rated on a three point scale: All of the Time (100%), Most of the Time (75%), and Less than 50% of the Time. As can be seen in Figure 1, each of the five key indicators showed the majority of children achieving the desired outcome most or all of the time.

+ "Safety was assured for all" most or all of the time for 100% of children
+ 95% of children were able to form developmentally appropriate relationships with adults most or all of the time
+ 87% of children showed an increase in self-regulation most or all of the time
+ **78% of children remained enrolled in the child care program throughout the grant period**
+ 74% of children were able to form developmentally appropriate relationships with peers most or all of the time

Reported Program Activities and Challenges

Grant Restrictions: In SFY 2022, SAGs only funded support from individual assistants for eligible children. In previous and subsequent years, eligible expenses have also included training, consultation, and the purchase of materials and specialized equipment to meet the needs of an identified child. The CDD CIS State Team had put out a bid for inclusion grants to support programs with materials or equipment expenses. However, a suitable contractor was not identified and existing capacity in Specialized Child Care Services was insufficient to implement the grant.

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> **Continuous Quality Improvement in Action:** In part due to feedback from partners, beginning in SFY 2023, SAG funds are able to be used to purchase adaptive equipment, materials, consultation, and/or training for the child care program's educators and assistants to better support the child's needs, as well as to hire an individual assistant.

Tables 4 and 5 show program-level activities, challenges, and remaining gaps.

Table 4: Director-Reported Activities and Challenges of Programs Submitting Final Reports for SFY 2022

Collaboration	
Programs reporting improved collaboration with the child's team members (professional partners and the family)	78%
Reported challenges to being an inclusive program	
Lack of staffing, training, and expertise within the early childhood workforce	72%
Lack of comprehensive services and resources available in our region	48%
Other challenges included: attitudes and beliefs of staff and limited time and commitment to build partnerships with parents, service providers, and school resources	

Table 5: Training Activities and Gaps

Population focus for training	
Whole classroom training	68%
Specific to identified child	32%
Focus of training	
Training specific to a child's identified needs (includes autism, sensory conditions, Down syndrome, etc.)	71%
Developing and implementing child routines and managing challenging behaviors	46%
Other topics included: developing inclusion strategies and supports (including Assistive Technology) and adapting classroom settings to accommodate the sensory processing needs of an identified child	
Gaps in training and resources identified by staff	
Resources to help purchase specialized equipment and training opportunities specific to a child's specialized needs	48%
Increased support in understanding how to implement a child's plan in our classroom	48%
Other needs included: increased communication and involvement from service providers and special educators, more professional development opportunities, and supports and strategies to increase communication with families	
Gaps in training and resources identified by directors	
Training specific to a child's identified needs	65%
Other topics included: better understanding of how to work with challenging behaviors, how to implement the IEP/One Plan, and how to use specific social-emotional learning models and tools	

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Improved Collaboration

Of final reports submitted, 78% indicated improved collaboration with community partners, which included Children's Integrated Services (CIS), school districts, and service providers (occupational therapists, physical therapists, and speech-language pathologists). At the same time, programs indicated an ongoing need for increased communication and involvement from service providers and special educators.

Barriers to Being an Inclusive Child Care Program

In the final report, child care directors were asked to reflect on some of the barriers to being an inclusive child care program. **72% of submitted reports indicated that a lack of staffing, training, and expertise within the early childhood workforce was a barrier to inclusivity.** *(Please note that this was one multiple choice category.)*

+   In addition, a lack of comprehensive services and resources available in the region was a reported barrier for 48% of respondents.
+   Barriers also included limited time and commitment to build partnerships with parents, service providers, and school resources, as well as the attitudes and beliefs of staff.

Staff Training

One of the requirements of SAGs is that the staff working directly with the child (individual assistant and classroom teachers) receive training about inclusive practices. Because SAG funding in SFY 2022 could not be used to support training, the CDD CIS State Team provided information on free training and content to support programs. These included: I-Team training on sensory processing, inclusive practices, Addressing ACEs with Brain-Based Approaches and Trauma-Informed Care, Early Multi-Tiered Systems of Support (Early MTSS), and Pyramid 802. In final reports, directors of programs indicated that the SFY 2022 trainings were focused on:

+   Developmentally appropriate strategies specific to children's identified needs (reported by 71% of directors)
+   Developing and implementing child routines/managing challenging behaviors (reported by 46% of directors)
+   Developing inclusion strategies and supports (including assistive technology), and adapting classroom settings (reported with less frequency)

Directors of programs receiving SFY 2022 SAGs reported that 60% of staff felt that the training was "very helpful" or "extremely helpful," compared to "somewhat helpful" or "not helpful," in "helping them to care for children with special needs within the classroom setting."

Directors did, however, report that staff identified a number of additional unmet needs for training and support. This is not surprising due to the use of free training that may not be as specialized. The identified needs included additional resources to purchase specialized equipment and obtain training opportunities specific to a child's specialized needs (reported by 48% of directors) and increased support in understanding how to implement a child's plan in the classroom (also reported by 48% of directors).

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Contextual Factors

Funding

There is a widespread narrative that the SAG program in particular is chronically underfunded. The best data that BBF was able to collect complicates the picture, and more information is needed to determine the true demand and cost for the SAG program to meet its potential.

Table 6 below shows the budgeted and expended funds along with the number of children served. It appears that while initially, allocated funds often ran out before the end of the state fiscal year, for SFY 2018 and SFY 2019, additional funds were both allocated and expended. SFY 2020 and SFY 2021 were impacted by the pandemic, reallocation of funds to SCCC, expected federal grant funds that were not awarded, and granting timelines.

In addition, like the vast majority of program data, data on expended SAG funds only captures utilization, not demand. While Table 6 shows expended funding beyond the initial allocation, the SAG program may continue to be underfunded.

Please note that these numbers are the most high-quality data that BBF was able to access as of August 2024. BBF will continue working with CDD and the DCF business office to further understand the intricacies of historical and future funding and may need to revise these figures accordingly.

Table 6: SAG Funding Landscape, SFY 2018 to SFY 2022			
State Fiscal Year (July 1 to June 30)	**Total Allocated**	**Total Grant Dollars Expended[4]**	**Number of Children Served by SAGs**
2018	$250,000	$357,393	51
2019	$350,000	$391,811	61
2020	$350,000	$254,266	44
2021	$535,377*	$321,278	73
2022		$252,592	40

* Additional funding was allocated in late spring 2020, but grants were not executed by the end of June, and therefore funding was carried over to SFY 2021.

Current Funding Sources: In both the SFY 2023 and SFY 2024 budgets, the legislature has increased the base allocation to CIS. In addition, through public-private partnerships and continuous quality improvement efforts within CDD, funding for SAGs has more than doubled by braiding funding streams from federal American Rescue Plan (ARPA) funds, the federal Preschool Development Grant, and the FY2025 Governor's Recommended Budget, which included $300,000 in General Funds for SAGs.[5]

Governance Tensions

Contextual and political factors have also contributed to the current status of SAGs: namely, a lack of clarity on the future of the early childhood system. In March 2021, H.394, An act relating to reorganizing the administration of child care and early learning services, proposed to reallocate the responsibilities of the Child Development Division to other agencies, departments, and divisions—a proposal in opposition to the integration of early childhood services.[6] In particular, the bill proposed to unbundle the core services that

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make up Children's Integrated Services and transition the oversight of specialized child care, including SAGs. While the bill did not advance out of the House Committee on Human Services, the proposal has contributed to continuous uncertainty about the prioritization of the current systems supporting our youngest and most vulnerable children.

Continuous Quality Improvement

Since 2019, the CDD CIS State Team has employed the Plan-Do-Study-Act (PDSA) cycle to continually improve the process for awarding Special Accommodation Grants (SAGs). This iterative approach has been crucial in adapting to federal rule changes, leadership transitions, and stakeholder feedback. PDSA for SAGs has been informed by data from applications and final reports as well as stakeholder feedback. Specific changes resulting from CQI include:

+ Increasing the scope of allowable SAG expenses to include training and consultation as well as materials and equipment
+ Streamlining and improving the accessibility of the application:
    + Revising the questions to include clear and accessible language
    + Transitioning first from a paper application to a fillable PDF, and later to a HIPAA-compliant software application
+ Support for applicants:
    + Each month before the application due date, there is a bidders' conference to answer questions and help programs apply for SAG grants.
    + A training for CIS/Specialized Child Care Coordinators has been developed and implemented to support the programs when applying for SAG grants.
+ Revising the scoring rubric to increase the reliability of scoring and the identification of the best uses of available funding
+ Improving data quality and analysis by matching application and final report questions and improving the consistency of collection, analysis, and reporting

Data Limitations

There are five main data limitations. Small sample size, response bias, self-selection bias, suppression, and the impact of the COVID-19 pandemic limit the generalizability of the data and findings.

+ **Small sample size:** Analysis and interpretation of data from a single year of SAGs data limits the level of detail that can be published as well as the ability to examine trends over time.
+ **Response bias:** Final report data was submitted by 62% of grantees serving 24 children. While 62% is a high response rate, there is the potential for bias in the findings from the final report. Final report data does not include information for 16 children, and therefore activity and outcomes may not be representative of the full SFY 2022 cohort of children receiving SAGs.
+ **Self-selection bias:** In addition, it is important to note that application and award data do not capture information on all children and programs who meet the criteria for SAGs.
+ **Suppression:** In order to protect personally identifiable information, several data points have been suppressed or combined for cell sizes with 10 or fewer children or counts in line with BBF's data privacy policy. Combining findings across vulnerable populations has the potential to obscure important differences.
+ **Impact of the COVID-19 pandemic:** The impacts from the pandemic are an unknown variable in the interpretation of the SFY 2022 SAG data. The social, emotional, and behavioral challenges resulting from isolation, social distancing, and individual and family stress are unlikely to ever be fully understood.

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Challenges and Significance for Policymaking and Decision-Making

The Special Accommodation Grants program is not currently meeting its potential or serving all eligible children due to significant and long-standing challenges. The main challenges identified with the program include:

+ Administrative burden on applicants related to:
    + Completing the application
    + Hiring and staff management
    + Offering reimbursement-based grants instead of up-front funding
+ The unknown need/demand for the program:
    + Number of children in need of SAGs
    + SAG program cost
+ Staff and capacity:
    + Lack of high-quality comparable data and reporting
+ Children are in jeopardy of losing their placement

These challenges are further outlined below. Following these challenges, we outline the significance of our findings and how they relate to future policymaking and decision-making.

Administrative Burden

Application

The SAG application can be challenging to complete because it requires coordination among multiple individuals (program, parent/legal guardian, and health service/provider), the submission of technical documentation, and descriptions of the current status of and plan for addressing the needs of the child, classroom, and staff. The nature of the application—while helpful to the coordination of care and ensuring that the child's needs are met—requires significant time, collaboration, and documentation on behalf of all parties, which may prohibit equitable access to SAGs. The application process may favor programs and families with greater capacity, skills, and resources. The application should be further updated to improve the process based on feedback from applicants and grantees.

Hiring and Staff Management

The administrative burden for child care programs to hire an individual assistant is significant. Specific challenges include:

+ Collecting state and federal taxes, covering worker's compensation, issuing W-2s, and providing payroll reports
+ Paying employees out of pocket in a business with already slim margins
+ Delays in reimbursement due to complicated invoicing processes[7]

Reimbursement-Based Grants

Beginning in SFY 2020, SAG funding became reimbursement-based due to a change in state policy. Previously, three months of advance payments were provided to grantees, allowing more programs to access SAGs without jeopardizing their financial stability. Child care programs are often operating on slim margins and do not have the required cash on hand to hire an individual assistant while waiting two or more months for the invoicing and payment to be processed.

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Unknown Need

Children in Need of SAGs

The data presented in this brief and data collected for subsequent years of SAGs only captures utilization, not the need for services. Of note, determining the need for services in Vermont is not an isolated challenge for the SAG program. However, proxy data shows that an estimated 22% (15,662) of Vermont children ages 3 to 11 have a mental, emotional, developmental, and/or behavioral problem, which has increased over time[8,*] (15.6% for children ages 3 to 5). Although the full population of children presenting with such conditions would likely not qualify for SAGs, it is likely that the current number of program applications for unique children significantly underestimates the service need.

SAG Program Cost

The cost to fully fund the SAG program to meet its potential is unclear, in part due to a lack of understanding of the true number of children in need of services. Additional challenges include difficulties reporting program-specific costs and staff time dedicated to both current and ideal administration of services.

Staff and Capacity

Administration of the SAG program is supported by the Specialized Child Care Program Manager, including everything from entering data and approving invoices to designing the programmatic framework. SAGs are only one piece of the SCC Program Manager role. Specialized Child Care Services as a whole lacks dedicated funding for hiring, training, and continuous quality improvement. As noted above, the capacity of the CDD CIS State Team was further reduced when the CIS Specialized Child Care 25-hour program tech retired in 2020, after which the position was eliminated.

The one-time funding allocated to SAGs from ARPA and PDG was allocated to grants and additional staff in the Grants and Contracts Unit. There was no additional staffing to the CDD CIS State Team for the increased support required for the expansion of SAGs or for monitoring and evaluating their impact.

Lack of High-Quality Comparable Data and Reporting

The lack of high-quality data about SAGs has been a persistent issue for more than a decade.[9] The descriptive data about SAGs in this brief has never been publicly available before (for SFY 2022 or any other year). Many factors contribute to this issue, including:

+ The lack of a Children's Integrated Services data system. This gap is well documented, and several efforts to create a statewide data system have been initiated but never completed. The development of a CIS data system has been included in the Policy Recommendations of the Vermont Early Childhood State Advisory Council Network for four consecutive years (2021-2024).[10]
+ Application format: The application format changed six times between 2016 and 2022, resulting in inconsistencies in the data as well as the ways in which the data was stored. The actual format has also changed, from cumbersome paper applications prior to September 2022, followed by PDF fillable applications (the data of which did not transfer well to the spreadsheets where data was stored), to the current application using Jotform beginning in February 2023.
+ As noted above, limited staff and capacity on the CDD CIS State Team to support the SAG program and its grantees have specifically impacted data collection and quality, as illustrated by incomplete final report submission.

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* *This age group is the closest to the population served by SAGs. Data are not collected on children under age 3.*

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Preventing Exclusion

As noted above, in SFY 2022, 91% of applications for children with a mental, emotional, developmental, and/or behavioral health diagnosis indicated that the children were in jeopardy of losing their placement. It is unclear how programs are supporting these children from the identification of a need through the application process, determination period, and, if awarded, the hiring timeline. It is also unclear how many children are being excluded from child care programs without applying for a SAG because of the timeline or other barriers.

Despite the move to a monthly application, for children and programs with significant and urgent needs, SAGs may not be able to mitigate the exclusion of a child from a program.

Several states have begun utilizing short-term Infant and Early Childhood Mental Health Consultation as an exclusion mitigation strategy.[11] Given the increasing challenges that children and families are facing in the aftermath of the pandemic and the ongoing opioid epidemic, this may be an avenue for Vermont to pursue.

Significance for Future Policymaking and Decision-Making

To address challenges related to administrative burden, consider:

+ Returning SAGs to an advance payment model, or upfront payment for 60 or 90 days, in order to increase equitable access to this critical support for all programs. Classification of SAGs by the legislature as emergency capacity grants may support this move.
+ Increasing the bonus reimbursement amount for children enrolled in Specialized Child Care Programs whose families are enrolled in the Child Care Financial Assistance Program (CCFAP)
+ Involving families and program directors and staff in continuous quality improvement efforts
+ Providing support to programs throughout the application process. Consider a preliminary screening application that is followed by a stipend to complete the necessary coordination of the child's team, submission of required documentation, and development of a plan.
+ Exploring opportunities to centralize hiring and management of individual assistants to reduce administrative burden and costs to programs supporting children with specialized needs
+ Continuously updating the application to improve the process based on feedback from applicants and grantees

To address challenges related to unknown need for the program, consider:

+ Using administrative, proxy, and survey data (such as children with SCC placements with IEPs and One-Plans, children in early elementary with individual assistants, data from other states with more robust data collection systems, and surveys of and focus groups with child care programs in Vermont) will support more accurate estimates of the full need, appropriate budget, and barriers to meeting the needs of all eligible children

To address challenges related to staff and capacity, consider:

+ Prioritizing Specialized Child Care Services and the SAG program as key interventions for supporting children with specialized needs and the programs that serve them by investing and dedicating CDD CIS State Team staff time to the administration and implementation of the programs.
+ Expediting the development and execution of the Child Development Division's Information System (CDDIS), including a module for Children's Integrated Services (CIS) that supports data collection, monitoring, and case management, as outlined in the 2024 Policy Recommendations endorsed by the State Advisory Council[12]
    + Development of a CIS data and case management system, including Specialized Child Care and SAG services, will allow for timely and accurate reporting, reduce administrative burden for programs and the CDD CIS State Team, and inform time-sensitive and consistent continuous quality improvement.

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+ Conducting an objective assessment of the impact and challenges of the CIS program to better support data-informed programmatic and funding decisions. Consider relocating the CIS Data and Reporting Coordinator, who is responsible for statewide and federal reporting of CIS and IDEA Part C data, from the CIS State Team to the CDD Data Unit to better support data integration and staffing.

To address challenges related to staff and capacity, consider:
+ Exploring short-term alternative strategies to prevent exclusion while SAG applications are being processed and while child care and afterschool program staff are receiving training and implementing strategies

Moving Forward

As of August 2024, there are several next steps in process or planned.

+ The Child Development Division (CDD) will submit a plan to the Legislature to streamline and improve the responsiveness and effectiveness of Special Accommodation Grants, as required by Act 76 of 2023.
+ This data brief will be used as a template for the continued release of annual SAG data, and BBF will continue to make data publicly available through Vermont's Early Childhood Data Portal.
+ As noted above, with funding from the Preschool Development Grant (2023-2025), CDD will continue to augment the base funding for SAGs until the end of January 2026. The project will also support coordination and exploration to develop and implement improved resources for child care programs to support the inclusion of children with specialized needs.

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The mission of Building Bright Futures (BBF) is to improve the well-being of each and every child and family in Vermont by using evidence to inform policy and by bringing voices together to discuss critical challenges and problem-solve. BBF is Vermont's early childhood public-private partnership, charged under Vermont Title 33 § Chapter 46 and the Federal Head Start Act (Public Law 110-134) as Vermont's Early Childhood State Advisory Council (SAC). The SAC advises Vermont's Governor and Legislature on the well-being of children in the prenatal period through age 8 and their families. BBF's network includes 12 Regional Councils, seven VECAP Committees and the State Advisory Council. BBF maintains Vermont's Early Childhood Action Plan (VECAP), the vision and strategic plan for Vermont's early childhood system. BBF is responsible for ensuring accountability and measuring the success of the VECAP and Vermont's Act 76, a child care law passed in 2023. BBF supports accountability through Vermont's Early Childhood Data & Policy Center, which serves as a nonpartisan, independent source of data, research and publications for policymakers, researchers and the public. Learn more at buildingbrightfutures.org.

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Appendix 1: Acronyms and Definitions

Individual Assistant	Professional who performs a variety of duties that directly support a specific individual
Act 76	An act related to child care and early childhood education; became law on June 20, 2023[13]
ARPA	American Rescue Plan Act
BBF	Building Bright Futures - Vermont's Early Childhood State Advisory Council
CCFAP	Child Care Financial Assistance Program
CDD	The Vermont Child Development Division (part of the Agency of Human Services, Department for Children and Families)
CIS	Children's Integrated Services (part of the Child Development Division)
SCCS	Specialized Child Care Services
CQI	Continuous Quality Improvement
DCF	Vermont Department for Children and Families (part of the Agency of Human Services)
Early MTSS	Early Multi-Tiered Systems of Support
FSD	Vermont Family Services Division (part of the Agency of Human Services, Department for Children and Families)
SFY 2022	State Fiscal Year 2022: July 1, 2021, through June 30, 2022
High-Quality	Step Ahead Recognition System (STARS) 4 or 5 STAR programs
IEP	Individualized Education Program under the Individuals with Disabilities Education Act (IDEA) Part B for children ages 3 through 22
Medicaid	Medicaid provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities. Medicaid is administered by states, according to federal requirements. The program is funded jointly by states and the federal government.[14]
One Plan	Vermont's Individualized Family Services Plan (IFSP) under the Individuals with Disabilities Education Act (IDEA) Part C for children birth through age 2
SAG	Special Accommodation Grant

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Appendix 2: Eligibility and Review Process

Programs that apply for SAG funding must meet criteria on both the program level and the child level. These criteria are as follows:

1.1. **METHOD OF AWARD:** Awards will be made in the best interest of the State. The State may award one (1) or more grants and reserves the right to make additional awards to other compliant applicants at any time if such award is deemed to be in the best interest of the State. All other considerations being equal, preference will be given first to resident applicants of Vermont.

1.1.1. **ELIGIBILITY CRITERIA:** To receive a grant award, the following eligibility criteria shall be met.

1.1.1.1. Shall be a Vermont Licensed Specialized Child Care Provider, in good regulatory standing; AND

1.1.1.2. Be caring for children with specialized needs; AND

1.1.1.3. Child(ren) with specialized need(s) shall have an active One Plan, Individual Educational Plan, 504 Plan, or mental health treatment plan that addresses their specialized need(s); OR

1.1.1.4. An open case with the Family Services Division (FSD), including post-adoption case through the Department for Children and Families (DCF); AND

1.1.1.5. Presence of a documented physical, medical, or behavior challenge that is causing a safety risk to the child or others within the child care setting.

1.1.2. **EVALUATION CRITERIA:** Eligible applications shall be evaluated on the following areas based on the application information, individual child's needs, and submitted documentation.

1.1.2.1. Expulsion

1.1.2.2. Danger/Safety Concerns

1.1.2.3. Diagnosis

1.1.2.4. Child Protection Involvement

1.1.2.5. Social, Emotional, and Behavior Needs

1.1.2.6. Child Care Provider Quality

1.1.2.7. Service Delivery and Collaboration

1.1.2.8. Program Cost

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References

1 In SFY 2022, these diagnoses included: ADHD, autism spectrum disorder, developmental/communication delay, Down syndrome, parent-child relational problem, emotional disturbance/oppositional defiant disorder, global delays, seizures/epilepsy, hearing/visual Impairment, cerebral palsy, and children in the process of being evaluated for autism spectrum disorder.

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